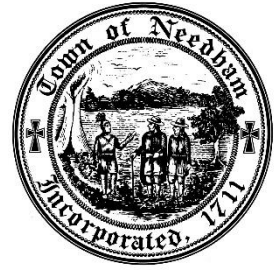


# **SELECT BOARD AGENDA**

## **Regular Meeting**

**6:00 p.m. May 27, 2025**



**Town Hall**  
**Select Board Chambers**  
**1471 Highland Avenue**  
**Needham, MA 02492**  
**&**  
**Zoom**

**Originally Posted: May 22, 2025 at 3:10 p.m.**  
**Revised: May 23, 2025 at 10:20 a.m.**

Pursuant to An Act Extending Certain COVID-19 Measures Adopted During the State of Emergency, meetings of public bodies may be conducted virtually provided that adequate access is provided to the public.

To listen and view this virtual meeting on a phone, computer, laptop, or tablet, download the “Zoom Cloud Meeting” app in any app store or at [www.zoom.us](http://www.zoom.us). At the above date and time, click on “Join a Meeting” and enter the meeting or click the link below to join the webinar:

Link:

<https://needham-k12-ma-us.zoom.us/j/82601013229?pwd=OE82V1MxQnJUZHVXZjFNbWJXRFJoQT09>

Webinar ID: 826 0101 3229

Passcode: 652800

One tap mobile: [+16469313860](tel:+16469313860).,82601013229#,,, \*652800#

This is a public meeting of the Needham Select Board. The meeting is open to the public both in person and via Zoom. Residents are invited to provide comment during the public comment period (if set forth below) and for any item explicitly listed as a public hearing. Public comment is not available during other agenda items.

|           |             |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |
|-----------|-------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|           | <b>6:00</b> | <p>Public Comment Period</p> <p>Residents are encouraged to inform the Office of the Town Manager in advance via email (OTM@needhamma.gov), telephone (781) 455-7500 extension 204, or in person by the end of the business day prior to the meeting of their intent to participate in the public comment period. The Chair will first recognize those who have communicated in advance their desire to speak for up to three minutes. If time allows, others wishing to speak will be recognized in an order determined by the Chair for up to three minutes. The Board's policy on public participation in meetings can be found <a href="#">here</a>.</p> |
| <b>1.</b> | <b>6:00</b> | 2025 Pride Month Proclamation                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |
| <b>2.</b> | <b>6:00</b> | <p>Public Hearing: Application for Alteration of Premises to an All-Alcohol License – North Hill Needham, Inc. dba North Hill</p> <ul style="list-style-type: none"> <li>• Briana Tucker, Manager of Record – North Hill Needham, Inc., dba North Hill</li> <li>• Thomas Miller – Applicant Counsel</li> </ul>                                                                                                                                                                                                                                                                                                                                               |
| <b>3.</b> | <b>6:10</b> | <p>40B Housing Proposal – Charles River Heights</p> <ul style="list-style-type: none"> <li>• Anne-Marie Bajwa, Charles River Center President &amp; CEO</li> <li>• William Grogan, Planning Office of Urban Affairs President</li> <li>• Phil Crean, Planning Office of Urban Affairs Project Manager</li> </ul>                                                                                                                                                                                                                                                                                                                                             |
| <b>4.</b> | <b>6:40</b> | <p>Municipal Decarbonization Roadmap</p> <ul style="list-style-type: none"> <li>• Gabby Queenan, Sustainability Manager</li> <li>• Carys Lustig, Director of Public Works</li> </ul>                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |
| <b>5.</b> | <b>7:00</b> | <p>DeFazio Parking Lot Stormwater Bioretention Basin</p> <ul style="list-style-type: none"> <li>• Gabby Queenan, Sustainability Manager</li> <li>• Justin Savignano, Assistant Town Engineer</li> <li>• Christopher Brainard, BETA</li> <li>• Phil Paradis, BETA</li> <li>• Julie Wood, Charles River Watershed Association</li> </ul>                                                                                                                                                                                                                                                                                                                       |
| <b>6.</b> | <b>7:15</b> | <p>Notice of Traffic Regulation: Mayo Avenue, Pinewood Road, Harris Avenue</p> <ul style="list-style-type: none"> <li>• Carys Lustig, Director of Public Works</li> <li>• Justin McCullen, Transportation Safety Committee Chair</li> </ul>                                                                                                                                                                                                                                                                                                                                                                                                                  |
| <b>7.</b> | <b>7:20</b> | <p>Approve Sale of Bond Anticipation Note (updated)</p> <ul style="list-style-type: none"> <li>• David Davison, Deputy Town Manager/Director of Finance</li> <li>• Ellyse Glushkov, Town Treasurer/Collector</li> <li>• Cecilia Simchak, Assistant Director of Finance</li> </ul>                                                                                                                                                                                                                                                                                                                                                                            |
| <b>8.</b> | <b>7:35</b> | <p>Town Manager</p> <ul style="list-style-type: none"> <li>• Town Manager Report</li> </ul>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |
| <b>9.</b> | <b>7:40</b> | <p>Board Discussion</p> <ul style="list-style-type: none"> <li>• Envision Needham Center Working Group</li> <li>• Committee Reports</li> </ul>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |



## APPOINTMENT CALENDAR

|    |                      |                                                                   |
|----|----------------------|-------------------------------------------------------------------|
| 1. | Wenlie Zhou          | Needham Council for Arts and Culture<br>Term Exp: 5/27/2028       |
| 2. | Christopher Teachout | Council of Economic Advisors:<br>Term Exp: 6/30/2026              |
| 3. | Karen Price          | Norfolk County Advisory Board<br>Term Exp: 6/30/2028              |
| 4. | Ann Cosgrove         | Registrar of Voters<br>Term Exp: 3/31/2028                        |
| 5. | Natasha Espada       | Stephen Palmer Reuse Development Committee<br>Term Exp: 6/30/2027 |
| 6. | Margaret Murphy      | Stephen Palmer Reuse Development Committee<br>Term Exp: 6/30/2027 |
| 7. | Michela DeSantis     | Stephen Palmer Reuse Development Committee<br>Term Exp: 6/30/2027 |

## CONSENT AGENDA \*Supporting Documents in Agenda Packet

|     |                                                                                                                                                                                                                                                                                                                                                                 |
|-----|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 1.* | Approve Open Session Minutes of May 7 and May 12, 2025 (updated)                                                                                                                                                                                                                                                                                                |
| 2.* | Approve Personnel Administration Policy #432: Anti-Nepotism Policy                                                                                                                                                                                                                                                                                              |
| 3.  | Approve a request from Stefanie Forman for an Entertainment license for a one-time event, Newman PTC Springfest, on June 7, 2025. This event has been approved by the following departments: Police, Fire, Park & Recreation and Public Works                                                                                                                   |
| 4.  | Accept the following donation made to the Needham Community Revitalization Trust Fund: <ul style="list-style-type: none"> <li>\$100 from the Rotary Club of Needham</li> </ul>                                                                                                                                                                                  |
| 5.  | Accept the following donation made to the Needham Public Health Division: <ul style="list-style-type: none"> <li>\$300 from Christ Episcopal Church for Needham's Gift of Warmth program</li> </ul>                                                                                                                                                             |
| 6.  | Accept the following donations made to the Needham Free Public Library: <ul style="list-style-type: none"> <li>\$500 from Barbara Kochaniak</li> <li>\$15 from Beverly Singer</li> <li>\$300 from anonymous donor</li> <li><i>Stormstruck!</i>, <i>Into the Trap</i>, and <i>The Sea Singer</i>, estimated value \$50, from the author, Craig Moodie</li> </ul> |
| 7.  | Authorize the placement of Pride Month lawn signs at the Town Hall and Public Services Administration Building from June 1, 2025 through June 30, 2025                                                                                                                                                                                                          |
| 8.* | Approve and authorize the Select Board Chair to sign a letter allowing the Town to request a health insurance rate quote from MIIA (Massachusetts Interlocal Insurance Association), solely for cost analysis as part of the Town's ongoing review of its health insurance offerings with no immediate changes to current plans                                 |
| 9.* | Approve and authorize the chair to sign the employment agreement between the Town and the Fire Chief for FY2026-2028                                                                                                                                                                                                                                            |



**Select Board  
TOWN OF NEEDHAM  
AGENDA FACT SHEET**

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**MEETING DATE: 5/27/202**

|                     |                          |
|---------------------|--------------------------|
| <b>Agenda Item</b>  | Pride Month Proclamation |
| <b>Presenter(s)</b> |                          |

|                                                                                                                                                                   |                                                   |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------|
| <b>1.</b>                                                                                                                                                         | <b>BRIEF DESCRIPTION OF TOPIC TO BE DISCUSSED</b> |
| The Board will read the 2025 Pride Month Proclamation, highlighting the Town of Needham as a welcoming community that values and embraces the LGBTQIA+ community. |                                                   |
| <b>2.</b>                                                                                                                                                         | <b>VOTE REQUIRED BY SELECT BOARD</b>              |
| Suggested Motion: That the Board vote to approve and sign the 2025 Pride Month Proclamation.                                                                      |                                                   |
| <b>3.</b>                                                                                                                                                         | <b>BACK UP INFORMATION ATTACHED</b>               |
| 1. Pride Month Proclamation                                                                                                                                       |                                                   |

# **TOWN OF NEEDHAM**

## **2025 PRIDE MONTH PROCLAMATION**

**WHEREAS:** The Town of Needham is a welcoming community; and

**WHEREAS:** Needham values the diversity of its residents and people everywhere; and

**WHEREAS:** Needham respects the contribution that each and every resident makes to our Town; and

**WHEREAS:** Needham appreciates the rich tapestry of ethnic, cultural, racial, sexual, and gender identities of its residents; and

**WHEREAS:** Needham embraces our LGBTQIA+ community; and

**WHEREAS:** LGBTQIA+ youth are at especially high risk of experiencing discrimination, mistreatment, and violence, and the Town is committed to ensuring that they are safe, valued, and supported.

**NOW THEREFORE,** be it resolved that June 2025 be declared Pride Month in the Town of Needham and that all residents be encouraged to recognize and acknowledge the contributions of the LGBTQIA+ members of our community as we continue to advance the principles of liberty, equality, inclusivity, and justice for all.

**Signed this twenty-seventh day of May, 2025**

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**SELECT BOARD**



**Select Board  
TOWN OF NEEDHAM  
AGENDA FACT SHEET**

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**MEETING DATE: 5/27/2025**

|                     |                                                                                                                                                               |
|---------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Agenda Item</b>  | Public Hearing: Application for an Alteration of Premises Amendment to an All-Alcohol License – North Hill Needham, Inc. dba North Hill                       |
| <b>Presenter(s)</b> | Briana Tucker – Manager of Record, North Hill Needham, Inc. dba North Hill<br>Thomas Miller, Esq., McDermott, Quilty, Miller & Hanley LLP – Applicant Counsel |

|           |                                                                                                                                                                                                                                                                                                                                           |
|-----------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>1.</b> | <b>BRIEF DESCRIPTION OF TOPIC TO BE DISCUSSED</b>                                                                                                                                                                                                                                                                                         |
|           | North Hill Needham, Inc. dba North Hill has applied for an Alteration of Premises to their existing Section 12 Continuing Care Retirement Community All-Alcoholic Beverages License at 865 Central Avenue, Needham, MA. The amendment proposes to add already existing and constructed portions of the structure to the Licensed Premise. |
| <b>2.</b> | <b>VOTE REQUIRED BY SELECT BOARD</b>                                                                                                                                                                                                                                                                                                      |
|           | Suggested Motion: Move to approve/deny the application for Alteration of Premises to a Section 12 Continuing Care Retirement Community All-Alcohol License submitted by North Hill Needham, Inc., dba North Hill, and if so approved, forward the application to the ABCC for review and final approval.                                  |
| <b>3.</b> | <b>BACK UP INFORMATION ATTACHED</b>                                                                                                                                                                                                                                                                                                       |
|           | <ol style="list-style-type: none"><li>1. Receipt of Filing Payment to ABCC</li><li>2. ABCC Payment Monetary Transmittal Form</li><li>3. Application for Alteration of Premises</li><li>4. Vote of the Entity</li><li>5. Floor Plan</li><li>6. Abutters Notice</li><li>7. Abutters List</li><li>8. Advertisement</li></ol>                 |

# Monetary Transmittal Form and ABCC Payment Receipt



*The Commonwealth of Massachusetts*  
*Alcoholic Beverages Control Commission*  
95 Fourth Street, Suite 3, Chelsea, MA 02150-2358  
[www.mass.gov/abcc](http://www.mass.gov/abcc)

**RETAIL ALCOHOLIC BEVERAGES LICENSE APPLICATION  
MONETARY TRANSMITTAL FORM**

**AMENDMENT-Change or Alteration of Premises Information**

**APPLICATION SHOULD BE COMPLETED ON-LINE, PRINTED, SIGNED, AND SUBMITTED TO THE LOCAL  
LICENSING AUTHORITY.**

**ECRT CODE: RETA**

Please make \$200.00 payment here: [ABCC PAYMENT WEBSITE](#)

**PAYMENT MUST DENOTE THE NAME OF THE LICENSEE CORPORATION, LLC, PARTNERSHIP, OR INDIVIDUAL AND INCLUDE THE  
PAYMENT RECEIPT**

**ABCC LICENSE NUMBER (IF AN EXISTING LICENSEE, CAN BE OBTAINED FROM THE CITY)**

08752-RC-0770

**ENTITY/ LICENSEE NAME**

North Hill Needham, Inc.

**ADDRESS**

865 Central Ave

**CITY/TOWN**

Needham

**STATE**

MA

**ZIP CODE**

02492

**For the following transactions (Check all that apply):**

- |                                                       |                                                                     |                                                                           |                                                                       |
|-------------------------------------------------------|---------------------------------------------------------------------|---------------------------------------------------------------------------|-----------------------------------------------------------------------|
| <input type="checkbox"/> New License                  | <input type="checkbox"/> Change Corporate Name                      | <input type="checkbox"/> Change of Class (i.e. Annual / Seasonal)         | <input type="checkbox"/> Change Corporate Structure (i.e. Corp / LLC) |
| <input type="checkbox"/> Transfer of License          | <input type="checkbox"/> Change of DBA                              | <input type="checkbox"/> Change of License Type (i.e. club / restaurant)  | <input type="checkbox"/> Change of Hours                              |
| <input type="checkbox"/> Change of Manager            | <input checked="" type="checkbox"/> Alteration of Licensed Premises | <input type="checkbox"/> Change of Category (i.e. All Alcohol/Wine, Malt) | <input type="checkbox"/> Pledge of Collateral (i.e. License/Stock)    |
| <input type="checkbox"/> Change of Officers/Directors | <input type="checkbox"/> Change of Location                         | <input type="checkbox"/> Issuance/Transfer of Stock/New Stockholder       | <input type="checkbox"/> Management/Operating Agreement               |
| <input type="checkbox"/> Change of Ownership Interest | <input type="checkbox"/> Other                                      | <input type="text"/>                                                      |                                                                       |

**THE LOCAL LICENSING AUTHORITY MUST SUBMIT THIS  
APPLICATION ONCE APPROVED VIA THE ePLACE PORTAL**

**Alcoholic Beverages Control Commission**  
**95 Fourth Street, Suite 3**  
**Chelsea, MA 02150-2358**

## Payment Confirmation

YOUR PAYMENT HAS PROCESSED AND THIS IS YOUR RECEIPT

Your account has been billed for the following transaction. You will receive a receipt via email.



Transaction Processed Successfully.

INVOICE #: d4b7c520-957f-47db-a3cc-2344a6051010

| Description        | Applicant, License or Registration Number | Amount          |
|--------------------|-------------------------------------------|-----------------|
| FILING FEES-RETAIL | 08752-RC-0770                             | \$200.00        |
|                    |                                           | <b>\$200.00</b> |

Total Convenience Fee: **\$0.35**Date Paid: **4/29/2025 12:12:42 PM EDT**Total Amount Paid: **\$200.35**

## Payment On Behalf Of

License Number or Business Name:  
08752-RC-0770Fee Type:  
FILING FEES-RETAIL

## Billing Information

First Name:  
McDermott, Quilty,Last Name:  
Miller & Hanley LLPAddress:  
28 State StreetCity:  
BostonState:  
MAZip Code:  
02109Email Address:  
[REDACTED]



# Alteration of Premises Application



*The Commonwealth of Massachusetts*  
*Alcoholic Beverages Control Commission*  
**95 Fourth Street, Suite 3, Chelsea, MA 02150-2358**  
*www.mass.gov/abcc*

**AMENDMENT-Change or Alteration of Premises Information**

☐ **Change of Location**

- Payment Receipt
- Monetary Transmittal Form
- Chg of Location/Alteration of Premises Application
- Financial Statement
- Vote of the Entity
- Supporting financial records
- Legal Right to Occupy
- Floor Plan
- Abutter's Notification
- Advertisement

☒ **Alteration of Premises**

- Payment Receipt
- Monetary Transmittal Form
- Chg of Location/Alteration of Premises Application
- Financial Statement
- Vote of the Entity
- Supporting financial records
- Legal Right to Occupy
- Floor Plan
- Abutter's Notification
- Advertisement

**1. BUSINESS ENTITY INFORMATION**

Entity Name

North Hill Needham, Inc.

Municipality

Needham

ABCC License Number

08752-RC-0770

Please provide a narrative overview of the transaction(s) being applied for. Attach additional pages, if necessary.

This application will add already existing and constructed portions of the structure to the Licensee's Licensed Premise. This will add two (2) existing dining areas, multiple lounges, a gallery, a library and other areas for community gatherings as well as the "Town Green" for outdoor gathering and events. There will be no work done and no funds expended.

**APPLICATION CONTACT**

The application contact is the person who should be contacted with any questions regarding this application.

Name

Thomas P. Miller, Esq.

Title

Attorney

Email

[REDACTED]

Phone

[REDACTED]

**2. ALTERATION OF PREMISES**

**2A. DESCRIPTION OF ALTERATIONS**

Please summarize the details of the alterations and highlight any specific changes from the last-approved premises.

This will add already existing and constructed portions of the structure to the Licensed Premise. This will add two (2) existing dining areas, multiple lounges, a gallery, a library and other areas for community gatherings as well as the "Town Green" for outdoor gathering and events.

**2B. PROPOSED DESCRIPTION OF PREMISES**

Please provide a complete description of the proposed premises, including the number of floors, number of rooms on each floor, any outdoor areas to be included in the licensed area, and total square footage. You must also submit a floor plan.

Please see Additional Information.

Total Sq. Footage

34,840

Seating Capacity

565

Occupancy Number

838

Number of Entrances

7

Number of Exits

12

Number of Floors

3

## AMENDMENT-Change or Alteration of Premises Information

### **3. CHANGE OF LOCATION**

#### **3A. PREMISES LOCATION**

Last-Approved Street Address

Proposed Street Address

#### **3B. DESCRIPTION OF PREMISES**

Please provide a complete description of the premises to be licensed, including the number of floors, number of rooms on each floor, any outdoor areas to be included in the licensed area, and total square footage. You must also submit a floor plan.

Total Sq. Footage

Seating Capacity

Occupancy Number

Number of Entrances

Number of Exits

Number of Floors

#### **3C. OCCUPANCY OF PREMISES**

Please complete all fields in this section. Please provide proof of legal occupancy of the premises. (E.g. Deed, lease, letter of intent)

Please indicate by what means the applicant has to occupy the premises

Lease

Landlord Name

Babson College

Landlord Phone

Landlord Email

Landlord Address

231 Forest Street, Babson Park, MA 02457

Lease Beginning Date

11/01/1984

Rent per Month

\$124,387.96

Lease Ending Date

10/31/2059

Rent per Year

\$1,492,655.52

Will the Landlord receive revenue based on percentage of alcohol sales?

☐ Yes ☒ No

#### 4. FINANCIAL DISCLOSURE

Associated Cost(s): (i.e. Costs associated with License Transaction including but not limited to: Property price, Business Assets, Renovations costs, Construction costs, Initial Start-up costs, Inventory costs, or specify other costs):

Associated Cost(s):

There are no funds associated with this transaction.

#### SOURCE OF CASH CONTRIBUTION

Please provide documentation of available funds. (E.g. Bank or other Financial institution Statements, Bank Letter, etc.)

| Name of Contributor | Amount of Contribution |
|---------------------|------------------------|
|                     |                        |
|                     |                        |
|                     |                        |
|                     |                        |
| Total:              | \$0                    |

#### SOURCE OF FINANCING

Please provide signed financing documentation.

| Name of Lender | Amount | Type of Financing | Is the lender a licensee pursuant to M.G.L. Ch. 138. |
|----------------|--------|-------------------|------------------------------------------------------|
|                |        |                   | <input type="radio"/> Yes <input type="radio"/> No   |
|                |        |                   | <input type="radio"/> Yes <input type="radio"/> No   |
|                |        |                   | <input type="radio"/> Yes <input type="radio"/> No   |
|                |        |                   | <input type="radio"/> Yes <input type="radio"/> No   |

## APPLICANT'S STATEMENT

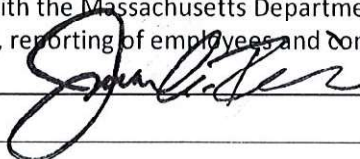
I, Joseph Frias the: ☐ sole proprietor; ☐ partner; ☒ corporate principal; ☐ LLC/LLP manager  
Authorized Signatory  
of North Hill Needham, Inc.  
Name of the Entity/Corporation

hereby submit this application (hereinafter the "Application"), to the local licensing authority (the "LLA") and the Alcoholic Beverages Control Commission (the "ABCC" and together with the LLA collectively the "Licensing Authorities") for approval.

I do hereby declare under the pains and penalties of perjury that I have personal knowledge of the information submitted in the Application, and as such affirm that all statements and representations therein are true to the best of my knowledge and belief. I further submit the following to be true and accurate:

- (1) I understand that each representation in this Application is material to the Licensing Authorities' decision on the Application and that the Licensing Authorities will rely on each and every answer in the Application and accompanying documents in reaching its decision;
- (2) I state that the location and description of the proposed licensed premises are in compliance with state and local laws and regulations;
- (3) I understand that while the Application is pending, I must notify the Licensing Authorities of any change in the information submitted therein. I understand that failure to give such notice to the Licensing Authorities may result in disapproval of the Application;
- (4) I understand that upon approval of the Application, I must notify the Licensing Authorities of any change in the ownership as approved by the Licensing Authorities. I understand that failure to give such notice to the Licensing Authorities may result in sanctions including revocation of any license for which this Application is submitted;
- (5) I understand that the licensee will be bound by the statements and representations made in the Application, including, but not limited to the identity of persons with an ownership or financial interest in the license;
- (6) I understand that all statements and representations made become conditions of the license;
- (7) I understand that any physical alterations to or changes to the size of the area used for the sale, delivery, storage, or consumption of alcoholic beverages, must be reported to the Licensing Authorities and may require the prior approval of the Licensing Authorities;
- (8) I understand that the licensee's failure to operate the licensed premises in accordance with the statements and representations made in the Application may result in sanctions, including the revocation of any license for which the Application was submitted; and
- (9) I understand that any false statement or misrepresentation will constitute cause for disapproval of the Application or sanctions including revocation of any license for which this Application is submitted.
- (10) I confirm that the applicant corporation and each individual listed in the ownership section of the application is in good standing with the Massachusetts Department of Revenue and has complied with all laws of the Commonwealth relating to taxes, reporting of employees and contractors, and withholding and remitting of child support.

Signature:



Date:

4/28/2025

Title:

President

## **ADDITIONAL INFORMATION**

Please utilize this space to provide any additional information that will support your application or to clarify any answers provided above.

### Amended Description of Premises

On three floors with outdoor space and "Town Green" with 34,840 square feet: Main Floor with lobby, lounges, library, gallery, kitchens café with seating for 38 outdoor patio and counter for service, and Bistro with table and bar seating for 70 and two (2) outdoor terraces. Lower Floor with theater with seating for 104 and stage, lounge with seating for 36 and bar seating for 7 and a self-service tap wall, bathrooms for residents and guests and storage. Upper Floor with Dining room and kitchen for residents and guests with seating for 310, private dining area and restrooms for patrons. Town Green with a total area of 16,440 square feet

## Vote of the Entity

### ENTITY VOTE

The Board of Directors or LLC Managers of North Hill Needham, Inc.

Entity Name

duly voted to apply to the Licensing Authority of Needham and the

City/Town

Commonwealth of Massachusetts Alcoholic Beverages Control Commission on April 28, 2025

Date of Meeting

For the following transactions (Check all that apply):

☒ Alteration of Licensed Premises

☐ Change of Location

☐ Other

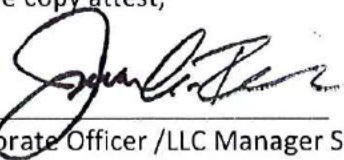
"VOTED: To authorize

Joseph Frias

Name of Person

to sign the application submitted and to execute on the Entity's behalf, any necessary papers and do all things required to have the application granted."

A true copy attest,



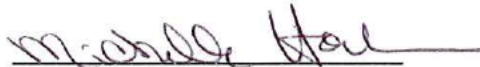
Corporate Officer /LLC Manager Signature

Joseph Frias

(Print Name)

For Corporations ONLY

A true copy attest,



Corporation Clerk's Signature

Michelle Houlihan

(Print Name)



# Legal Right to Occupy

# Original Lease

November 14<sup>th</sup>, 1978

GOODWIN, PROCTER & HOAR LLP

COUNSELLORS AT LAW  
EXCHANGE PLACE  
BOSTON, MASSACHUSETTS 02109-2881

TELEPHONE (617) 570-1000  
TELECOPIER (617) 227-8591

June 18, 1999

PRIVILEGED & CONFIDENTIAL

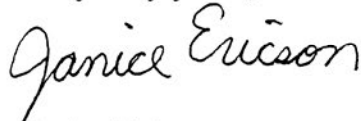
Jesse Lee  
Executive Director  
North Hill  
d/b/a Living Care Villages  
865 Central Avenue  
Needham, MA 02192

Re: Babson Lease

Dear Ms. Lee:

I enclose for your records a copy of the entire Babson lease including the six amendments to it. Please give me a call at (617) 570-1142 if you require anything further.

Very truly yours,

A handwritten signature in cursive script that reads "Janice Ericson".

Janice Ericson  
Secretary to James W. Nagle

Enclosures

DOCSB\597628.1

#1

LEASE

Lease made this 14<sup>th</sup> day of November, 1978, between BABSON COLLEGE, a corporation organized under the laws of the Commonwealth of Massachusetts (hereinafter called "Landlord") and LIVING CARE SERVICES CORPORATION, a corporation organized under the laws of the State of Iowa (hereinafter called "Tenant").

Preliminary Statement

Landlord is the owner of a certain parcel of land in Needham, Norfolk County, Massachusetts consisting of approximately 59 acres off Forest Street, Central Street and East Militia Drive. Tenant is an Iowa corporation engaged in the business of construction and development of so-called "life care retirement communities." A life care retirement community is a facility for people aged 62 and over and consists of independent living units with standard apartment-type amenities, common social and recreational facilities such as a central dining room, library, convocation center and convenience shops and a health care center which is a licensed nursing home facility sufficient to accommodate the needs of the residents. Examples of life care retirement communities which the principals of Tenant have helped develop and plan are set forth in Exhibit "A" hereto.

Tenant intends to develop a life care retirement community on the Premises (hereinafter called the "Project") and obtain permanent financing for its construction. During the development phase, Tenant will bear the financial risks and responsibilities

RE 215  
V  
10/12/78

for the Project. However, prior to the commencement of construction, it is Tenant's intention to assign this Lease and all Tenant's rights and liabilities in connection with the construction and management of the Project to a non-profit corporation to be formed pursuant to Chapter 180 of the General Laws of the Commonwealth of Massachusetts, or such similar statute (hereinafter called the "Sponsor"), which non-profit corporation shall assume all of Tenant's remaining obligations hereunder.

At the time of the execution of this Lease, there are certain conditions, set forth in Exhibits "C" and "D" hereof which must be satisfied prior to Tenant's commencing construction of the Project and paying any rental hereunder. It is the intention of the parties hereto that if these conditions are not satisfied within the requisite time periods set forth in Sections 2.3.1 and 2.3.2 hereof, then Tenant shall have no obligation to construct the Project and this Lease shall terminate and the parties hereto shall have no further recourse or liability against the other.

In consideration of the mutual promises and covenants of the parties hereto the parties do hereby agree as follows:

ARTICLE I

Reference Data

1.1 Subjects Referred To

Each reference in this Lease to any of the following subjects shall be construed to incorporate the following data.

DATE: November <sup>14</sup>, 1978

PREMISES: A certain parcel of land with all improvements thereon on Forest Street, Central Street and East Militia Drive, Needham, Norfolk County, Massachusetts containing approximately 59 acres, being more particularly described in Exhibit "B" attached hereto.

LANDLORD: Babson College, a Massachusetts corporation

ORIGINAL ADDRESS OF LANDLORD: Babson Park, Massachusetts 02157

TENANT: Living Care Services Corporation

ORIGINAL ADDRESS OF TENANT: 800 Second Avenue  
Des Moines, Iowa

TERM: Fifty (50) years from the Commencement  
Date as defined in Section 2.2 hereof.

TENANT'S ARCHITECT: Engelbrecht/Rice/Griffin  
525 Sixth, Des Moines, Iowa 50309

PUBLIC LIABILITY INSURANCE LIMITS:

Personal Property: \$100,000  
Bodily Injury: \$5 Million

1.2 Exhibits The exhibits listed below are attached hereto and incorporated in this Lease by reference and are to be construed as a part of this Lease:

EXHIBIT A: Examples of Life Care retirement communities  
EXHIBIT B: Description of Premises  
EXHIBIT C: April 1, 1980 Conditions  
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## ARTICLE II

### Premises and Term

2.1 Premises Landlord hereby leases to Tenant and Tenant hereby leases from Landlord, subject to and with the benefit of the terms, covenants, conditions and provisions of this lease, the Premises.

2.2 Term This Lease shall be effective from and after the date of execution by Landlord and Tenant of this Lease and shall terminate fifty (50) years after the "Commencement Date," (said date fifty years after the Commencement Date shall be hereinafter called the "Termination Date") unless sooner terminated as hereinafter provided. The Commencement Date shall be the first day of the calendar month next following the calendar month in which Phase I of the Project, as defined in Section 3.1(a) is deemed ready for occupancy. Phase I shall be deemed ready for occupancy on the earlier of (a) the date on which all Tenant's proposed improvements for Phase I together with the common facilities for access and service to the Premises have been substantially completed except for such items and adjustment of equipment and fixtures which can be completed after occupancy has been taken without causing substantial interference with the intended uses of the Premises, or (b) the date on which at least fifty (50) Phase I living units are occupied for their intended use. When the Commencement Date has been ascertained, the parties shall promptly execute an amendment to this Lease setting forth the said Commencement Date.

2.3 Permits and Approvals Upon the execution of this Lease and at the times deemed appropriate by Tenant thereafter, Tenant at its sole cost and expense shall apply for and use its best efforts to obtain all governmental and administrative approvals, permits and authorizations (including those set forth in Exhibit C and D hereof and any other approval, permit or authorization deemed necessary by the Tenant) for the construction of the Project. However, notwithstanding the above,

2.3.1 April 1, 1980 Conditions If the conditions described in Exhibit C hereof have not all been satisfied prior to April 1, 1980, this Lease and the term hereby demised shall terminate and come to an end as of midnight April 1, 1980, and the parties shall have no further liability hereunder; provided, however, if Tenant has reasonable cause to believe that all of the conditions set forth in Exhibit C hereof can be satisfied no later than October 1, 1980, then Tenant shall have, at Tenant's election by notice in writing to the Landlord on or before April 1, 1980, an additional period extending to October 1, 1980 to satisfy all of the conditions set forth in Exhibit C. If Tenant elects to extend the time for satisfaction of the conditions set forth in Exhibit C, as herein provided, and the conditions have not been satisfied by October 1, 1980, then this Lease shall terminate on midnight October 1, 1980 as and with the same result as aforesaid; and

2.3.2 April 1, 1981 Conditions If the conditions described in Exhibit D hereof have not all been satisfied, prior to April 1, 1981, this Lease and the term hereby demised shall terminate and come to an end as of midnight April 1, 1981, and the parties shall have no further liability hereunder; provided, however, if Tenant has reasonable cause to believe that all of the conditions set forth in Exhibit D hereof can be satisfied no later than October 1, 1981, then Tenant shall have, at Tenant's election by notice in writing to the Landlord on or before April 1, 1981, an additional period extending to October 1, 1981 to satisfy all of the conditions set forth in Exhibit D. If Tenant elects to extend the time for satisfaction of the conditions set forth in Exhibit D, as herein provided, and the conditions have not been satisfied by October 1, 1981, then this Lease shall terminate on midnight October 1, 1981 as and with the same result as aforesaid.

### ARTICLE III

#### Construction

3.1 Plan Approval On or before April 1, 1979, Tenant shall, at Tenant's sole cost and expense, cause to be prepared and delivered to Landlord for Landlord's approval two sets of outline preliminary plans and specifications (hereinafter called the "Preliminary Plans") which Preliminary Plans will set forth, fix and describe the size, height, character and location of all proposed buildings and improvements and describe all structural, mechanical and electrical systems, materials and

such other essentials as may be appropriate, floor plans, elevations, design sections, proposed landscaping, exterior lighting, roads, fences and parking lots. Notwithstanding the provisions of Section 5.1.2.(b) hereof, the Preliminary Plans shall also include setbacks for all proposed improvements. In addition, Tenant's proposed improvements on the Premises (hereinafter called "Tenant's Work") as outlined on the Preliminary Plans shall be clearly delineated into two phases to be hereinafter called "Phase I" and "Phase II", and shall consist of the following:

(a) Phase I - a minimum of 250 living units, the health care center and all common areas, facilities and appurtenances for access and service to said living units and health center.

(b) Phase II - the remainder of Tenant's proposed improvements on the Premises not included within Phase I. Landlord shall review the Preliminary Plans and shall, within thirty (30) days of their delivery, notify Tenant of Landlord's approval or rejection of the Preliminary Plans. Landlord shall evidence approval of the Preliminary Plans by initialling one set and returning them to Tenant. Landlord's failure to notify Tenant within thirty (30) days after receiving the Preliminary Plans shall be deemed an approval of the Preliminary Plans. Landlord's rejection of the Preliminary Plans shall be accompanied by a detailed list of objections together with a statement of what changes in the Preliminary Plans would make them accept-

able to Landlord. In the event of a rejection of the Preliminary Plans, Tenant shall make reasonable modification to the Preliminary Plans and resubmit them to Landlord for its approval until such time as Landlord either approves said modified Preliminary Plans or Landlord fails to respond in writing within thirty (30) days after receiving the modified Preliminary Plans. Landlord covenants not to unreasonably withhold or delay its plan approval.

3.2 Construction Tenant shall notify Landlord when all the conditions set forth in Exhibits C and D have been satisfied and shall commence construction of Phase I on the Premises not later than six (6) months after the satisfaction by Tenant of all conditions set forth in Exhibits C and D hereof. Tenant shall use its best efforts to substantially complete Phase I within eighteen (18) months after the commencement of Tenant's Work, which time shall be extended equal to that of any delays due to governmental regulations, unusual scarcity of or inability to obtain labor, equipment or materials, labor difficulties, casualty or other causes reasonably beyond Tenant's control. In addition, Tenant shall have the right but not the obligation to commence and complete all or a portion of Phase II on the Premises at any time and from time to time during the Term. All Tenant's Work shall be substantially in accordance with (a) the Preliminary Plans approved by Landlord and (b) the working drawings and specifications prepared by Tenant in conformity to and consistent with the intent of the approved Preliminary Plans as the same are from time to time amended and revised by Tenant with Landlord's

consent, which consent shall not be unreasonably withheld or delayed, but only to the extent such consent may be required under this Section 3.2. If, subsequent to Landlord's approval of Tenant's Preliminary Plans, Tenant desires changes in the Preliminary Plans or working drawings and specifications which materially affect the design concept of the Preliminary Plans or desires additions thereto which materially affect the design concept of the Preliminary Plans (which changes and additions are hereinafter called "revisions"), the Tenant shall serve upon the Landlord a statement of the revisions, submitting with such statement the appropriate plans and specifications showing in detail the revisions requested and, unless within twenty (20) days after receipt of such plans and specifications from the Tenant the Landlord shall give notice that it does not approve such revisions, such revisions desired by the Tenant shall be deemed approved by Landlord. Landlord's rejection of the revisions shall be accompanied by a detailed list of objections together with an indication of what changes on the revisions would make them acceptable to Landlord. Any controversy in the approval process of any revisions shall be submitted to arbitration in accordance with Section 12.1 hereof in which event the time for completion of Phase I shall be postponed to the extent that construction is delayed due to said arbitration. The Landlord covenants not unreasonably to withhold or delay its approval of such revisions. Other changes respecting work or materials, not having a material affect on the design concept of



the Preliminary Plans, may be made in the Preliminary Plans or the final plans and final specifications at any time without the approval of the Landlord.

3.3 Approvals Any required approval, governmental or administrative permit or authorization deemed necessary by Tenant hereunder may be applied for in the name of the Landlord, if required. In any event the Landlord agrees reasonably to cooperate with the Tenant, at Tenant's expense, in obtaining any required approval, permit or authorization. For purposes of this Lease, an approval or disapproval shall be deemed to have been obtained when the time for further review thereof by the appropriate court of competent jurisdiction or administrative body has expired.

3.4 General Provisions Applicable to Construction All Tenant's Work required or permitted by this Lease to be performed by Tenant, shall be done in a good and workmanlike manner, employing materials of good quality, and in compliance with all applicable laws, permits, licenses and agreements with the Town of Needham, and all applicable ordinances, regulations and orders of governmental authority and insurers of the Premises. Landlord may inspect the Tenant's Work at reasonable times and shall promptly give notice of observed defects. In no event shall Landlord have any obligation or responsibility for any defect in Tenant's Work or for failure to notice an unobserved defect. Tenant's obligations under Section 3.2 shall be deemed to have been conclusively performed when Tenant's Architect issues and delivers to Landlord a certificate of completion that



Tenant has performed all such obligations except for items stated in such certificate to be incomplete or not in conformity with such requirements; provided, however, that if Landlord by notice to Tenant within ten (10) business days after receipt of said certificate of completion, disputes the contents thereof, the dispute shall be submitted to arbitration in accordance with Section 12.1 hereof. Within six (6) months after the issuance of said certificate of completion, Tenant shall deliver to Landlord a copy of the final "as built" plans showing Tenant's Work. Prior to the commencement of Tenant's Work, Tenant shall furnish Landlord with performance, payment and lien bonds for each prime contractor guaranteeing Landlord and any Leasehold Mortgagee the timely performance of that part of Tenant's Work being performed by the prime contractor and further guaranteeing the full and complete payment by the Tenant of all costs, charges and expenses of that part of Tenant's Work being performed by the prime contractor.

3.5 Property All structures or other improvements, fixtures and equipment constructed or placed on the Premises by Tenant shall be the property of Tenant prior to the Commencement Date and during the Term. Upon the termination of this Lease, whether by lapse of time or otherwise, all such buildings, structures and improvements and any fixtures permanently affixed to the Premises shall become the property of the Landlord.

#### ARTICLE IV

##### Rent

4.1 Minimum Net Rent Tenant covenants and agrees to pay Landlord, at the original address of Landlord or at such other

place or places as the Landlord may by notice in writing to Tenant direct, Minimum Net Rent for the Term in the amount of One Million Twenty-Six Thousand Dollars (\$1,026,000), due and payable as set forth below, it being the intention of the parties that Tenant shall pay the entire Minimum Net Rent for the Term in or within five (5) years from the Commencement Date;

(a) The sum equal to the product of One Million Twenty-Six Thousand Dollars (\$1,026,000) multiplied by a fraction, the numerator of which is the number of living units (e.g., efficiency, studio, one, two or three bedroom unit containing kitchen and lavatory facilities -- does not include common area lounge or facility or any room, lounge or facility in the health care center) in Phase I (which number shall, in no event, be less than 250 or exceed 375) and the denominator of which is 375, shall be due and payable thirty (30) days after the Commencement Date; and

(b) The balance of the Minimum Net Rent shall be due and payable as follows:

(i) If Tenant has commenced construction of Phase II prior to the Commencement Date, then the balance of the Minimum Net Rent shall be due and payable thirty (30) days after the Commencement Date; or

(ii) If Tenant has not commenced construction of Phase II prior to the Commencement Date, then the balance of the Minimum Net Rent shall be due and

payable upon the earlier of A) thirty (30) days after Tenant commences construction of Phase II; or B) five (5) years after the Commencement Date.

Under no circumstances shall there be any refund to Tenant of all or any portion of the Minimum Net Rent paid hereunder as a result of any early termination of this Lease or for any other reason.

4.2 Additional Rent In addition to the Minimum Net Rent, beginning on the date Tenant commences construction of Phase I (hereinafter called the "Construction Commencement Date") Tenant covenants and agrees to pay, as additional rent, all charges with respect to the Premises (except those charges specifically excluded under this Lease) including, without limitation, all real estate taxes, betterment assessments, insurance costs, and utility charges with respect to the Premises as provided in this Section 4.2. This Lease is a net lease and it is the intention of the parties that subsequent to the Construction Commencement Date, Landlord shall have the Minimum Net Rent herein reserved to it without deductions therefrom.

4.2.1 Real Estate Taxes Tenant shall pay, directly to the authority charged with collection thereof, all taxes levied or assessed by, or becoming payable to the municipality or any governmental authority having jurisdiction of the Premises, for or in respect of the Premises or which may become a lien on the Premises, for each tax period wholly included in the Term subsequent to the Construction Commencement Date, all such

payments to be made not less than five (5) days prior to the last date on which the same may be paid without interest or penalty; provided that for any fraction of a tax period included in the Term subsequent to the Construction Commencement Date, at the beginning or end thereof, Tenant shall pay to Landlord, within ten (10) days after receipt of invoice therefor, the fraction of taxes so levied or assessed or becoming payable which is allocable to such included period. Tenant shall promptly, after payment thereof, furnish Landlord with reasonable evidence of each such payment. The Tenant may however contest in good faith, by appropriate proceedings, at the Tenant's expense, in the Landlord's and/or the Tenant's name, whenever necessary or desirable any such tax or charge and may either make such payment under protest or defer payment thereof provided that such non-payment does not immediately jeopardize Landlord's title to the Premises. Landlord agrees not to offer any objection and at the request of Tenant will cooperate in any appropriate proceedings and provided Tenant shall reimburse the Landlord for any expense or liability incurred thereby, the Landlord will execute any documents which may be necessary and proper for any such proceeding. Landlord covenants and agrees that if there shall be any refunds or rebates on account of the taxes paid by Tenant under this Lease, such refund or rebate shall belong to Tenant. Any refunds received by Landlord shall be deemed received by Landlord in trust for Tenant and paid to Tenant forthwith. Nothing contained in this Lease shall, however,

require Tenant to pay any franchise, corporate, estate, inheritance, succession, capital levy or transfer tax of Landlord, or any income, profits or revenue tax or charge upon the rent payable by Tenant under this Lease. If at any time during the Term under the laws of the Town of Needham, Commonwealth of Massachusetts or of the United States there shall be adopted some other method of taxation of real estate as a substitute or modification in whole or in part for taxes on real estate, as now levied (hereafter collectively called "Substitute Taxes"), Tenant shall pay such Substitute Taxes as soon as the same shall be due and payable to carry out the intent of the parties. If the parties cannot agree whether such Substitute Taxes are in substitution or modification in whole or in part for taxes on real estate, as now levied or on the extent to which Tenant should bear the cost of such Substitute Taxes, the matter shall be submitted to arbitration by the parties in accordance with the provisions of Section 12.1.

4.2.2 Betterment Assessments Tenant shall pay, directly to the authority charged with the collection thereof, each installment of any public, special or betterment assessment levied or assessed by or becoming payable to any municipality or other governmental authority having jurisdiction of the Premises, for or in respect of the Premises for each installment period partially or wholly included in the Term subsequent to the Construction Commencement Date, all such payments to be made not less than five (5) days prior to the last date on which the same

may be made without interest or penalty; provided that for any fraction of an installment period included in the Term subsequent to the Construction Commencement Date, at the beginning or end thereof, Tenant shall pay to Landlord, within ten (10) days after receipt of invoice therefor, the fraction of such installment allocable to such included period. Tenant may elect to pay any such assessment in installments over the longest period permitted by law. Tenant shall promptly after payment thereof furnish to Landlord reasonable evidence of each such payment. The Tenant may however contest in good faith, by appropriate proceedings, at the Tenant's expense, in the Landlord's and/or the Tenant's name, whenever necessary or desirable, the validity or amount of any assessment with respect to which Tenant is required to make payments and may either make such payment, protest or defer payment thereof, provided that such non-payment does not immediately jeopardize Landlord's title to the Premises. Any refunds received on account of any assessment paid by Tenant under this Lease shall belong to Tenant. Landlord shall cooperate with Tenant with respect to such proceedings so far as reasonably necessary. Landlord shall promptly furnish to Tenant a copy of any notice of any public, special or betterment assessment received by Landlord concerning the Premises.

4.2.3 Tax Fund Payments If any holder of a leasehold mortgage on the Premises requires Tenant to make tax fund payments to it, Tenant shall make such payments and all payments made by Tenant pursuant to this Section 4.2.3 shall to the



extent thereof relieve Tenant of its obligations under said Sections 4.2.1 and 4.2.2.

4.2.4 Insurance Tenant shall, as additional rent, pay for and maintain throughout the Term the following insurance protecting Landlord:

4.2.4.1 Fire Insurance Fire and extended coverage insurance in an amount at least equal to the full insurable value from time to time of all improvements from time to time on the Premises (not including, however, foundations, excavations and footings). Notwithstanding anything herein to the contrary, the amount of insurance shall be sufficient to avoid the effects of co-insurance in the event of partial loss.

4.2.4.2 Liability Insurance Comprehensive general public liability insurance insuring Landlord and Tenant against claims resulting from any injury to person or property which may be claimed to have occurred on the Premises or on the sidewalk or ways adjoining the Premises, in amounts which shall be at least equal to the limits set forth in Section 1.1; or such higher amounts as shall at the time be customarily carried by nursing homes or retirement communities in the Commonwealth of Massachusetts. Any controversy with respect to such higher limits shall be submitted to arbitration in accordance with Section 12.1 hereof.

4.2.4.3 Workmen's Compensation Insurance Workmen's compensation and employee's liability insurance covering any employee of the Tenant but excluding any independent agent, contractor or manager.

4.2.4.4 Fidelity Insurance Fidelity coverage against dishonest acts on the part of directors, managers, employees and volunteers responsible for handling funds belonging to or administered by Tenant, provided that the same is customarily available from insurance companies authorized to do business in the Commonwealth of Massachusetts. Notwithstanding anything herein to the contrary, said insurance shall not be required to be carried by Tenant prior to the Commencement Date.

4.2.4.5 Other Insurance Such other insurance (which may include but shall not be limited to product liability and medical malpractice insurance) as may, from time to time, be customarily carried by nursing homes or retirement communities doing business in the Commonwealth of Massachusetts; provided that any such other insurance be customarily available from insurance companies authorized to do business in the Commonwealth of Massachusetts. Any dispute as to the requirements of this Section 4.2.4.5 shall be submitted to arbitration in accordance with Section 12.1 hereof in which event compliance will be postponed until such determination is made. Notwithstanding anything herein to the contrary, such other insurance shall not be required to be carried by the Tenant prior to the Commencement Date.

4.2.4.6. Miscellaneous Requirements of Insurance Policies for insurance required under the provisions of this Article IV shall be obtained from responsible companies qualified to do business in the Commonwealth of Massachusetts and in good



standing therein. Tenant agrees, that upon demand, it will furnish Landlord with certificates of all such insurance ten (10) days prior to the Construction Commencement Date and certificates of each renewal policy at least thirty (30) days prior to the expiration of the policy it renews. Each such policy shall be non-amendable and non-cancellable with respect to the interest of Landlord without at least ten (10) days prior written notice thereto. In the event provision for any such insurance is to be by a blanket insurance policy, the policy shall allocate a specific and sufficient amount of coverage to the Premises.

4.2.4.7 Waiver of Subrogation All insurance which is carried by either party with respect to the Premises, whether or not required, (if it can be so written, and if it does not result in additional premium, or if a requesting party hereto agrees to pay and does pay any additional premium) shall name Landlord and Tenant and any holder of a leasehold mortgage as the insureds, as their respective interests may appear, in accordance with the provisions of this Lease and all such insurance shall deny to the insurer acquisition by subrogation of rights of recovery against the other party to the extent such rights have been waived by the insured party prior to the occurrence of loss or injury, insofar as, and to the extent that such provisions may be effective without making it impossible to obtain insurance coverage from responsible companies qualified to do business in the Commonwealth of Massachusetts and so long as no extra premium may result therefrom, or if an extra premium

shall be charged therefor so long as the other party pays such cost. Each party shall be entitled to have duplicates or certificates of any policies containing such provisions. Each party hereby waives all rights of recovery against the other for loss or injury against which the waiving party is protected by insurance containing said provisions.

4.2.4.8 Additional Insurance Requirements The proceeds of any such insurance policy in the event of an insured casualty loss shall be payable and applied to Tenant's restoration and repair or distributed to the parties in accordance with Article VIII hereof. All such policies shall provide that any losses thereunder shall be adjusted with the Tenant and holder of a leasehold mortgage, if any, and if there is no holder of a leasehold mortgage, then with Tenant and Landlord.

4.2.5 Utilities Tenant shall pay directly to the proper authorities charged with the collection thereof all charges for water, sewer, gas, electricity, telephone and other utilities or services used or consumed on the Premises during the Term.

4.2.6 Other Payments to Landlord In addition to all other payments required to be made by Tenant herein, Tenant agrees to pay Landlord, as additional rent, a sum equal to any increase in the real estate taxes for or in respect of the Premises allocable to the period commencing with the date of this Lease to the Construction Commencement Date, attributable to the rezoning of the premises for the development of the

Project. It is understood and agreed that Tenant shall pay Landlord a sum equal to only that portion of any such increase in real estate taxes attributable to an increase in the assessed valuation of the Premises resulting from the rezoning of the Premises, if any, and not to that portion, if any, of any such increase attributable to either an increase in the present tax rate or a general change in the method of assessing vacant land by the appropriate municipal or governmental authority. Such amount shall be paid within thirty (30) days after notice and demand thereof by Landlord, which notice shall include the submission by Landlord of a receipted tax bill and a statement setting forth the amount due. Tenant shall have the right to contest any increased assessment in the same manner as provided in Section 4.2.1. Any controversy in determining the amount due under this Section 4.2.6. shall be submitted to arbitration in accordance with Section 12.1. hereof.

#### ARTICLE V

##### Tenant's Additional Covenants

5.1 Affirmative Covenants Tenant covenants at its expense at all times during the Term and such further time as Tenant occupies the Premises or any part thereof:

5.1.1 Perform Obligations To perform promptly all of the obligations of Tenant set forth in this Lease; and to pay when due the Minimum Net Rent and Additional Rent and all charges, rates and other sums which by the terms of this Lease are to be paid by Tenant.

5.1.2 Use That the Premises shall be used and occupied only as a community for the elderly, which community

may include independent living units, common area facilities, the health care center and all other accessory uses for access and service to the community, and shall be subject to the following restrictions, covenants and conditions:

(a) the Project shall not consist of more than 375 independent living units and the health care center shall not have more than 100 health care beds.

(b) no part of any principal building or parking area shall be located or maintained on the Premises within 200 feet of the boundary line of any public street or way bordering the Premises;

(c) all improvements constructed by the Tenant on the Premises, including principal buildings, parking areas and driveways, shall not cover more than twenty-five (25%) per cent of the total ground area of the Premises;

(d) no signs shall be displayed on the Premises without written permission of the Landlord, which permission shall not be unreasonably withheld or delayed;

(e) Tenant shall maintain the Premises, including frontage on Central Street, Forest Street and East Militia Drive in a neat condition and shall be responsible for removing all litter at least at weekly intervals;

(f) Tenant shall use reasonable efforts to assure that interior and exterior noise levels never become excessive.

5.1.3 Repair and Maintenance Except as otherwise provided in Articles VIII or IX hereof, to keep the Premises (including, without limitation, the exterior and structure and all improvements thereon and all heating, plumbing, electrical, air-conditioning, mechanical and other fixtures and equipment therein, signs, roads and parking lots) in a good and tenantable condition, reasonable use, wear and tear, and loss by fire, casualty, Acts of God or eminent domain taking only excepted; and keep reasonably free of snow and ice the roofs and all surfaced roadways, walks, and parking and loading areas; and to make all repairs and replacements and to do all other work necessary for the foregoing purposes.

5.1.4 Additions and Alterations Except for Tenant's Work, not to make exterior alterations or additions to the Premises, or interior alterations or additions to the Premises costing more than One Hundred Thousand (\$100,000.00) Dollars in any one instance, without Landlord's consent, which shall not be unreasonably withheld or delayed.

5.1.5 Compliance With Law To use the Premises in compliance with all applicable laws, permits, licenses and agreements with the Town of Needham and all applicable ordinances, regulations and orders of governmental authority and insurers of the Premises; to make all repairs, alterations, additions or replacements to the Premises required by any law, ordinance, license or permit or any order, regulation or agreement of any public authority by reason of Tenant's use of the Premises; to

keep the Premises equipped with all safety appliances so required; and to comply with the orders and regulations of all governmental authorities; except that nothing herein shall require Tenant to make structural repairs, alterations, additions or replacements costing more than One Hundred Thousand (\$100,000.00) Dollars in any one instance unless occasioned by the misuse of the Premises by Tenant or unless the failure to make such repairs, alterations, additions or replacements will result in subjecting Landlord to civil or criminal liability. Tenant may, in any event, defer compliance so long as the validity of any such law, ordinance, permit, license, order or regulation shall be contested by Tenant in good faith and by appropriate legal proceedings.

5.1.6 Payment for Tenant's Work To pay promptly when due the entire cost of any work to the Premises undertaken by Tenant and to remove after notice thereof all liens for labor and materials; to procure all necessary permits before undertaking such work; to do all of such work in a good and workman-like manner, employing materials of good quality and complying with all governmental requirements and to save Landlord harmless and indemnified from all injury, loss, claims or damage to any person or property occasioned by or growing out of such work.

5.1.7 Indemnity From and after the Construction Commencement Date, to assume exclusive control of the Premises, and all tort liabilities incident to the control or leasing thereof, and to defend, indemnify and save Landlord harmless from all injury, loss, claim or damage to or of any person or

property while on the Premises arising from any omission, fault, negligence or other misconduct of any person whatsoever, except that Landlord shall in no event be indemnified or held harmless under this Lease from any liability to Tenant or any other person for any injury, loss, claim or damage to or of any person or property caused by the negligence or misconduct of Landlord, its agents, servants or employees.

5.1.8 Landlord's Right to Enter To permit Landlord and its agents to enter into and examine the Premises at reasonable times during business hours after reasonable notice from Landlord to Tenant requesting the same.

5.1.9 Personal Property at Tenant's Risk That all of the furnishings, fixtures, equipment, effects and property of every kind, nature and description of Tenant and of all persons claiming by, through or under Tenant which, during the continuance of this Lease or any occupancy of the Premises by Tenant or anyone claiming under Tenant, may be on the Premises, shall be at the sole risk and hazard of Tenant, and if the whole or any part thereof shall be destroyed or damaged by fire, water or otherwise, or by the leakage or bursting of water pipes, by theft or from any other cause, no part of said loss or damage is to be charged to or to be borne by Landlord, except that Landlord shall in no event be indemnified or held harmless or exonerated from any liability to Tenant or to any other person, for any injury, loss, claim or damage to or of any person or property to the extent prohibited by law.



5.1.10 Yield Up Except as otherwise provided in Articles VIII and IX, at the expiration of the Term, or earlier termination of this Lease, to peaceably yield up and surrender the Premises including all improvements constructed by Tenant thereon, except for movable trade fixtures and personal property owned by the Tenant or any resident of the retirement community, in the same order and repair in which Tenant is obligated to keep and maintain the Premises during the Term under the provisions of this Lease and to remove all personal property of the Tenant. Any property not removed by Tenant at the expiration of the Term, or earlier termination of the Lease, at the election of Landlord shall be deemed abandoned and may be removed and disposed of by Landlord in such manner as Landlord shall determine. Notwithstanding the above, in the event of an early termination of this Lease pursuant to Section 11.1 hereof, Tenant agrees to yield and surrender to Landlord all personal property of the Tenant located on the Premises.

5.1.11 Charles River Association for Retarded Citizens To use reasonable efforts to live in harmony with Charles River Association for Retarded Citizens; provided, however, that no breach by Tenant of this covenant shall be considered a default for the purposes of Article XI of this Lease.

5.1.12 Obligations to Life Care Residents Landlord and Tenant acknowledge that during the term of this Lease, Tenant intends to enter into so-called life care residency agreements with residents of the Project which agreements will



contain obligations on the part of Tenant to make available and provide a living unit and certain services and utilities for the lifetime of such resident. As a result of these obligations on the part of the Tenant, Landlord and Tenant agree that within twenty-five (25) years after the Commencement Date of this Lease, Landlord and Tenant shall explore the possibility of a further extension of this Lease, upon such terms and conditions as they may agree upon. If Landlord and Tenant cannot agree on any such extension within the said twenty-five (25) year period, Tenant agrees not to execute any life care residency agreement without first having presented a program to Landlord for Landlord's approval, which approval shall not be unreasonably withheld or delayed, indicating the manner in which Tenant proposes to fulfill Tenant's obligations contained in residency agreements after the Termination Date. In the event that Landlord and Tenant are able to agree on an extension of the term of this Lease, the time for obtaining Landlord's approval for such program shall be extended for a period equal to the period of any such extension of this Lease. In any event, Tenant agrees that upon the Termination Date, Tenant shall make adequate arrangements for any resident of the Project for whom Tenant has continuing obligations after the Termination Date pursuant to any residency agreement.

#### ARTICLE VI

##### Assignments, Subletting and Mortgaging

6.1 Assignment During the term, Tenant may from time to time assign this Lease in whole or in part to:

(a) the Sponsor or any holder of a leasehold mortgage or nominee thereof, and thereafter by those holding by, through or under such holder, without the prior written consent of Landlord; or

(b) any other person or entity, with the prior written consent of Landlord, which consent shall not be unreasonably withheld or delayed;

provided, that the assignee, in either event, shall simultaneously agree in writing to assume and perform all the terms, covenants, conditions and agreements imposed upon Tenant by this Lease and provided further that (except in the event of an assignment of this Lease to a holder of a leasehold mortgage upon foreclosure and thereafter by those holding by, through or under such holder) the assignee (other than the holder of a leasehold mortgage or one holding by, through or under a holder) agrees in writing to assume and perform all of the terms, covenants, conditions and agreements imposed by any other written agreements between Landlord and Tenant relating to this Lease or the Premises. Upon delivery to Landlord of a written assumption of all such terms, covenants, conditions and agreements, Tenant shall be relieved to the extent of such assumption of all liability and obligations hereunder and under any other such agreements and Landlord agrees to execute a release of Tenant from such assumed liabilities and obligations satisfactory in form and substance to Tenant. Any assignment hereunder shall be expressly subject to the terms of this Lease.

6.2 Subletting and Mortgaging Tenant may from time to time sublet the Premises in part upon terms consistent with the Lease, but Tenant shall remain primarily liable for all of the terms, conditions and provisions of this Lease. In addition, Tenant may from time to time enter into management contracts, residency agreements, concessions or licenses consistent with the operation of the Premises for any Permitted Use, all of which shall be subject to this Lease, without the prior written consent of Landlord, except that after thirty-five (35) years from the Commencement Date, no such residency agreement which is likely to remain in effect beyond the termination of this Lease shall be entered into by Tenant without its containing a provision specifically stating that on the Termination Date, Landlord will repossess the Premises and have no obligation to provide any of the services contained in said residency agreement, without the prior written consent of Landlord, which shall not be unreasonably withheld or delayed. Tenant may from time to time mortgage or pledge Tenant's interest in this Lease subject to the provisions of Article VII hereof.

#### ARTICLE VII

##### Financing of Premises

7.1 Landlord's Covenants Landlord hereby covenants and agrees that during the Term of this Lease, Landlord shall not have the right or power to mortgage or otherwise create any security or other lien or encumbrance upon or affecting the fee interest or equity of redemption in the Premises, or buildings,

improvements, fixtures, equipment or other property thereon, or any part thereof, at any time and from time to time.

7.2 Leasehold Mortgages Tenant is hereby given the right by Landlord in addition to any other rights herein granted, without Landlord's prior written consent, to mortgage its entire interest in this Lease under one or more Leasehold Mortgages and/or under a purchase money first or second Leasehold Mortgage, in connection with any sale of such interest (hereinafter called a "Leasehold Mortgage"), and assign this Lease as collateral security for any such Leasehold Mortgage, upon the condition that all rights acquired under a Leasehold Mortgage shall be subject to each and all of the covenants, conditions and restrictions set forth in this Lease, and to all rights and interests of Landlord herein, none of which covenants, conditions or restrictions is or shall be waived by Landlord by reason of the right given so to mortgage such interest in this Lease, except as provided in this Article VII and Article XI. If Tenant shall mortgage this leasehold, or any part or parts thereof, and if any holders of any such Leasehold Mortgage (hereafter called a "Lender") shall, within thirty (30) days of its execution, send to Landlord a true copy thereof, together with a written notice specifying the name and address of the Lender and the pertinent recording date with respect to any such Leasehold Mortgage, Landlord agrees that during the term of this Lease so long as any such Leasehold Mortgage shall remain unsatisfied of record or until written notice of satisfaction is given by any such Lender to Landlord, the following provisions shall apply:

(a) There shall be no cancellation, surrender or modification of this Lease by joint action of Landlord and Tenant without the prior consent in writing of such Lender;

(b) Landlord shall, upon giving Tenant with any notice of default, simultaneously mail a copy of such notice to the Lender. The Lender shall thereupon have the same period, after receipt of such notice upon it, to remedy or cause to be remedied the defaults complained of, as Tenant may have hereunder, and Landlord shall accept such performance by or at the instigation of such Lender as if the same had been done by Tenant;

(c) Anything herein contained notwithstanding, while any such Leasehold Mortgage remains unsatisfied of record, or until written notice of satisfaction is given by the Lender to Landlord, if any default shall occur which, pursuant to any provision of this Lease, entitles Landlord to terminate this Lease, and if before the expiration of thirty (30) days from the date receipt of notice of election to terminate upon such Lender, such Lender shall have notified Landlord of its desire to nullify such notice and shall have paid to Landlord all rent and additional rent and other payments herein provided for which are then in default, and shall have complied or shall commence the work of complying with all of the other requirements of this Lease, if any are then in default, and shall prosecute the same to completion with reasonable diligence, then in such

event Landlord shall not be entitled to terminate this Lease and any notice of termination theretofore given shall be void and of no effect;

(d) If the Landlord shall elect to terminate this Lease by reason of default of Tenant, any Lender shall not only have the right to nullify any notice of termination by curing such default, as aforesaid, but shall also have the right to postpone and extend the specified date for the termination of this Lease as fixed by Landlord in its notice of termination, for a period of not more than six (6) months; provided that such Lender shall cure or cause to be cured any then existing money defaults and pay the rent, additional rent and comply with and perform all of the other terms, conditions and provisions of this Lease on Tenant's part to be complied with and performed, other than past non-monetary defaults, and provided further that any such Lender shall forthwith take steps to acquire or sell Tenant's interest in this Lease by foreclosure of the Leasehold Mortgage or otherwise and shall prosecute the same to completion with all due diligence, and shall thereafter use its best efforts to cure said default with reasonable diligence. If at the end of said six (6) month period the Lender shall be actively engaged in steps to acquire or sell Tenant's interest herein, the time for said Lender to comply with the provisions of this Section 7.2(d) shall be extended for such period as shall be reasonably necessary

to complete such steps with reasonable diligence and continuity;

(e) Landlord agrees that the name of any Lender may be added to the "Loss Payable Endorsement" of any and all insurance policies required to be carried by Tenant hereunder on condition that the insurance proceeds are to be applied in the manner specified in this Lease and that any such Leasehold Mortgage or collateral document shall so provide;

(f) The proceeds from any insurance policies or arising from a condemnation are to be held by any Lender and distributed pursuant to the provisions of this Lease;

(g) The Lender shall be given notice of any arbitration proceedings by the parties hereto, and shall have the right to intervene therein and be made a party to such proceedings, and the parties hereto do hereby consent to such intervention. In the event that the Lender shall not elect to intervene or become a party to such proceedings, the Lender shall receive notice of, and a copy of any award or decision made in said arbitration proceedings;

(h) In the event of the foreclosure of such Leasehold Mortgage, the Lender or subsequent owners will be liable only on obligations under lease covenants during each respective ownership of the Leasehold; and

(i) Landlord shall, upon request, execute, acknowledge and deliver to each Lender, an agreement prepared at the



sole cost and expense of Tenant, in form satisfactory to such Lender, between Landlord, Tenant and Lender, agreeing to all of the provisions of this Section 7.2. The term "Leasehold Mortgage", whenever used in this Section 7.2, shall include mortgages as well as financing statements, security agreements and other documentation required pursuant to the Uniform Commercial Code.

#### ARTICLE VIII

##### Casualty

8.1 Destruction In the event that, at any time during the term of this Lease, the buildings and improvements on the Premises shall be wholly or partly destroyed or damaged by fire or other casualty insured against by the insurance required by this Lease to be carried by Tenant, then Tenant shall restore the same within a period of time which under all prevailing circumstances shall be reasonable; provided, however, the Tenant shall not be obligated to expend any amount in excess of the net amount of such insurance proceeds available to and received by Tenant for such purposes. The net amount of such insurance proceeds shall be devoted to such restoration (hereinafter called the "Work"), and to that end all such policies of fire insurance and extended casualty shall provide that loss, if any, shall be paid to the Lender, as insurance trustee and it is hereby agreed that all insurance monies collected upon any policies covering any improvement made on the Premises shall be paid over to Lender and shall be held by it and applied as hereinafter provided. Such proceeds



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shall be paid out from time to time to Tenant as the Work progresses, upon the written request of Tenant which shall be accompanied by a certificate of a licensed architect in charge of the Work stating that the sum requested is due to the contractors, sub-contractors, materialmen, laborers, engineers, architects or other persons, firms or corporations rendering services or materials in connection with the Work, or is required to reimburse Tenant for expenditures made by Tenant in connection with the Work and, when added to all sums previously paid out by such Lender to Tenant on account of the Work, does not exceed the cost of the Work done to the date of such certificate. Upon the completion of the Work and payment in full therefor by Tenant, such Lender shall turn over to Tenant, upon submission of proof reasonably satisfactory to such Lender that the Work has been paid for in full, any insurance money then remaining and such other sums, if any, deposited with such Lender for payment of restoration costs, then remaining in the hands of such Lender. If at the time of such loss or damage there shall not be a Lender on the Premises and this Lease is not terminated pursuant to the provisions of Sections 8.2, such proceeds shall be used for the repair, reconstruction or rebuilding of the Project as set forth in this Section 8.1. Such proceeds shall be paid into an escrow deposit account with a national bank or trust company in the Greater Boston, Massachusetts area, selected by Tenant, which has deposits of not less than One Hundred Million (\$100,000,000) Dollars which shall act as escrow agent. The

condition of the escrow shall be that all such proceeds so held shall be applied first to the costs, expenses and fees of such escrow, and, second, in the manner prescribed in this Section 8.1 substituting for reference to Lender, a reference to such escrow agent. The term "net amount of insurance proceeds" shall mean the gross amount thereof less the cost of collecting, holding and disbursing the same in accordance with the provisions of this Section 8.1, including without limitation, legal and appraisal fees.

8.2 Tenant's Right to Terminate Notwithstanding anything contained in this Lease or in Section 8.1 to the contrary, in the event that:

(a) there is damage or destruction to the buildings and improvements on the Premises not covered by insurance required by this Lease to be carried by Tenant in an amount exceeding ten (10) per cent of the replacement value thereof, immediately prior to such damage or destruction; or

(b) if there is an insured casualty loss to the buildings and other improvements on the Premises in an amount exceeding:

(i) thirty-five percent (35%) of the replacement value thereof, immediately prior to such damage, during or after the fortieth (40th) year after the Commencement Date of this Lease, or

(ii) fifteen percent (15%) of the replacement value thereof, immediately prior to such damage, during or after the forty-fifth (45th) year from the Commencement Date of this Lease, or

(iii) five percent (5%) of the replacement value thereof, immediately prior to such damage, during or after the forty-seventh (47th) year from the Commencement Date of this Lease,

then Tenant shall have the right to elect not to restore the Premises and in addition, may terminate this Lease by giving written notice of termination to Landlord on or before the date six (6) months after the occurrence of such damage or destruction, and upon the giving of such notice of termination, the term of this Lease shall expire and come to an end on the last day of the calendar month in which such notice shall be given, with the same force and effect as if said day had been originally fixed herein as the expiration date of the term of this Lease, and neither party shall have any further rights or liabilities hereunder except as to any then existing defaults. In the event Tenant elects not to restore the Premises and/or terminates this Lease as provided in this Section 8.2, the net amount of insurance proceeds, if any, shall be assigned by Tenant to Landlord. Any dispute between the parties as to the fair market value of the improvements on the Premises or the distributions of said proceeds shall be subject to arbitration in accordance with Section 12.1 hereof.

ARTICLE IX

Eminent Domain

9.1 Eminent Domain If the whole of the Premises shall be taken for any public or quasi-public use under any statute or by right of eminent domain, whether such taking be before or after completion of Tenant's Work, then this Lease shall automatically terminate as of the date that the Tenant is deprived of its practical use of the Premises.

9.2 Partial Taking In the event of a partial taking, as a result of which the remaining portion of the Premises and improvements thereon cannot in Tenant's reasonable determination be restored by the Tenant to an economically operable facility of a comparable kind and quality to the facility existing before the taking, with the condemnation awards received by Tenant, then this Lease, at Tenant's option, shall terminate as of the time when the Tenant is deprived of its practical use of the Premises. If the partial taking is such that the Tenant reasonably determines that the remaining Premises can be so restored, then, Tenant shall restore the same, but shall not be required to expend in such restoration any sum in excess of the proceeds received by Tenant from such partial taking, less the reasonable cost of obtaining the same and this Lease shall continue.

9.3 Rights of Parties Landlord and Tenant shall join and cooperate in a single action to recover the taking award. The aggregate net amount of the taking award after deducting expenses and costs of collection thereof, including attorneys' and appraisal

fees incurred in connection therewith, shall be prorated between Landlord and Tenant as their respective interests are affected, and the prorated issue shall be subject to arbitration in accordance with Section 12.1 hereof, if the parties dispute. If there is any Lender outstanding at the time that all or any part of the Premises are taken by eminent domain, any taking award and the distribution thereof to the parties shall be subject to the approval of the Lender. Notwithstanding the foregoing, Tenant hereby reserves such rights as it may have to recover damages or compensation for loss of trade fixtures, relocation expenses or any other like damages.

#### ARTICLE X

##### Landlord's Covenants

##### 10.1 Landlord's Covenants Landlord covenants:

10.1.1 Quiet Enjoyment That Tenant, upon paying the rent and additional rent and all other sums and charges to be paid by it as herein provided, and observing and keeping all covenants, warranties, agreements and conditions of this Lease on its part to be kept, shall quietly have and enjoy the Premises during the Term of this Lease without hinderance or molestation by Landlord or anyone claiming by, through or under Landlord.

10.1.2 Power and Authority That, as of the date hereof, Landlord has the power and authority to execute and deliver this lease and to carry out and perform all covenants to be performed by it hereunder.

10.1.3 Title That, on or before December 1, 1978, Landlord shall furnish to Tenant, at Landlord's sole cost and expense, an attorney's certification of title with respect to the Premises in form and substance acceptable to a title insurance company of Tenant's choosing in order to enable said title insurance company to issue a title insurance policy insuring Tenant's marketable title in the leasehold estate created hereby and its right to use East Militia Road for access to and from the Project. If the attorney's certification of title or corresponding title insurance policy contains as an exception to title any encumbrance, lien, defect in title, lease, tenancy, easement or restriction which is not acceptable to Tenant in Tenant's sole discretion, Tenant shall have the right to terminate this Lease by notice to Landlord within thirty (30) days after receipt of said certification of title, and this Lease shall terminate without recourse to either party. Upon the issuance of said title insurance policy, Tenant agrees to hold Landlord harmless with respect to any claimed defect in title insured against by said title insurance policy.

10.1.4 Utility Easements That, with the prior consent of Landlord, which shall not be unreasonably withheld or delayed, Tenant shall have the right to enter into reasonable agreements with utility companies creating easements over the premises during the Term hereof in favor of such companies as are required in order to service the retirement community, and Landlord agrees to consent thereto and to execute any and all documents, agree-

ments and instruments, and to take all other actions in order to effectuate the same, all at Tenant's cost and expense. It is hereby agreed that with the prior written consent of Tenant, which shall not be unreasonably withheld or delayed, Landlord shall have the right, at its sole cost and expense, and provided the same can be done without significant interference with the operations of the Project, to run utility lines through the premises to serve other land of the Landlord and provided that Landlord shall restore the premises to their former condition.

10.1.5 Real Estate Taxes and Betterment Assessments

That, prior to the Construction Commencement Date, Landlord shall promptly pay when due all taxes and any public, special or betterment assessments levied or assessed by, or becoming payable to the municipality or any governmental authority having jurisdiction over the Premises for or in respect of the Premises for any time period prior to the Construction Commencement Date. Landlord shall have the same rights to contest and defer payment of said taxes or assessments as Tenant has under Section 4.2.1 and 4.2.2.

ARTICLE XI

Default Provisions

11.1 Events of Default Subject to the provisions of Article VII hereof, if any of the following events (hereinafter called "Events of Default") shall happen:

(a) If default shall be made in the payment of Minimum Net Rent, or additional rent payable under this Lease, when and as the same shall become due and payable, and such default shall continue for a period of thirty (30) days



after written notice from Landlord to Tenant specifying default; or

(b) If default shall be made by Tenant in the performance of any other covenant, condition or agreement herein contained on Tenant's part to be kept or performed, (other than Tenant's covenant contained in Section 5.1.11) and such default shall continue for a period of sixty (60) days after written notice from Landlord to Tenant specifying default, and stating that this Lease shall terminate if such default is not cured, and provided Tenant shall not cure such failure as provided in Section 11.2 hereof,

then, Landlord may, at its option, give to Tenant a notice of election to terminate this Lease upon a date specified in such notice, which date shall not be less than thirty (30) days after the date of receipt by Tenant of such notice from Landlord and upon the date specified in said notice, the leasehold estate hereby invested in Tenant shall cease and any and all other rights, title and interest of Tenant hereunder, shall likewise cease, without further notice or lapse of time, as fully and with like effect as if the entire Term of this Lease had elapsed, but Tenant shall continue to be liable to Landlord as hereinafter provided. Simultaneously with the sending of the notice to Tenant, as hereinabove provided, Landlord shall send a copy of such notice to any persons or parties having an interest in the Premises that Tenant may have designated by written notice to Landlord. The curing of any defaults within the above time



limits by any of the aforesaid parties, or combination thereof, shall have the same effect as if Tenant had cured the same hereunder. Notwithstanding anything else in this Lease providing for grace periods to cure defaults, Tenant shall give prompt attention to the curing as soon as possible of any default which threatens the immediate health or safety of all or any of the residents of the Project. If Tenant shall fail to give prompt attention to the curing of any such default, Landlord may do whatever is necessary to cure such default and shall be entitled to recover from Tenant as additional rent all costs and expenses incurred in curing such default, provided that nothing contained in this paragraph shall be deemed to impose upon Landlord the duty to cure any such default or to reduce any applicable period given Tenant or any Leasehold Mortgagee to cure a default.

11.2 Tenant's Right to Cure In the event that Landlord gives notice of a default of such a nature that it cannot be cured within the sixty (60) day period provided for in Section 11.1 hereof, then so long as Tenant, after receiving such notice, commences to cure the default as soon as reasonably possible and with reasonable diligence takes all steps necessary to complete the same within a period of time which, under all prevailing circumstances shall be reasonable, then Landlord may not exercise any remedies for such default. No default shall be deemed to continue if and so long as Tenant shall be so proceeding to cure the same in good faith or be delayed in or prevented from curing the same by any reason specified in Section 12.3 hereof. Notwith-

standing anything to the contrary contained in this Article XI, in the event that any default of Tenant shall be cured in any manner provided under this Lease, such default shall be deemed never to have occurred and Tenant's rights hereunder shall continue unaffected by such default.

11.3 Rights of Landlord Upon any termination of the Term of this Lease pursuant to this Article XI or at anytime thereafter, Landlord may, in addition to and without prejudice to any other rights or remedies Landlord shall have at law or in equity, reenter the Premises and may dispossess Tenant and remove Tenant and all other persons and property from the Premises and may have, hold and enjoy the Premises and the right to receive all rental income therefrom, without being deemed guilty of any manner of trespass or without prejudice to any other remedies Landlord may have for such default. Any such residents shall not be named or joined in any action or proceeding by Landlord under this Lease to recover possession of the Premises or for any other reason until the Termination Date. In the event of such early termination, Tenant shall pay to Landlord, the Minimum Net Rent and additional rent and all other charges required to be paid by Tenant through the time of such termination of this Lease and thereafter Tenant, until the Termination Date shall be liable to Landlord for and shall pay to Landlord, as liquidated damages for Tenant's default (hereinafter called the "Deficiency") (a) the equivalent of the amount of the Minimum Net Rent and the additional rent which would be payable under this Lease by Tenant if

this Lease were still in effect, less (b) the net proceeds of any income received from the Premises or of any rents received from any Lender after deducting all Landlord's reasonable expenses in connection with such reletting, including without limitation all repossession costs, brokerage commissions, legal expenses, alteration costs and expenses of preparation of such reletting. Tenant shall pay such Deficiency to Landlord monthly on the days on which the Minimum Net Rent would have been payable under this Lease if this Lease were still in effect, and Landlord shall be entitled to recover from Tenant each monthly Deficiency as the same shall arise. In addition to such Deficiency, Tenant shall remain liable to Landlord and Tenant hereby covenants and agrees that it will indemnify Landlord from and against any loss, damage or cost sustained by reason of any breach of this Lease.

11.4 Specific Performance Should Landlord seek recourse by any equitable remedy to enforce any of its rights hereunder, Tenant agrees to waive the defense that Tenant has an adequate remedy at law.

## ARTICLE XII

### Miscellaneous

12.1 Arbitration In the event of a dispute between Landlord and Tenant with respect to any matter specifically designated herein as a matter which may be submitted to arbitration, such dispute shall be arbitrated by arbiters appointed as follows: Landlord and Tenant shall each appoint a competent and impartial person as arbiter who shall have at least 10 years experience in

the Greater Boston area, in a calling connected with the subject matter of the arbitration. Notice of such appointment shall be given by each party to the other within fifteen (15) days of the date upon which notice is given by one party to the other demanding arbitration and the arbiters so appointed shall promptly appoint a competent and impartial person as a third arbiter who shall likewise have had 10 years experience in the Greater Boston area in such calling connected with the subject matter of the dispute. Any award that shall be made in such arbitration by the arbiters or majority of them shall be binding and shall have the same force and effect as a judgment made in a court of competent jurisdiction and both Landlord and Tenant shall have the right to apply to a court of competent jurisdiction for a decree, judgment or order upon such arbitration or award upon ten (10) days' notice to the other party. Each party agrees to use reasonable efforts to insure that such an award is made as promptly as possible. The fees, costs and expenses of arbitration, other than fees for attorneys of the parties, expert witnesses and other witness fees, shall be borne equally between the parties, unless the arbiters determine that some other division shall under the circumstances be more equitable.

12.2 Waivers Failure of Landlord or Tenant to complain of any act or omission of the other party, no matter how long the same may continue, shall not be deemed a waiver by said party of any of its rights hereunder. No waiver by Landlord or Tenant at any time, express or implied, of any breach of any provision of

this Lease shall be deemed a waiver of a breach of any other provisions of this Lease or a consent to any subsequent breach of the same or of any other provision. No acceptance by Landlord of any partial payment shall constitute an accord and satisfaction, but shall be deemed only a part payment on account.

12.3 Force Majeure In the event that Landlord or Tenant shall be delayed, hindered in or prevented from the performance of any act required hereunder by reason of strikes, lockouts, labor troubles, inability to procure materials, failure of power, restrictive governmental laws or regulations, riots, insurrection, the act, failure to act or default of the other party, war or any other reason beyond the control of such party, then performance of such acts shall be excused for the period of the delay and the period for the performance of any such act shall be extended for a period equivalent to the period of such delay.

12.4 Notices Every notice, approval, consent or other communication authorized or required by this Lease shall be in writing and sent postage prepaid by United States registered or certified mail, return receipt requested, directed to the original address of the parties set forth in Section 1.1, or such other address as either party may designate by notice given from time to time and in accordance with this Section 12.4. The rent payable by Tenant hereunder shall be paid to Landlord at the same place where notice to Landlord is herein required to be directed.

12.5 Certificates Each party shall, without charge, at any time and from time to time hereafter, within ten (10) days after reasonable written request of the other, certify by written instrument duly executed and acknowledged to any Lender or purchaser or proposed Lender or proposed purchaser, or any other person, firm or corporation specified in such request:

(a) As to whether this Lease has been amended and if so, the substance and manner of such amendment;

(b) As to whether this Lease is then in full force and effect;

(c) As to the existence of any default under this Lease;

(d) As to the existence of any offsets, counter-claims, or defenses thereto on the part of the requesting party;

(e) As to the commencement and expiration dates of the Term of this Lease;

(f) As to any other matters as may reasonably be so requested.

Any such certificate may be relied upon by the party requesting it and any other person, firm or corporation to whom the same may be exhibited or delivered, and the contents of such certificate shall be binding upon the party executing same.

12.6 Governing Law This Lease and the performance thereof shall be governed, interpreted, construed and regulated according to the laws of the Commonwealth of Massachusetts.

12.7 Partial Invalidity If any term, covenant, condition or provision of this Lease or the application thereof to any person or circumstance shall, at any time or to any extent, be invalid or unenforceable, the remainder of this Lease, with the application of such term or provision to such person or circumstance other than those as to which it is held invalid or unenforceable, shall not be affected thereby and each term, covenant, condition and provision of this Lease shall be valid and enforceable to the fullest extent permitted by law.

12.8 Notice of Lease The parties hereto covenant and agree not to record this Lease with any applicable Registry of Deeds. The parties however will at any time, at the request of either of them, promptly execute duplicate originals of any instrument, in recordable form, which will constitute a short form notice of lease, setting forth the description of the Premises, the Term of this Lease and any other portion thereof required by law, excepting the rental provision.

12.9 Interpretation Wherever herein the singular number is used, the same shall include the plural and the masculine gender shall include the feminine and neuter genders and vice a versa, as the context shall require. The section headings and Table of Contents used herein are for reference and convenience only and shall not enter into the interpretation hereof. The Lease may be executed in several counterparts, each of which shall be an original, but all of which shall constitute one and the same instrument. The terms "Landlord" and "Tenant" whenever used



herein shall mean only the owner at the time of Landlord's or Tenant's interest herein, and upon any sale or assignment of the interest of either Landlord or Tenant herein, their respective successors in interest and/or assigns shall, during the term of their ownership of their respective estates herein, be deemed to be Landlord or Tenant as the case may be.

12.10 Entire Agreement No oral statement or prior written matter shall have any force or effect. Tenant agrees that it is not relying on any representation or agreement other than those contained in this Lease. This agreement shall not be modified or cancelled except in writing subscribed by all parties.

12.11 Broker Each party represents to the other that no broker, finder or other party who would be entitled to a commission has introduced Tenant to the Premises or to the Landlord except Mel Fryer whose commission shall be the responsibility of Tenant.

12.12 Parties Except as here and otherwise expressly provided, the covenants, conditions and agreements contained in



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this Lease shall bind and inure to the benefit of Landlord and Tenant and their respective heirs, successors, administrators and assigns.

IN WITNESS WHEREOF the parties hereto have hereunto set their hands and seals the day and year first above written.

LANDLORD: BABSON COLLEGE

By



TENANT:

LIVING CARE SERVICES CORPORATION

By

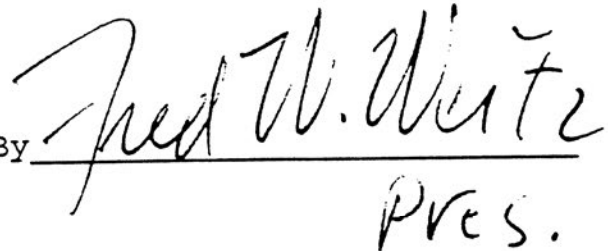
  
Pres.

EXHIBIT "A"

EXAMPLES OF LIFE CARE RETIREMENT COMMUNITIES  
PLANNED AID DEVELOPMENT  
WITH THE HELP OF THE PRINCIPALS OF TENANT

- (1) ARIZONA, Tempe (Phoenix) - Friendship Village
- COLORADO, Denver - Sunny Acres Villa
- (2) CONNECTICUT, New Haven - Whitney Center
- (3) FLORIDA, Tampa - Canterbury Tower
- (1) FLORIDA, Delray Beach - Abbey Delray
- (3) ILLINOIS, Schaumburg (Chicago) - Friendship Village
- IOWA, Davenport - Ridgecrest Village
- IOWA, Des Moines - Calvin Manor
- (3) IOWA, Des Moines - Heather Manor
- IOWA, Des Moines - Valley View Village
- IOWA, Iowa City - Oaknoll Retirement Residence
- (3) IOWA, Waterloo - Friendship Village
- KANSAS, Lenexa - Lakeview Village
- MICHIGAN, Allen Park - Inter-City Christian Manor
- (3) MICHIGAN, Jackson - Vista Grande Villa
- (3) MICHIGAN, Kalamazoo - Friendship Village
- (1) MINNESOTA, Bloomington (Minneapolis) - Friendship Village
- (2) MISSOURI, St. Louis - Friendship Village of South County
- (3) MISSOURI, St. Louis - Friendship Village of West County
- NEBRASKA, Lincoln - Eastmont Towers
- NEBRASKA, Omaha - Skyline Manor
- (3) NEW MEXICO, Sante Fe - El Castillo Retirement Residence
- NORTH CAROLINA, Hendersonville - Carolina Village

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- (2) OHIO, Columbus - Friendship Village
- (3) OHIO, Dayton - Friendship Village
- (3) WISCONSIN, Milwaukee - Friendship Village of Greater  
Milwaukee

- 
- (1) Being developed
  - (2) Under construction
  - (3) Operating under tenant's management

EXHIBIT B

A certain parcel of land in Needham, Norfolk County, Massachusetts containing approximately 59 acres, more or less, more particularly described as follows:

BEGINNING at a point in the westerly and southerly sideline of Forest Street at the northerly and easterly sideline of East Militia Road; thence

SOUTHEASTERLY  
and EASTERLY:

along the southerly sideline of said Forest Street, three hundred ninety and 02/100 (390.02) feet, one hundred thirty-five and 52/100 (135.52) feet, sixty-four and 03/100 (64.03) feet, one hundred forty-eight and 31/100 (148.31) feet, two hundred ninety-five and 85/100 (295.85) feet, one hundred ninety-eight and 20/100 (198.20) feet, eighty-three and 93/100 (83.93) feet, one hundred seventy-seven and 45/100 (177.45) feet, one hundred seventeen and 71/100 (117.71) feet, and sixteen and 15/100 (16.15) feet, to a stone bound; thence

SOUTHERLY and  
SOUTHWESTERLY:

along said Forest Street and along the westerly sideline of Central Avenue, three hundred eight and 28/100 (308.28) feet, two hundred five and 74/100 (205.74) feet, and seventy-one and 45/100 (71.45) feet; thence

SOUTHWESTERLY: by land now or formerly of Albert D. Hersey, three hundred sixty-eight and 18/100 (368.18) feet; thence

SOUTHERLY:

by land of said Albert D. Hersey, one hundred five and 50/100 (105.50) feet; thence

EASTERLY:

by land of said Albert D. Hersey, to a point being the northwest corner of Lot 1A on a plan entitled, "Plan of Land in Needham, Mass." dated August 25, 1966, Cheney Engineering Co. Inc., Needham, Mass. recorded with Norfolk Registry of Deeds as Plan No. 989 of 1966 in Plan Book 221; thence

- SOUTHERLY: along the westerly boundary of said Lot 1A, one hundred thirty and 22/100 (130.22) feet; thence
- EASTERLY: along the southerly boundary of said Lot 1A, three hundred twenty-three and 21/100 (323.21) feet, to a point on the westerly sideline of Central Avenue; thence
- SOUTHERLY: along the westerly sideline of said Central Avenue, one hundred forty-one and 86/100 (141.86) feet, two hundred twenty-two and 59/100 (222.59) feet, and fifty-two and 96/100 (52.96) feet; thence
- NORTHWESTERLY: by land now or formerly of Domenic R. Gherin-Ghelli and Alda M. Gherin-Ghelli, four hundred (400) feet; thence
- SOUTHWESTERLY: by land of said Domenic R. Gherin-Ghelli and Alda M. Gherin-Ghelli, six hundred forty-one and 97/100 (641.97) feet; thence
- NORTHWESTERLY: by land now or formerly of the United States of America, seven hundred eight and 93/100 (708.93) feet and one hundred thirteen and 27/100 (113.27) feet; thence
- SOUTHWESTERLY: by land of said United States of America three hundred fifty-three and 40/100 (353.40) feet; thence
- SOUTHEASTERLY: by land of said United States of America, three hundred twenty-one (321) feet; thence
- SOUTHWESTERLY: by land now or formerly of Babson Institute, thirty (30) feet; thence
- SOUTHEASTERLY: by land of said Babson Institute, two hundred fifteen (215) feet; thence
- NORTHEASTERLY: by land of said Babson Institute, thirty (30) feet; thence
- SOUTHEASTERLY: by land of said United States of America, two hundred thirty-five (235) feet to a point, thence continuing southeasterly to the easterly sideline of said East Militia Road; thence
- NORTHWESTERLY,  
NORTHERLY and  
NORTHEASTERLY: along the easterly sideline of said East Militia Road to the point of beginning.

VI

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Said premises are leased together with the right to use East Militia Road for all purposes for which streets and roads are commonly used in the Town of Needham, including the right to install, maintain and repair utilities provided that the premises are restored to their former condition.

EXHIBIT C

April 1, 1980 Conditions

1. Amendment of the zoning map of the Town of Needham, Massachusetts, changing the Premises from a Single Residence (SR) district to an Apartment (A-2) district, or such other district which will permit the development of the Project containing three hundred seventy-five (375) living units.
2. Obtaining of all governmental approvals permitting the conduct of a life care retirement community on the Premises (including all primary and accessory uses connected therewith) substantially similar to the life care communities set forth in Exhibit A, which approvals shall include, but not be limited to the following: (a) the approval of each agency within the Commonwealth of Massachusetts having jurisdiction over the operation and/or construction of a retirement home and a health care or nursing unit; (b) the written approval from local zoning authorities permitting the proposed improvements and the proposed use of the property as a retirement home and a health care or nursing unit; (c) the obtaining of a certificate of need from the Department of Public Health of the Commonwealth of Massachusetts authorizing the construction and maintenance of a nursing care facility of a sufficient size to accommodate the retirement community.
3. The availability of suitable, as reasonably determined by Tenant, quality and quantity of water, storm sewer, sanitary water, gas, oil and electricity and sewer and sewage treatment facilities.
4. Such soil or compaction tests as Tenant may reasonably require disclosing that the condition of the soil will both reasonably support the improvements proposed to be constructed thereon with normal and conventional foundations and spreadfootings and not require unusual and extraordinary expenditures in order to construct such improvements.
5. Landlord's approval of the Preliminary Plans.

EXHIBIT D

April 1, 1981 Conditions

1. Obtaining in an amount and upon terms and conditions determined satisfactory by Tenant of adequate financing from a recognized institutional Lender or Lenders for the construction and operation of the Project and the maintenance of this Lease.
2. Obtaining of all authorizations, certifications and permits necessary pursuant to any applicable building code to construct the Project.
3. Obtaining commitments for a minimum of seventy (70%) per cent of the living units in Phase I from prospective residents of the life care retirement community.
4. Obtaining a determination letter from the Internal Revenue Service that the proposed Sponsor is exempt from taxation under Section 501(c) or (d) of the Internal Revenue Code or such section as may at the time be applicable.



# Amendment #1

February 9, 1979

**FIRST AMENDMENT**

FIRST AMENDMENT OF LEASE

This First Amendment of Lease made this 9<sup>th</sup> day of February, 1979, between BABSON COLLEGE, a corporation organized under the laws of the Commonwealth of Massachusetts (hereinafter called "Landlord") and LIVING CARE SERVICES CORPORATION, a corporation organized under the laws of the State of Iowa (hereinafter called "Tenant").

Reference is hereby made to a lease dated November 14, 1978, between Landlord and Tenant, notice of which is recorded with Norfolk County Registry of Deeds in Book 5550, Page 4 (hereinafter called the "Lease").

For consideration of One and 00/100 (\$1.00) Dollar, the receipt and sufficiency of which is hereby acknowledged, and in further consideration of the mutual covenants contained herein and in the Lease, Landlord and Tenant do hereby agree to amend said Lease by adding the following provisions:

(a) 5.1.13 Challenge to Real Estate Taxes

Tenant agrees not to challenge or dispute the right of the Town of Needham, exercised pursuant to and in accordance with statutes and case law now in effect, to levy, collect or accept real estate taxes or betterment assessments on account of Tenant's use and occupation of the Premises; provided, however, that Tenant may, at its election, as provided in Sections 4.2.1 and 4.2.2 of the Lease, contest in good faith the amount of such real estate taxes and betterment assessments. Tenant further agrees not to initiate

or actively support any changes in either existing statutes or case law, the effect of which would be to make the Project exempt from real estate taxes.

(b) 5.1.14 Commitments for Residency

Tenant agrees that at the time it commences obtaining commitments for living units from prospective residents of the Project, Tenant shall give any qualifying resident of Needham or qualifying mother, father, sister or brother of a resident of Needham the right of first selection of location and size of any living unit on a first come first served basis for a period not less than thirty (30) days before accepting commitments from other prospective residents.

Except as herein amended, the Lease is hereby ratified and confirmed.

EXECUTED and sealed the day first above written.

BABSON COLLEGE

By:

Ralph Z. Johnson

LIVING CARE SERVICES CORPORATION

By:

Stan E. Thurston

# Amendment #2

December 13, 1979

SECOND AMENDMENT

SECOND AMENDMENT OF LEASE

This Second Amendment of Lease made this 13<sup>th</sup> day of *December*, 1979, between BABSON COLLEGE, a corporation organized under the laws of the Commonwealth of Massachusetts (hereinafter called "Landlord") and LIVING CARE SERVICES CORPORATION, a corporation organized under the laws of the State of Iowa (hereinafter called "Tenant").

Reference is hereby made to a lease dated November 14, 1978, between Landlord and Tenant, notice of which is recorded with Norfolk County Registry of Deeds in Book 5550, Page 4 (hereinafter called the "Lease").

For consideration of One and 00/100 (\$1.00) Dollar, the receipt and sufficiency of which is hereby acknowledged, and in further consideration of the mutual covenants contained herein and in the Lease, Landlord and Tenant do hereby agree to amend said Lease as follows:

1. By striking out the date "April 1, 1980" wherever it appears in said Lease and by substituting therefor in each case the date "April 1, 1981". (See Pages 1, 2 and 5 and Exhibit C of said Lease)
2. By striking out the date "April 1, 1981" wherever it appears in said Lease and by substituting therefor in each case the date "April 1, 1982". (See Pages 1, 2 and 6 and Exhibit D of said Lease)
3. By striking out the date "October 1, 1980" wherever it appears on Page 5 of said Lease and by substituting therefor in each case the date "October 1, 1981".

4. By striking out the date "October 1, 1981" wherever it appears on Page 6 of said Lease and by substituting therefor in each case the date "October 1, 1982".

5. By striking out the date "April 1, 1979" on Page 6 of said Lease and by substituting therefor the date "January 1, 1981".

6. By striking out the date "December 1, 1978" on Page 40 of said Lease and by substituting therefor the date "June 1, 1979".

7. By striking out "Exhibit B" of said Lease and by substituting therefor a new "Exhibit B" attached hereto and made a part hereof.

It is hereby agreed that all of the aforesaid amendments to said Lease shall take effect retroactively as of November 14, 1978.

Tenant hereby acknowledges that Landlord has timely satisfied Landlord's obligations under Section 10.1.3 of said Lease. Tenant hereby waives any right to terminate said Lease in accordance with the provisions of said Section 10.1.3.

Except as herein amended, the Lease as previously amended is hereby ratified and confirmed.

EXECUTED and sealed the day first above written.

BABSON COLLEGE

By: Kalvin J. Johnson

LIVING CARE SERVICES CORPORATION

By: Fred W. Weitz



EXHIBIT B

A certain parcel of land in Needham, Norfolk County, Massachusetts containing approximately 59 acres, more or less, more particularly described as follows:

BEGINNING at a point in the westerly and southerly sideline of Forest Street at the northerly and easterly sideline of East Militia Road; thence

SOUTHEASTERLY  
and EASTERLY:

along the southerly sideline of said Forest Street, three hundred ninety and 02/100 (390.02) feet, one hundred thirty-five and 52/100 (135.52) feet, sixty-four and 03/100 (64.03) feet, one hundred forty-eight and 31/100 (148.31) feet, two hundred ninety-five and 85/100 (295.85) feet, one hundred ninety-eight and 20/100 (198.20) feet, eighty-three and 93/100 (83.93) feet, one hundred seventy-seven and 45/100 (177.45) feet, one hundred seventeen and 71/100 (117.71) feet, and sixteen and 15/100 (16.15) feet, to a stone bound; thence

SOUTHERLY and

SOUTHWESTERLY: along said Forest Street and along the westerly sideline of Central Avenue, three hundred eight and 28/100 (308.28) feet, two hundred five and 74/100 (205.74) feet, and seventy-one and 45/100 (71.45) feet; thence

SOUTHWESTERLY: by land now or formerly of Albert D. Hersey, three hundred sixty-eight and 18/100 (368.18) feet; thence

SOUTHERLY: by land of said Albert D. Hersey,  
one hundred five and 50/100 (105.50)  
feet; thence

EASTERLY: by land of said Albert D. Hersey,  
to a point being the northwest  
corner of Lot 1A on a plan entitled,  
"Plan of Land in Needham, Mass."  
dated August 25, 1966, Cheney  
Engineering Co. Inc., Needham, Mass.  
recorded with Norfolk Registry of  
Deeds as Plan No. 989 of 1966 in  
Plan Book 221; thence

SOUTHERLY: along the westerly boundary of said  
Lot 1A, one hundred thirty and 22/100  
(130.22) feet; thence

EASTERLY: along the southerly boundary of said  
Lot 1A, three hundred twenty-three  
and 21/100 (323.21) feet, to a point  
on the westerly sideline of Central  
Avenue; thence

SOUTHERLY: along the westerly sideline of said  
Central Avenue, one hundred forty-one  
and 86/100 (141.86) feet, two hundred  
twenty-two and 59/100 (222.59) feet,  
and fifty-two and 96/100 (52.96)  
feet; thence

NORTHWESTERLY: by land now or formerly of Domenic  
R. Gherin-Ghelli and Alda M. Gherin-  
Ghelli, four hundred (400) feet;  
thence

SOUTHWESTERLY: by land of said Domenic R. Gherin-  
Ghelli and Alda M. Gherin-Ghelli, six  
hundred forty-one and 97/100 (641.97)  
feet; thence

NORTHWESTERLY: by land now or formerly of the United  
States of America, five hundred seventy-  
eight and 93/100 (578.93) feet and  
one hundred thirteen and 27/100 (113.27)  
feet; thence

SOUTHWESTERLY: by land of said United States of America  
three hundred fifty-three and 40/100  
(353.40) feet; thence

SOUTHEASTERLY: by land of said United States of America,  
three hundred twenty-one (321) feet;  
thence

SOUTHWESTERLY: by land now or formerly of Babson  
Institute, thirty (30) feet; thence

SOUTHEASTERLY: by land of said Babson Institute, two  
hundred fifteen (215) feet; thence

NORTHEASTERLY: by land of said Babson Institute, thirty  
(30) feet; thence

SOUTHEASTERLY: by land of said United States of America,  
two hundred thirty-five (235) feet to  
a point, thence continuing southeasterly  
to the easterly sideline of said East  
Militia Road; thence

NORTHWESTERLY,  
NORTHERLY and

NORTHEASTERLY: along the easterly sideline of said East  
Militia Road to the point of beginning.

Said premises are leased together with the right to use  
East Militia Road for all purposes for which streets and roads  
are commonly used in the Town of Needham, including the right  
to install, maintain and repair utilities provided that the  
premises are restored to their former condition.

# Amendment #3

August 2, 1982

THIRD AMENDMENT

### THIRD AMENDMENT OF LEASE

This Third Amendment of Lease made this 2nd day of August, 1982 between Babson College, a corporation organized under the laws of the Commonwealth of Massachusetts (hereinafter called "Landlord") and Living Care Villages of Massachusetts, Inc., a non-profit corporation organized under the laws of the Commonwealth of Massachusetts (hereinafter called "Tenant").

Reference is hereby made to a Lease dated November 14, 1978, originally between Landlord and Living Care Services Corporation, a corporation organized under the laws of the State of Iowa (hereinafter called "LCS"), as amended by First Amendment of Lease dated February 9, 1979, between Landlord and LCS, and as further amended by Second Amendment of Lease dated December 13, 1979 between Landlord and LCS (said Lease as amended shall be hereinafter called the "Lease").

### W I T N E S S E T H

Whereas, Tenant has succeeded to the interest of LCS pursuant to an Assignment of Lease dated December 22, 1980; and

Whereas, Landlord and Tenant desire to amend the Lease as hereafter provided.

NOWHEREFORE, for consideration of One (\$1.00) Dollar, the receipt and sufficiency which is hereby acknowledged, and in further consideration of the mutual covenants herein contained, the parties hereto do hereby agree to amend the Lease as follows:

1. The date set forth in Section 2.3.1 of the Lease for the satisfaction of the conditions set forth in Exhibit "C" thereto shall be extended from April 1, 1981 until September 1, 1982.

2. The date set forth in Section 2.3.2 of the Lease for the satisfaction of the conditions set forth in Exhibit "D" thereto shall be extended from April 1, 1982 until June 1, 1983; provided, however, if Tenant has reasonable cause to believe that all of the conditions set forth in Exhibit "D" of the Lease can be satisfied no later than December 31, 1983, Tenant shall have at Tenant's election by notice in writing to the Landlord on or before June 1, 1983, an additional period extending until December 31, 1983, to satisfy

all of the conditions set forth in Exhibit "D". If Tenant elects to extend the time for satisfaction of the conditions set forth in Exhibit "D" as herein provided, and the conditions have not been satisfied by December 31, 1983, then the Lease shall terminate by midnight December 31, 1983, as if said date was the last date of the term of the Lease.

3. The minimum number of living units in Phase I shall be reduced from 250 to 230.

4. The Minimum Net Rent for the Term as set forth in Section 4.1 of the Lease shall be increased from One Million Twenty-Six Thousand (\$1,026,000) Dollars to One Million One Hundred Seventy-Six Thousand (\$1,176,000) Dollars and shall be payable as follows:

(a) A sum equal to the greater of (i) Six Hundred and Eighty-Four Thousand (\$684,000) Dollars or (ii) the product of One Million One Hundred and Seventy-Six Thousand (\$1,176,000) Dollars multiplied by a fraction, the numerator of which is the number of living units in Phase I and the denominator of which is three hundred seventy-five (375), shall be due and payable thirty (30) days after the Commencement Date; and

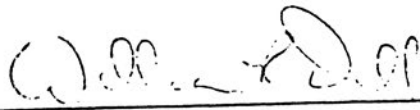
(b) The balance of the Minimum Net Rent shall be due and payable as provided in Section 4.1(b) of the Lease.

It is hereby agreed that this Amendment shall take affect retroactively as of April 1, 1981.

Except as herein amended, the Lease as previously amended is hereby ratified and confirmed.

Executed and sealed the day first above written.

Babson College

by 

Living Care Villages  
of Massachusetts, Inc.

by 

# Amendment #4

April 20, 1983



Fourth Amendment

FOURTH AMENDMENT OF LEASE

THIS FOURTH AMENDMENT OF LEASE made this 20th day of April, 1983, between BABSON COLLEGE, a corporation organized under the laws of the Commonwealth of Massachusetts (hereinafter called "Landlord"), and LIVING CARE VILLAGES OF MASSACHUSETTS, INC., a non-profit corporation organized under the laws of the Commonwealth of Massachusetts (hereinafter called "Tenant").

Reference is hereby made to a lease dated November 14, 1978, originally between Landlord and LIVING CARE SERVICES CORPORATION, a corporation organized under the laws of the State of Iowa (hereinafter called "LCS"), as amended by First Amendment of Lease dated February 9, 1979, between Landlord and LCS, as further amended by Second Amendment of Lease dated December 13, 1979, between Landlord and LCS, and as further amended by Third Amendment of Lease dated August 2, 1982, between Landlord and Tenant (said lease as amended shall be hereinafter called the "Lease").

W I T N E S S E T H:

WHEREAS, Tenant has succeeded to the interests of LCS pursuant to an Assignment of Lease dated December 22, 1980; and

WHEREAS, Landlord and Tenant desire to amend the Lease as hereinafter provided.

NOW, THEREFORE, for consideration of One Dollar (\$1.00), the receipt and sufficiency of which is hereby acknowledged, and in further consideration of the mutual covenants herein contained, the parties hereto do hereby agree to amend the Lease as follows:

1. The minimum number of living units in Phase I shall be reduced from 230 to 224; and

2. The following provision shall be added to the Lease:

Section 10.1.6. Drainage Easement. That, prior to the Construction Commencement Date, Landlord shall grant to Tenant an exclusive easement and right of way for the remainder of the term of the Lease over other land of Landlord in Needham, Norfolk County, Massachusetts, in order to permit Tenant to construct, reconstruct, operate, maintain, repair, replace and remove the drainage system for the Project as described in the Order of Conditions dated April 9, 1983, issued by the Needham Conservation Commission, recorded with Norfolk County Registry of Deeds in Book 6148, Page 395, a copy of which is attached hereto as Exhibit A. The form and substance of the drainage easement shall be subject to the reasonable approval of both parties, and their respective legal counsels and shall provide in any event that Tenant shall bear the entire cost for the construction, maintenance and repair of such drainage system, and that Tenant shall indemnify Landlord for any damage, loss, cost or other expense

incurred by Landlord arising out of the construction, use, operation, maintenance or repair of the drainage system by Tenant during the term of the Lease. The final location of the drainage easement shall be determined upon construction of the drainage system. The drainage easement to be granted hereby shall be subject to relocation from time to time at the request and expense of Landlord, provided that equivalent lawful facilities are provided by Landlord.

3. The legal description of the Premises attached to the Lease as Exhibit B is hereby deleted in its entirety, and a new "Exhibit B", attached hereto as Exhibit B, shall be substituted in its place.

EXECUTED as an instrument under seal the day and year first above written.

LANDLORD: BABSON COLLEGE

By: William R. Dell

TENANT: LIVING CARE VILLAGES OF  
MASSACHUSETTS, INC.

By: [Signature]

T027/Z  
4/21/83

WETLANDS PROTECTION ACT

Pursuant to the authority of the Wetlands Protection Act, Gen. Laws Ch. 131, Section 40, the Needham Conservation Commission has considered your Notice of Intent and Plans submitted therewith, and has determined that the area on which the proposed work is to be done is significant to one or more of the interests described in the said Act.

The Commission hereby determines that the following conditions are necessary and orders the work regarding the construction to be performed in strict conformance with said conditions and with the Notice of Intent and Plans, unless modified by said conditions.

CONDITIONS:

1. Failure to comply with all conditions stated herein, and with all related statutes and other regulatory measures, shall be deemed cause to revoke or modify this order.

For purposes of this Order, the term "Project" shall mean that portion of the premises of the applicant (the "Project Site") proposed for development as shown on the Plans and the improvements to be located thereon, including, without limitation, the site work anticipated by the Plans. Neither the formal, public ground breaking for the Project and related activities nor stripping and grubbing operations and related activities that do not alter existing drainage patterns and flows shall be considered part of the Project to which the limitations of paragraph 6 below shall apply.

2. This order does not grant any property rights or any exclusive privileges; it does not authorize any injury to private property or invasion of private rights; the Proponent and its successors shall assume all responsibility and risk for any such injury or invasions.
3. This order does not relieve the Proponent, or any other person, of the necessity of complying with all other applicable federal, state or local statutes, ordinances, by-laws and/or regulations.
4. The work authorized hereunder shall be completed within one (1) year from the date of this order. The order may be extended by this Commission, with such modifications and additions that the Commission then deems appropriate, for one or more additional one-year periods upon application to the Commission at least thirty (30) days prior to the expiration date of the order or its extension.
5. Any fill used in connection with this project shall be clean fill, containing no trash, refuse, rubbish or debris, including, without limiting the generality of the foregoing, lumber, bricks, plaster, wire, lath, paper, cardboard, pipes, tires, ashes, refrigerators, motor vehicles, or parts of any of the foregoing. No fill shall be taken from any lands now owned or under the control of the Proponent, without prior application to the Commission.

6. No work on the Project shall be undertaken until completion of the following:
- (A) This Order of Conditions has been recorded in the Registry of Deeds for the County of Norfolk, within the chain of title of the affected property. A copy shall be furnished to the record owner of the affected property and to this Commission, evidencing recording of the same, prior to the commencement of the work.
  - (B) The Plans submitted to the Commission and labelled "February 11, 1983 - Preliminary for Discussion Only" consisting of 10 pages labelled SCD 1-10, as modified by the submission on March 27, 1983 of a revised SDC-1 (dated March 7, 1983), the deletion of SDC-2, the submission of a revised SDC-9 and SDC-10 on March 27, 1983 (both dated March 23, 1983), be certified by Proponent as the final plans submitted with the Notice of Intent, exception as provided in this Order of Conditions.

After completion (A) and (B) above, the Proponent shall thereafter promptly begin the work authorized hereunder and prosecute the same, with due diligence, to completion.

- 7. Upon completion of the work described herein, the Proponent shall forthwith request, in writing, that a Certificate of Compliance be issued stating that the work has been satisfactorily completed and submit therewith an as-built survey prepared by a registered professional engineer or registered land surveyor, showing that the Project has in all respects been completed in accordance with this order.
- 8. A sign shall be displayed at the Project site not less than two square feet or more than three square feet bearing the words "Massachusetts Department of Environmental Quality Number" and the file number assigned to the project by the Department of Environmental Quality Engineers.
- 9. The Commission and its representatives and designees shall have the right to enter the Project site from time to time, to inspect the progress of work on the Project in order to determine whether the same is being undertaken in accordance with this Order.
- 10. In issuing this Order of Conditions, the Commission has considered only the impact of work on the Project within the jurisdiction of the Commission under M.G.L. Chapter 131, Section 40. The Commission has made no determination relative to the appropriateness of the design of this work and it is understood that, by proceeding with construction under this Order, the Proponent assumes all risks related to



the construction and maintenance of the Project and agrees that neither the Town of Needham, nor any of its officers, elected or appointed officials, shall be responsible for any loss, cost or damage the Proponent may incur in the construction, maintenance and use of the Project.

11. Where the Department of Environmental Quality Engineering or other agency of the Commonwealth of Massachusetts is requested to make a determination and to issue a superseding order, this Conservation Commission shall be a party to all agency proceedings and hearings before the Department.
12. The Proponent shall revise the design and location of the retention pond and its surrounding berms as set forth in Project plans designated as SDC-9 and carry out such other activities as are identified below:
  - (A) To avoid, to the extent practicable any filling, grading or alteration of the wetland immediately to the west of the retention pond, which wetland is deemed significant to the interests that M.G.L. Chapter 131, Section 40 is deemed to protect.
  - (B) Separate the inflow piping system of the retention pond from the outflow piping.
  - (C) Modify the retention pond outflow structure to attenuate all incoming storm drainage and limit the outflow from storms with frequencies of 100 years or less to a maximum discharge of 9 cubic feet per second.
  - (D) Install an outflow pipe for the retention pond which is no greater than 12 inches in diameter.
  - (E) Submit to the Commission satisfactory revisions of Project plans designated as SDC-10 as they relate to the retention pond's storm outlet structures.
  - (F) Ensure that the lowest elevation of the retention pond shall be higher than the elevation of the wetland to the west of the pond and that the pond's design shall prevent said wetland from draining into the retention pond area.
  - (G) Ensure that all outflow from the retention pond shall be into the Rosemary Brook Watershed Area.
  - (H) Ensure that the total capacity of the retention pond shall be sufficient to accommodate all stormwater directed to it from storms with frequencies of 100 years or less, and that the retention pond shall be



designed so that its outflow rate will be no greater than that from the area which now drains to the pond site and from there into Rosemary Brook, consistent with the limitations set forth in paragraph (C) above.

- (I) Submit to the Commission plans which satisfactorily provide for the drainage of water that presently drains under East Militia Road through existing culverts onto the area where the retention pond is proposed to be built.
13. All of the perimeter roads (including emergency access roads) within the Project shall be banked or crowned in such a manner that runoff from severe storms does not overflow and escape the proposed drainage system. Said system shall contain a sufficient number of inlets to assure full collection of major storms. At the discretion of the Commission, water may be dispersed to ground (instead of being channeled to the retention pond) from the roads to be located in the Project, provided said dispersal shall be no greater than the natural predevelopment ground water flow. Satisfactory plans covering these drainage provisions for such roads shall be submitted to the Commission.
14. Gas and oil traps shall be installed in the catch basins throughout the Project or, alternatively, subject to the Commission's prior approval, a gas and oil collection system shall be installed at the inlet to the retention pond and maintained until the streets and easements needed for maintenance of the traps or collection system are accepted by the Town.
15. During Project construction, adequate siltation control measures shall be taken to deter the erosion of soil, such measures to be approved by the Town Engineer in advance of the commencement of the work.
16. The retention pond and catch basins within the Project shall be periodically maintained to assure the operation of these improvements in accordance with their design characteristics.

The Applicant, any person aggrieved by this order, any owner of land abutting the land upon which the proposed work is to be done, or any ten residents of Needham are hereby notified of their right to appeal this order to the Department of Environmental Quality Engineering within ten (10) days from the issuance of this order.

Date of Issuance: 17th Apr, 1983

Robert C. Davis

Robert C. Davis

Elizabeth B. Anderson

John M. Haffey

Henry S Ostrowsky

Henry S Ostrowsky

County of Suffolk,  
Commonwealth of Massachusetts

On this 12 day of April, 1983, before me personally appeared Robert C. Davis of the Needham Conservation Commission to me known to be the person described in and who executed the foregoing instrument and acknowledged the same to be the free act and deed of said Needham Conservation Commission.

Michael A. Hannon  
Notary Public

My Commission Expires: 7/23/87

cc: Department of Environmental  
Quality Engineering  
Board of Selectmen  
Planning Board  
Town Counsel  
Board of Appeals  
Building Inspector  
Board of Health  
Town Engineer

W-06931/

E X H I B I T "B"

A certain parcel of land in Needham, Norfolk County, Massachusetts, being shown on a plan entitled "Plan of Land in Needham, Mass.", prepared for Living Care Services Corp. by Allen & Demurjian, Inc., dated November 12, 1982, recorded with Norfolk County Registry of Deeds in Book       , Page       . Said parcel contains 59.46 acres according to said plan.

There is also appurtenant to the above described premises the exclusive right and easement in that certain drainage easement described in the Fourth Amendment of Lease between Babson College as Landlord and the Mortgagor as Tenant dated April 20, 1983, notice of which is recorded with Norfolk Registry of Deeds in Book 6157, Page 59.

# Amendment #5

April 21, 1983

Fifth Amendment

FIFTH AMENDMENT OF LEASE

THIS FIFTH AMENDMENT OF LEASE made this 21st day of April, 1983, between Babson College, a corporation organized under the laws of the Commonwealth of Massachusetts (hereinafter called "Landlord"), and Living Care Villages of Massachusetts, Inc., a non-profit corporation organized under the laws of the Commonwealth of Massachusetts (hereinafter called "Tenant").

Reference is made to a lease dated November 14, 1978, originally between Landlord and Living Care Services Corporation, a corporation organized under the laws of the State of Iowa (hereinafter called "LCS"), as amended by First Amendment of Lease dated February 9, 1979, between Landlord and LCS, as further amended by Second Amendment of Lease dated December 13, 1979, between Landlord and LCS, as further amended by Third Amendment of Lease dated August 2, 1982 between Landlord and Tenant, and as further amended by Fourth Amendment of Lease dated April 20, 1983 between Landlord and Tenant (said lease, as previously amended, shall be hereinafter called the "Lease").

WITNESSETH:

Whereas, Tenant has succeeded to the interests of LCS pursuant to an Assignment of Lease dated December 22, 1980; and

WHEREAS, Landlord and Tenant desire to further amend the Lease as hereinafter provided.

NOW THEREFORE, for consideration of One Dollar (\$1.00), the receipt and sufficiency of which is hereby acknowledged, and in further consideration of the mutual covenants herein contained, the parties hereto do hereby agree to further amend the Lease as follows:

1. Section 5.1.2 of the Lease is hereby amended by adding the following paragraph at the end thereof:

"In addition to the use of the Premises permitted under the first paragraph of this Section 5.1.2, if at any time a Lender (as defined in Section 7.2 of the Lease) shall acquire the Tenant's interest in this Lease or shall take possession of the Premises, whether by foreclosure of the Tenant's interest or otherwise, thereafter the Lender as well as any subsequent holder of the Tenant's interest in the Lease claiming by, through or under such Lender (including without limitation a purchaser of such interest at a foreclosure sale) shall also have the right, at its own expense, to attempt to have the Town of Needham agree to changes in the pertinent Declaration of Restrictive Covenants and/or in the applicable zoning ordinance and other applicable local laws, ordinances and codes so as to permit the Premises to be used for other purposes than the use permitted under the first paragraph of this Section 5.1.2. In this connection such Lender or such other party claiming by, through or under such Lender shall have the right to bring proceedings in its own name and also, to the extent legally necessary, in Landlord's name, but all at Tenant's own expense. Furthermore, no use of the Premises other than the use permitted under the first paragraph of this

Section 5.1.2 shall be permitted until after formal agreement thereto by the Town of Needham, as aforesaid, and until after the subsequent written consent thereto of the Landlord, which consent (except in the case of sub-paragraphs (b) through (f) of the first paragraph of this Section 5.1.2) shall not be unreasonably withheld or delayed."

2. Pursuant to the provisions of Section 6.1 of the Lease, Tenant's predecessor in interest, Living Care Services Corporation ("LCS"), has heretofore assigned all of its right, title and interest as tenant under the Lease to Tenant by means of an Assignment of Lease dated December 22, 1980. In this connection a Notice of Assignment of Lease dated December 22, 1980 was recorded with the Norfolk Registry of Deeds at Book 5830, Page 234. Tenant hereby agrees with Landlord to assume and perform, effective retroactively as of December 22, 1980, all of the terms, covenants, conditions and agreements imposed upon the tenant by the Lease and any other written agreements between Landlord and LCS relating to the Lease or the Premises. Landlord hereby acknowledges the full validity and effectiveness of said Assignment of Lease from Living Care Services Corporation to Tenant.

3. The first sentence of Section 7.2 of the Lease is hereby amended by revising the "except" clause at the end thereof to read as follows: "except as provided in this Article VII and in Section 5.1.2 and Article XI of this Lease".

4. Subsection 7.2(b) of the Lease is hereby amended to read as follows:



"(b) Landlord, upon giving Tenant any written notice of default or any other written notice or written communication of any kind whatsoever pursuant to this Lease (including without limitation the serving of any process on Tenant in any litigation or proceeding), shall be obligated to mail to Lender on the same day on which any such notice or other communication is sent to the Tenant, (or is sent to the Sheriff or other serving officer in the case of the serving of any process on the Tenant), a copy of such notice or other communication, postage prepaid, by United States registered or certified mail, return receipt requested, directed to the original address for the Lender previously provided to Landlord or to such other address as the Lender may designate by similar notice given to Landlord from time to time. In this connection reference is hereby made to the notice provisions of Section 12.4 of this Lease. After receipt by Lender of any notice from Landlord of default under the Lease, the Lender shall thereupon have the same time period as Tenant may have under this Lease plus a further period of twenty (20) days in which to remedy or cause to be remedied the defaults complained of, and Landlord shall accept such performance by or at the instigation of such Lender as if the same had been done by Tenant. The Lender shall have the right to make payments to Landlord under protest and then subsequently seek the return of all or a portion of such payment by contesting whether such payment or a portion thereof was properly due under the terms of this Lease;"

5. Subsection 7.2(c) of the Lease is hereby amended to read as follows:

"(c) Anything herein contained notwithstanding, while any such Leasehold Mortgage remains unsatisfied of record, or until written notice of satisfaction is given by the Lender to Landlord, if any default shall occur which, pursuant to any provisions of this Lease, entitles Landlord to terminate this Lease, and if before the expiration of fifty (50) days from the date the Lender has received notice of said election to terminate the Lease, such Lender shall have notified Landlord of its desire to nullify such notice and shall have paid to Landlord all rent and additional rent and other payments herein provided for which are then in default, and shall have complied or shall commence the work of complying with all of the other requirements of this Lease, if any are then in default, and shall prosecute the same to completion with reasonable diligence (but in no event shall Lender have less time in which to cure non-monetary defaults than is provided to Tenant under the provisions of Article XI of this Lease), then in such event Landlord shall not be entitled to terminate this Lease and any notice of termination theretofore given shall be void and of no effect;".

6. Subsection 7.2(h) of the Lease is hereby amended to read as follows:

"(h) In the event of the foreclosure of such Leasehold Mortgage, the Lender or subsequent owners will be liable only on those Lease obligations that shall accrue during its respective period of ownership of the leasehold estate, so that upon such a Lender or subsequent owner, as the case may be, ceasing to be the owner of the leasehold estate, such Lender or subsequent owner

shall be automatically freed and relieved, from and after the date it shall cease to own said leasehold estate, of all liability as respects the performance of any covenants or obligations on the part of the tenant contained in this Lease thereafter to be performed. In addition, no Lender shall be responsible for the performance of the tenant's obligations under this Lease until such time as it acquires Tenant's interest in this Lease or takes possession of the Premises, whether by foreclosure of the Tenant's interest or otherwise. Whenever there shall be a change in the ownership of the leasehold estate, the previous owner of said estate shall promptly give Landlord written notice thereof;"

7. A new Subsection 7.2(j) is hereby added to the Lease to read as follows:

"(j) Landlord agrees that in the event of termination of this Lease under Article XI hereof, Landlord will enter into a new lease for the premises with the Lender (or, with the consent of Landlord not to be unreasonably withheld or delayed, with the Lender's nominee or designee) for the remainder of the term of this Lease, effective as of the date of such termination, at the same rent and additional rent and upon all the other terms, provisions, covenants and agreements contained in this Lease, provided that such Lender or its nominee or designee shall make written request upon Landlord for such new lease within sixty (60) days after the date of such termination, and provided further that such Lender or its designee or nominee shall pay to Landlord at the time of the execution and delivery of said new lease any and all amounts of unpaid rent and additional rent which would at said

time be due under this Lease but for such termination and that such Lender or its designee or nominee shall commence the work of complying with any non-monetary obligations of the Tenant under this Lease that may then be in default and shall prosecute the same to completion with reasonable diligence."

8. Section 9.2 of the Lease is hereby amended by inserting in the sixth line thereof, after the word "taking" and before the comma the following parenthetical clause: "(or of a comparable kind and quality to the facility contemplated hereunder if such partial taking occurs prior to the construction of such facility)".

9. Section 12.4 of the Lease is hereby amended by inserting the following sentence between the existing two sentences: "Copies of all such notices, approvals, consents or other communications shall be mailed on the same day, postage prepaid, by United States registered or certified mail, return receipt requested, to any Lender at the original address for the Lender provided to the parties for this purpose or to any other address as the Lender may designate by notice given from time to time and in accordance with this Section 12.4; in this connection reference is hereby made to the provisions of Subsection 7.2(b) of this Lease."

Executed as an instrument under seal the day and year  
first above written.

Landlord: Babson College

By: William R. Dell  
President

Tenant: Living Care Villages of  
Massachusetts, Inc.

By: Wm. Farley  
President

# Amendment #6

September 26, 1991

SIXTH AMENDMENT

SIXTH AMENDMENT OF LEASE

This SIXTH AMENDMENT OF LEASE made the 26<sup>th</sup> day of September, 1991 between BABSON COLLEGE, a not-for-profit corporation organized under the laws of the Commonwealth of Massachusetts, with an address of Babson Park, Wellesley, MA 02157 (hereinafter called "Landlord"), and LIVING CARE VILLAGES OF MASSACHUSETTS, INC., a not-for-profit corporation organized under the laws of the Commonwealth of Massachusetts, with an address c/o North Hill, 865 Central Avenue, Needham, MA 02192 (hereinafter called "Tenant").

Reference is hereby made to a certain Lease dated November 14, 1978 between Landlord and Living Care Services Corporation ("LCS"), a corporation organized under the laws of the State of Iowa, notice of which Lease is recorded with Norfolk County Registry of Deeds in Book 5550, Page 4. Reference is further made to the following amendments to the Lease: First Amendment of Lease dated February 9, 1979 between Landlord and LCS; Second Amendment of Lease dated December 13, 1979 between Landlord and LCS; Third Amendment of Lease dated August 2, 1982 between Landlord and Tenant; Fourth Amendment of Lease dated April 20, 1983 between Landlord and Tenant; and Fifth Amendment of Lease dated April 21, 1983 between Landlord and Tenant. The Lease, as amended, is hereinafter referred to as the "Lease".

W I T N E S S E T H:

WHEREAS, Tenant has succeeded to the interests of LCS pursuant to an Assignment of Lease dated December 22, 1980, notice of which assignment is recorded with Norfolk County Registry of Deeds in Book 5830, Page 234; and

WHEREAS, Landlord and Tenant desire to amend the Lease as hereinafter provided.

NOW THEREFORE, for consideration of Ten Dollars (\$10.00) and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, Landlord and Tenant do hereby agree to amend the Lease as follows:

1. The legal description of the Premises attached to the Lease as Exhibit B is hereby deleted in its entirety,



and a new Exhibit B attached hereto as Exhibit B shall be substituted in its place.

2. Tenant shall furnish annual financial statements detailing the results of Tenant's operations each year during the term of the Lease. Annual financial statements shall be provided to Landlord within ninety (90) days of the end of Tenant's fiscal year. Notwithstanding the foregoing, a breach by Tenant of this covenant shall not be considered a default for the purposes of Article XI of this Lease unless it remains uncured for a period of sixty (60) days after written notice from Landlord.

Executed as an instrument under seal as of the date and year first above written.

Landlord:

BABSON COLLEGE

By: \_\_\_\_\_

Name:

Title:

Tenant:

LIVING CARE VILLAGES  
OF MASSACHUSETTS, INC.

By: \_\_\_\_\_

Name: J. Darrison Sillesky

Title: President

EXHIBIT B

PARCEL 1:

A certain parcel of land in Needham, Norfolk County, Massachusetts, being shown on a plan entitled "Plan of Land in Needham, Mass.", prepared for Living Care Services Corp. by Allen & Demurjian, Inc., dated November 12, 1982, recorded with Norfolk County Registry of Deeds in Plan Book 302, Plan Number 298-83. Said parcel contains 59.46 acres according to said plan.

PARCEL 2:

A certain parcel of land in Needham, Norfolk County, Massachusetts, being shown as Parcel 2 on a plan entitled "Plan of Land in Needham, Mass.", prepared by Needham Survey Associates, Inc., dated August 21, 1991, recorded with Norfolk County Registry of Deeds in Plan Book 402, as Plan Number 660-91, containing 3,649 s.f., more or less according to said plan.

5520e

# Agreement Regarding Commencement Date

AGREEMENT REGARDING COMMENCEMENT DATE

Reference is made to a certain lease dated November 14, 1978, between BABSON COLLEGE, a corporation organized under the laws of the Commonwealth of Massachusetts, as Landlord, and LIVING CARE SERVICES CORPORATION, a corporation organized under the laws of the State of Iowa, as Tenant, notice of which is recorded with Norfolk County Registry of Deeds (the "Registry"), Book 5550, Page 4 (the "Lease"). Living Care Services Corporation has assigned all its right, title and interest as Tenant under the Lease to LIVING CARE VILLAGES of MASSACHUSETTS, INC., a non-profit corporation, as of December 22, 1980, notice of which assignment is recorded with the Registry, Book 5830, Page 234.

Reference is also made to the following amendments of the Lease:

1. First Amendment dated February 9, 1979;
2. Second Amendment dated December 13, 1979;
3. Third Amendment dated August 2, 1982;
4. Fourth Amendment dated April 20, 1983; and
5. Fifth Amendment dated April 21, 1983;

and to the following notices reflecting such amendments:

- A. Amendment to Notice of Lease, recorded with the Registry, Book 5709, Page 546; and
- B. Notice of Amendment of Lease, recorded with the Registry, Book 6157, Page 59.

In consideration of the mutual covenants and agreements contained in the Lease, Landlord and Tenant hereby agree that

the Commencement Date, as defined in the Lease, shall be  
November 1, 1984.

Executed as an instrument under seal as of the 18th  
day of October, 1984.

BABSON COLLEGE

By: William R Dill  
Its President

LIVING CARE VILLAGES OF  
MASSACHUSETTS, INC.

BY John F. Foley  
Its President

COMMONWEALTH OF MASSACHUSETTS

Norfolk, ss.

Oct 18, 1984

Then personally appeared the above-named William Dill,  
the President of Babson College, and acknowledged the  
foregoing to be the free act and deed of said corporation, before me

Robert F. Foley  
Notary Public

My Commission expires: \_\_\_\_\_

My Commission Expires October 29, 1987

COMMONWEALTH OF MASSACHUSETTS

Norfolk, ss.

, 1984

Then personally appeared the above-named JARVIS FOLEY,  
the President of Living Care Villages of Massachusetts,  
Inc., and acknowledged the foregoing to be the free act and deed of  
said corporation, before me

Robert F. Foley  
Notary Public

My Commission expires: \_\_\_\_\_

My Commission Expires October 29, 1987

# Assignment of Lease

December 22, 1980

ASSIGNMENT OF LEASE

ASSIGNMENT OF LEASE

This Assignment of Lease made this 22 day of December, 1980, between LIVING CARE SERVICES CORPORATION, a corporation organized under the laws of the State of Iowa (hereinafter called "Assignor") and LIVING CARE VILLAGES OF MASSACHUSETTS, INC., a nonprofit corporation organized under the laws of the Commonwealth of Massachusetts (hereinafter called "Assignee").

Reference is hereby made to a Lease dated November 14, 1978, between Babson College, a corporation organized under the laws of the Commonwealth of Massachusetts (hereinafter called "Landlord"), as landlord, and Assignor, as tenant, as amended by First Amendment of Lease dated February 9, 1979, and as further amended by Second Amendment of Lease dated December 13, 1979 (said Lease as amended shall be hereinafter called the "Lease") covering certain premises located in Needham, Norfolk County, Massachusetts, more particularly described in the Lease. Reference is also made to a Notice of Lease recorded with Norfolk County Registry of Deeds in Book 5550, Page 4, as amended by Amendment to Notice of Lease recorded with said Deeds in Book 5709, Page 546.

For consideration of One Dollar (\$1.00), the receipt and sufficiency of which is hereby acknowledged, and in further consideration of the mutual covenants herein contained, the parties hereto do hereby agree to the following:

1. Assignor does hereby assign all of its right, title and interest as tenant under the Lease to Assignee.



2. As of this date, Assignee does hereby assume and agree to perform all of the terms, covenants and conditions and agreements imposed upon Assignor by the Lease and any other written agreements between Assignor and Landlord relating to the Lease or the premises covered by the Lease.

WITNESS the execution hereof under seal as of the day and year first above written.

LIVING CARE SERVICES CORPORATION

BY: Fred W. Weitz

LIVING CARE VILLAGES OF MASSACHUSETTS, INC.

X BY: Chris Farley

STATE OF IOWA

Polk ss.

December 22 , 1980

Then personally appeared the above-named Fred W. Weitz and acknowledged the foregoing instrument to be the free act and deed of Living Care Services Corporation, before me.

Jayce Buxton  
Notary Public

My commission expires: Sept 30, 1983

COMMONWEALTH OF MASSACHUSETTS

Norfolk ss.

December 23, 1980

Then personally appeared the above-named JAMES FARLEY and acknowledged the foregoing instrument to be the free act and deed of Living Care Villages of Massachusetts, Inc. before me.

X Will H. Gohm  
Notary Public

My commission expires: JUNE 30, 1983

Term Sheet and  
Lease Amendment

September 29, 2009

Change of Tenant Name to  
North Hill Needham, Inc.



## **NORTH HILL LEASE EXTENSION/MODIFICATION TERM SHEET**

Following are proposed new terms for the modification and extension of the existing ground lease, with its six amendments\*, between Babson College, the land owner/lessor ("Lessor"), and Living Care Village of Massachusetts, Inc., D.B.A. North Hill, the ground lessee ("Lessee"). Paragraphs not noted in the following term sheet are presumed to remain as is, except to the extent that dates, defined terms and cross references must be adjusted to conform to the revised terms.

### **PREMISES:**

**The Premises include both the Primary Premises of approximately 59.54 acres commonly referred to as North Hill and assigned the address of 865 Central Avenue, Needham, MA plus the right to use a drainage easement over portions of an approximately 4 acre parcel on the north side of East Militia Drive ("Easement Premises") on which a storm water retention basin (the "Forest Street Basin") was constructed to manage the storm water runoff from Lessor's property and the Primary Premises. The attached Exhibits 1 and 2 are detailed descriptions of the Primary Premises and the Easement Premises.**

### **LESSOR'S OPTION REGARDING THE EASEMENT PREMISES:**

**Lessor shall have the right, exercisable at any time during the Term of the Lease, to replace, move, alter or eliminate the Easement Premises provided Lessor has:**

- 1. designed an alternative means for handling the storm water runoff presently managed within the Forest Street Basin;**
- 2. secured, with the full cooperation of Lessee, all necessary permits and approvals for that plan, and**
- 3. completed at its expense the necessary construction.**

### **NEW LEASE TERM:**

**Fifty (50) years**

### **COMMENCEMENT DATE:**

**November 1, 2009**

***Babson lease extension term sheet 8 19 08 (2)North Hill Draft lease extension term sheet 2.doc***

***\*Lease dated 11/14/78; First Amendment dated 2/9/79; Second Amendment dated 12/13/79; Third Amendment dated 8/2/82; Fourth Amendment dated 4/20/83; Fifth Amendment dated 4/20/83; and a Sixth Amendment dated 9/26/91.***

EXPIRATION DATE:

October 31, 2059

BASE ANNUAL NET RENT:

For the year beginning November 1:

|                    |             |
|--------------------|-------------|
| 2009:              | \$ 100,000  |
| 2010:              | \$ 0        |
| 2011:              | \$ 0        |
| 2012:              | \$ 650,000  |
| 2013 - 2017:       | \$1,300,000 |
| 2018 through 2059: | see below   |

RENT ESCALATIONS:

Beginning on November 1, 2018 and every 5 years thereafter the Base Annual Net Rent is to increase from the prior year's Base Annual Net Rent by the lesser of 10% or the rate of change, but not less than 0%, in the Boston Area Consumer Price Index (or its equivalent if the Boston Area CPI is not available from the Boston Federal Reserve Bank) for the preceding 5 years ending on June 30.

RENT PAYMENT DATES:

Except for the first year of the lease when the full Base Annual Net Rent payment will be due in full on November 1, 2009, Base Annual Net Rent is to be paid in four (4) equal quarterly installments on November 1, February 1, May 1, and August 1.

LESSEE'S RIGHT TO TERMINATE THIS EXTENSION/MODIFICATION:

At any time during the first three years of this new lease term Lessee may elect to terminate this extension/modification by notifying the Lessor in writing of its exercise of this right and by including with that notification:

1. a plan for the "decanting" of the then current residents;
2. an operating plan that includes the general guidelines for operations during remaining term of the original lease;
3. a management plan and budget for the upcoming fiscal year; and
4. The most recent annual audited financial reports.

Further, at any time after ten years of this new lease term, Lessee may elect to terminate this lease by notifying Lessor in writing not less than

**AMENDED AND RESTATED  
NOTICE OF LEASE**

In accordance with Massachusetts General Laws, Chapter 183, Section 4, notice is hereby given of the following amended and restated lease (the "Lease"):

**LANDLORD:** Babson College, a Massachusetts non-profit educational corporation with a principal place of business at 231 Forest Street, Babson Park, Wellesley, MA 02457-0310, Attention: Vice President for Business and Financial Affairs

**TENANT:** North Hill Needham, Inc., formerly known as Living Care Villages of Massachusetts, Inc., a not-for-profit corporation organized under the laws of the Commonwealth of Massachusetts, with a principal place of business at North Hill, 865 Central Avenue, Needham, MA 02492

**DATE OF EXECUTION  
OF AMENDED AND  
RESTATED LEASE:** September 29, 2009

**COMMENCEMENT  
DATE OF LEASE:** November 1, 1984

**PREMISES:** A certain parcel of land with the buildings currently located thereon and any other buildings to be constructed thereon (collectively, the "Building") and all other improvements thereon on Forest Street, Central Street and East Militia Heights Drive, Needham, Norfolk County, Massachusetts containing approximately 59.54 acres commonly referred to as North Hill and assigned the address of 865 Central Avenue, Needham, MA (the "Primary Premises"), plus the right to use a drainage easement over portions of an approximately 4 acre parcel on the north side of East Militia Heights Drive (the "Drainage Easement") on which a storm water retention basin was constructed to manage the storm

water runoff from Landlord's property and the Primary Premises. The Primary Premises and the Drainage Easement are further described on Exhibit A annexed hereto.

**TERM OF LEASE:**

An initial term of seventy five (75) years. The term of the Lease commenced on November 1, 1984 and ends on October 31, 2059, unless earlier terminated in accordance with the terms more particularly set forth in the Lease.

**TERMINATION  
RIGHTS:**

Tenant has the right under the Lease to terminate the Lease upon the conditions and pursuant to the terms more particularly set forth in the Lease.

**TERMINATION AND  
RESTATEMENT  
RIGHTS:**

Tenant has the right under the Lease to terminate the Lease and to reinstate the Original Lease (notice of which is recorded as set forth below) upon the conditions and pursuant to the terms more particularly set forth in Section 12.13 of the Lease.

**AMENDED AND  
RESTATED NOTICE  
OF LEASE:**

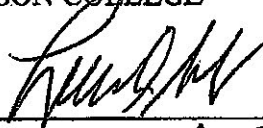
This Amended and Restated Notice of Lease amends and restates in its entirety that certain Notice of Lease dated November 14, 1978 and recorded with the Norfolk County Registry of Deeds in Book 5550, Page 4, as amended by that certain Amendment to Notice of Lease recorded with said Registry in Book 5709, Page 546, that certain Notice of Assignment of Lease recorded with such Registry in Book 5830, Page 234, that certain Notice of Amendment of Lease recorded with such Registry in Book 6157, Page 59 and that certain Agreement Regarding Commencement Date recorded with said Registry in Book 6528, Page 318.

This instrument is executed as a notice of said Lease and is not intended nor shall it be deemed to vary or govern the interpretation of the terms and conditions thereof. The foregoing is only a summary of certain provisions of said Lease, which are more fully set forth in the Lease.

EXECUTED under seal this 29<sup>th</sup> day of September, 2009.

LANDLORD:

BABSON COLLEGE

By: 

Name: Leonard A. Schlusinger

Title: President

THE COMMONWEALTH OF MASSACHUSETTS

On this 29<sup>th</sup> day of September, 2009, before me, the undersigned notary public, personally appeared Leonard A. Schlusinger, the President of Babson College who proved to me through satisfactory evidence of identification, which was known to me, to be the person whose name is signed on the preceding or attached document, and acknowledged to me that he signed it voluntarily on behalf of Babson College for its stated purpose.

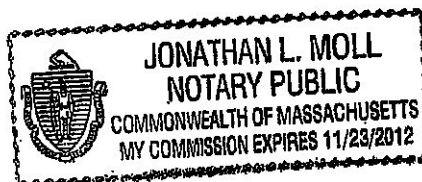


(official signature and seal of notary)

Print Name: Jonathan L. Moll

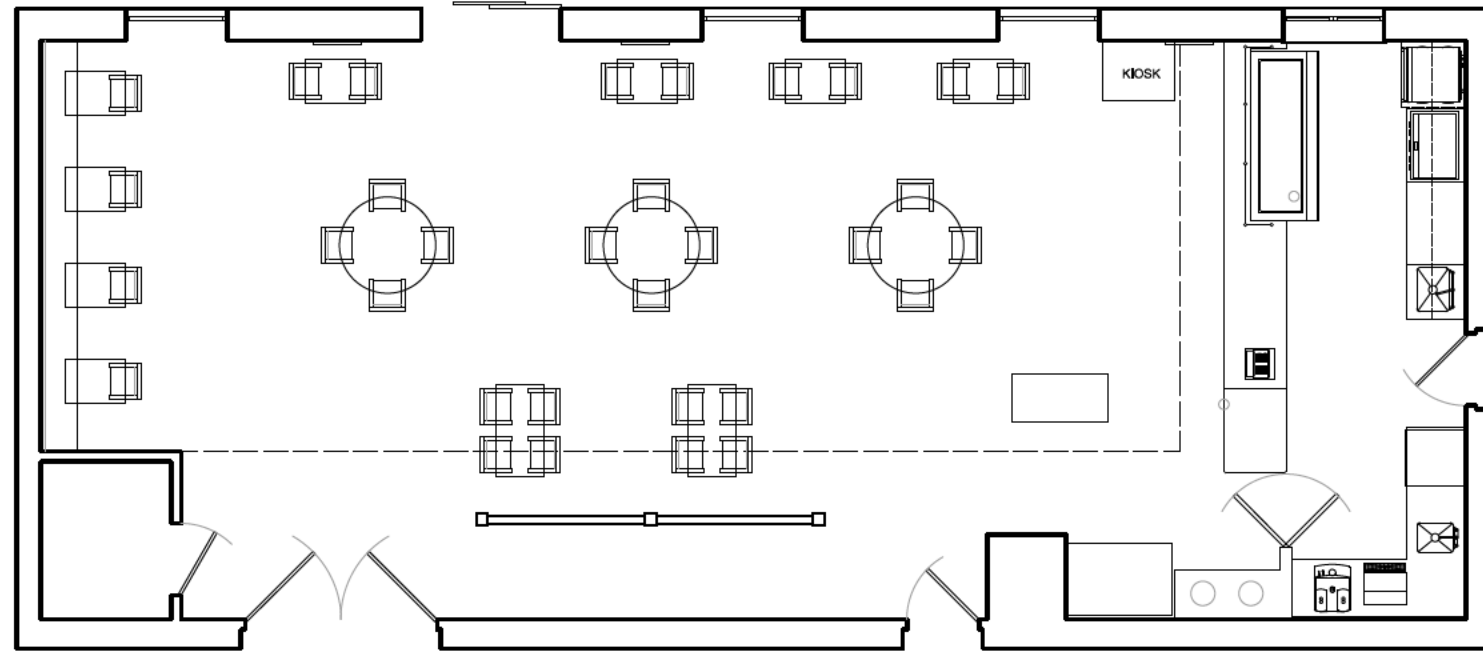
My Commission expires: 11/23/2012

[Signature Continue on Next Page]



# Floor Plan





NORTH HILL  
BAKERY - 3RD FLOOR  
SCALE - 1/8" = 1'-0"

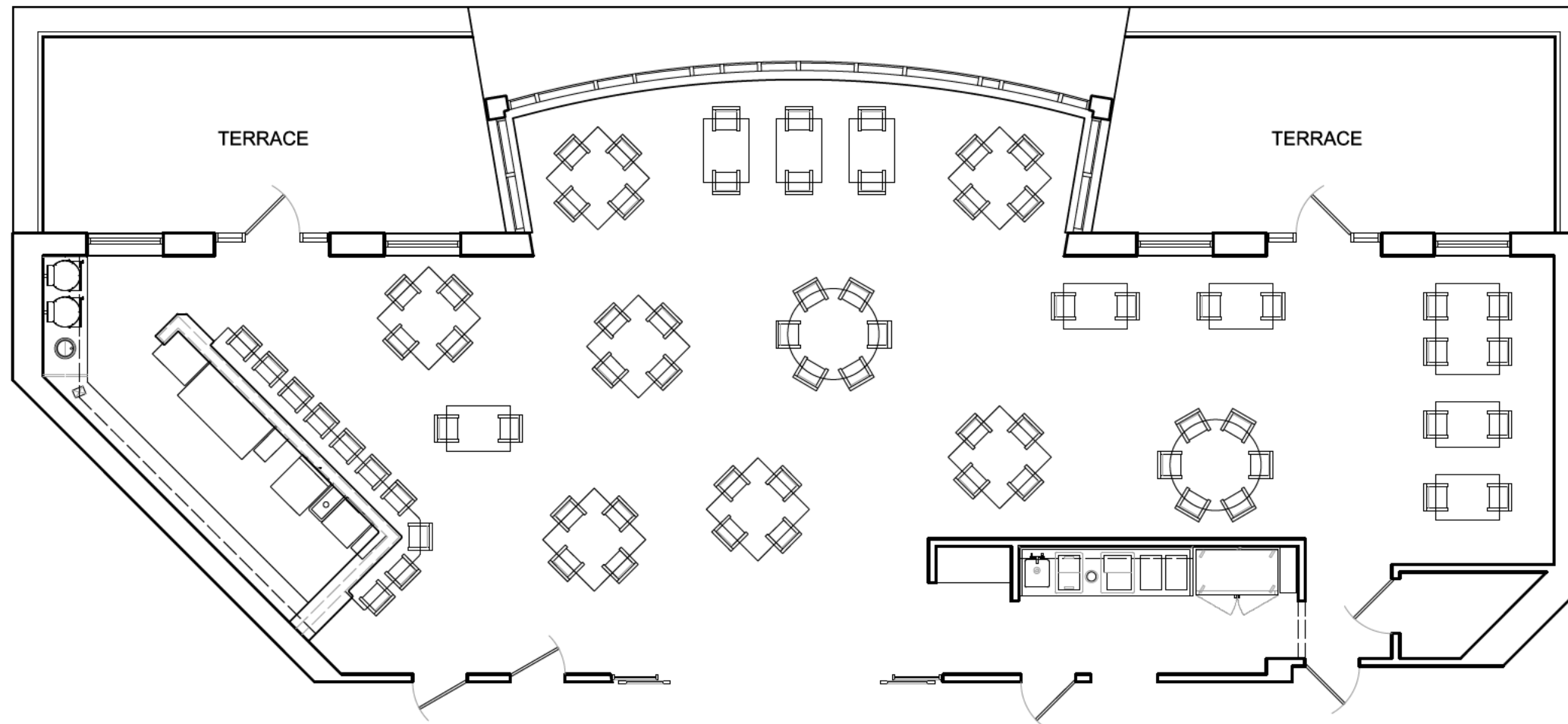
FLOOR AREA = 840 SQ FT  
AREA/PERSON - 15 SQ FT  
ALLOWABLE OCCUPANCY = 56  
ACTUAL SEATS = 38



PROJECT NORTH HILL  
865 CENTRAL AVE  
NEEDHAM, MA 02492

DATE APRIL 2, 2025

TIMOTHY E LUND, ARCHITECT  
262 FOREST STREET  
NEEDHAM, MA 02492  
(781) 444-6690 T  
www.TLArchitect.com



NORTH HILL  
BISTRO - 3RD FLOOR  
SCALE - 1/8" = 1'-0"

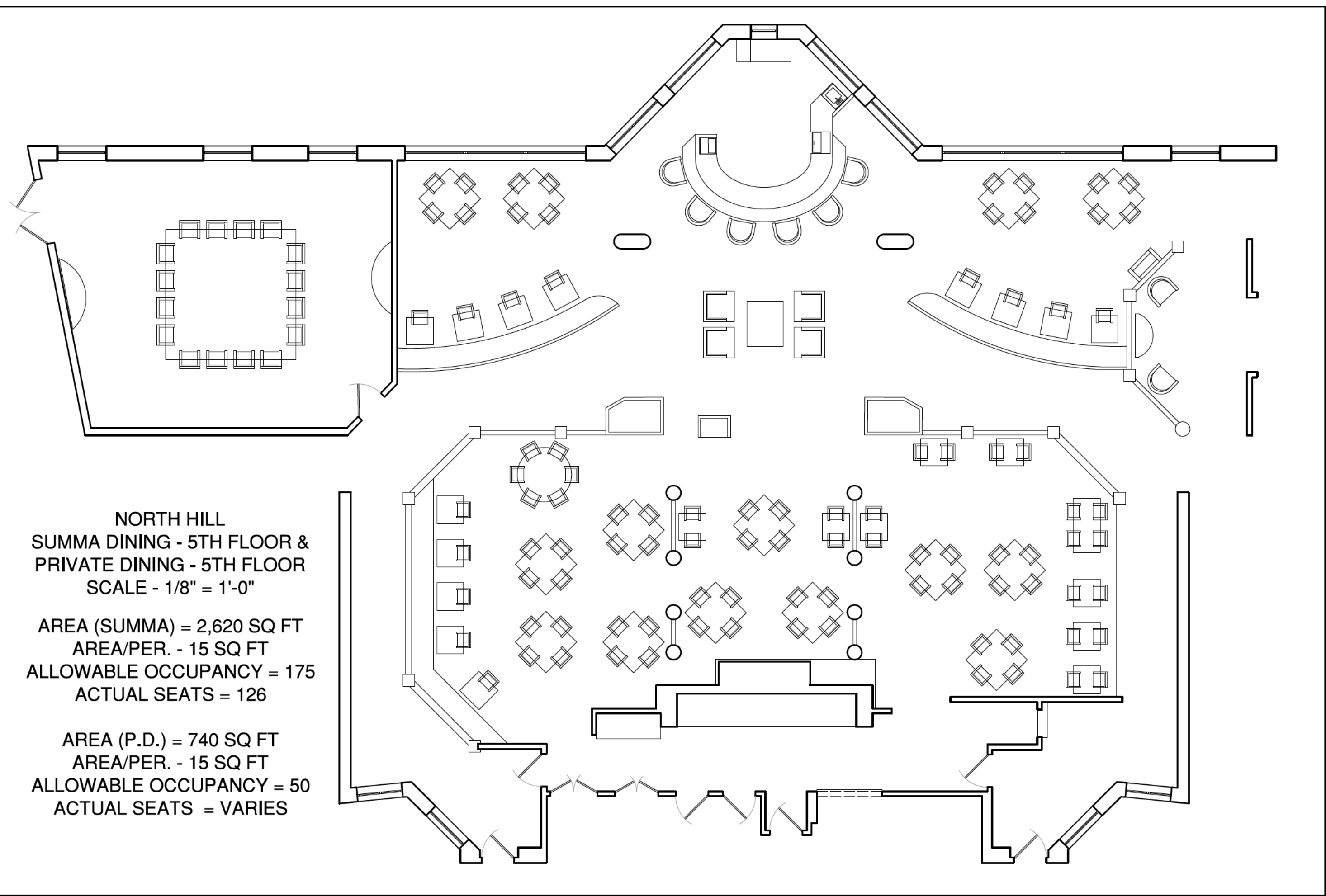
FLOOR AREA = 1,580 SQ FT  
AREA/PERSON - 15 SQ FT  
ALLOWABLE OCCUPANCY = 106  
ACTUAL SEATS = 70



PROJECT NORTH HILL  
865 CENTRAL AVE  
NEEDHAM, MA 02492

DATE APRIL 2, 2025

TIMOTHY E LUND, ARCHITECT  
262 FOREST STREET  
NEEDHAM, MA 02492  
(781) 444-6690 T  
www.TLArchitect.com



NORTH HILL  
SUMMA DINING - 5TH FLOOR &  
PRIVATE DINING - 5TH FLOOR  
SCALE - 1/8" = 1'-0"

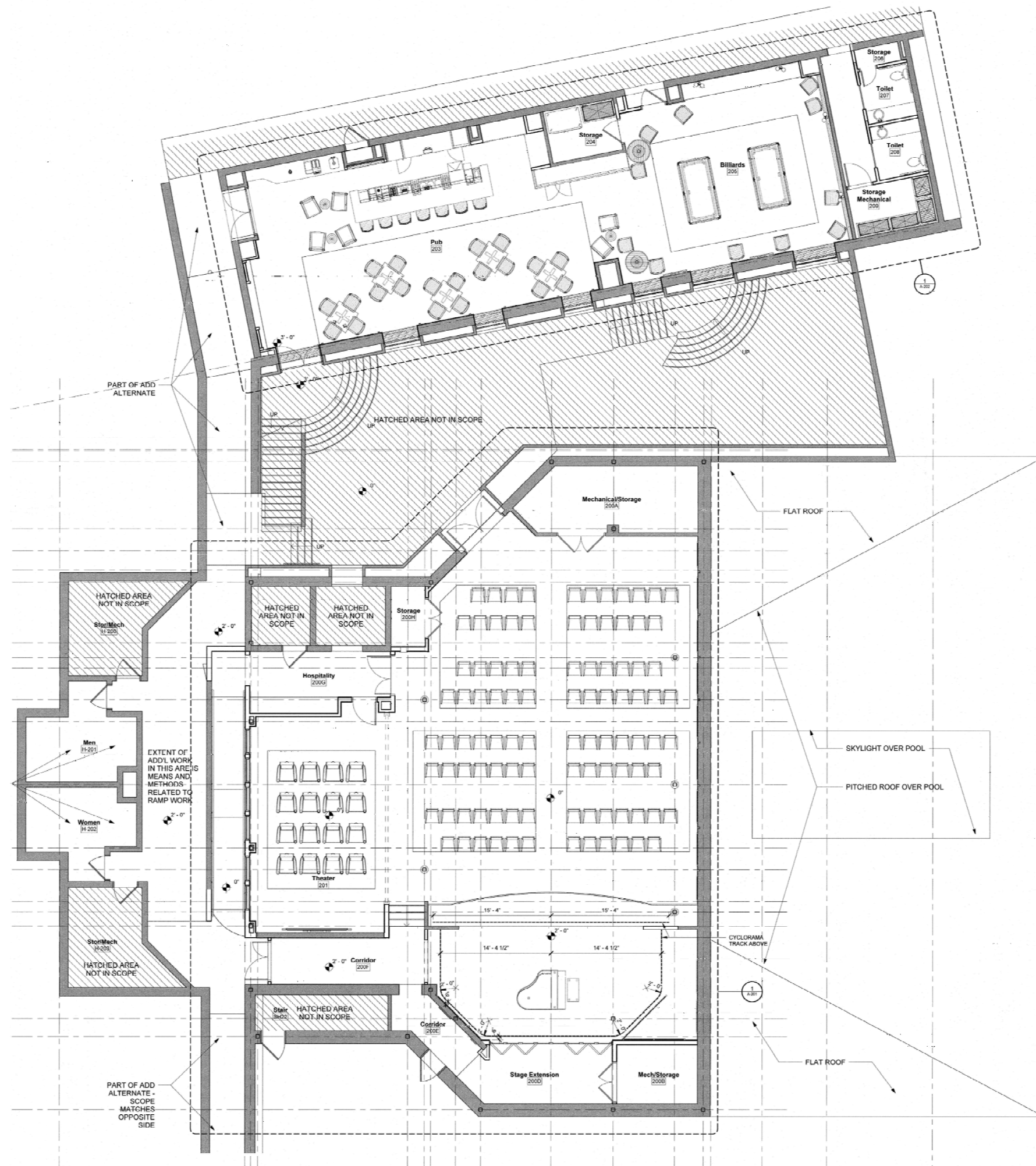
AREA (SUMMA) = 2,620 SQ FT  
AREA/PER. - 15 SQ FT  
ALLOWABLE OCCUPANCY = 175  
ACTUAL SEATS = 126

AREA (P.D.) = 740 SQ FT  
AREA/PER. - 15 SQ FT  
ALLOWABLE OCCUPANCY = 50  
ACTUAL SEATS = VARIES

PROJECT NORTH HILL  
865 CENTRAL AVE  
NEEDHAM, MA 02492  
DATE APRIL 2, 2025



TIMOTHY E LUND, ARCHITECT  
262 FOREST STREET  
NEEDHAM, MA 02492  
(781) 444-6690 T  
www.TLArchitect.com



**EGA**  
ARCHITECTS  
© EGA ARCHITECTS, P.C.  
One Vernon Street  
Newburyport, MA 01950  
Phone 878-462-5515  
Fax 878-462-5525

CIVIL ENGINEER:  
NA  
STRUCTURAL ENGINEER:  
Vince Engineering  
MEP ENGINEER:  
BLW Engineers  
INTERIOR DESIGNER:  
VDC Interiors

North Hill Renovations 2023  
865 Central Avenue  
Needham, MA 02492

|             |            |
|-------------|------------|
| Issued For: | Date:      |
| PROGRESS    | 08/31/2023 |
| PERMIT      | 09/22/2023 |
|             |            |
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|             |            |
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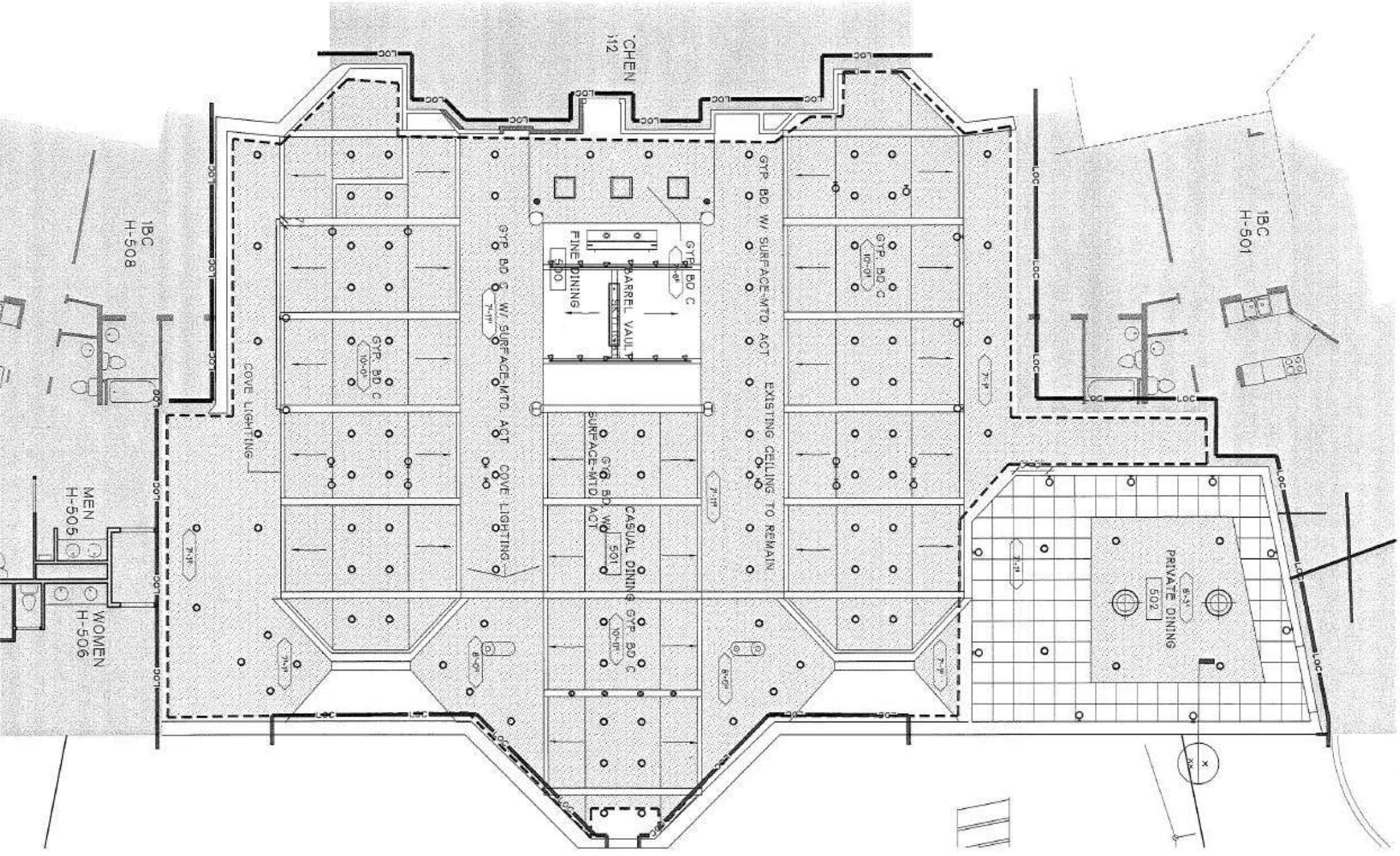
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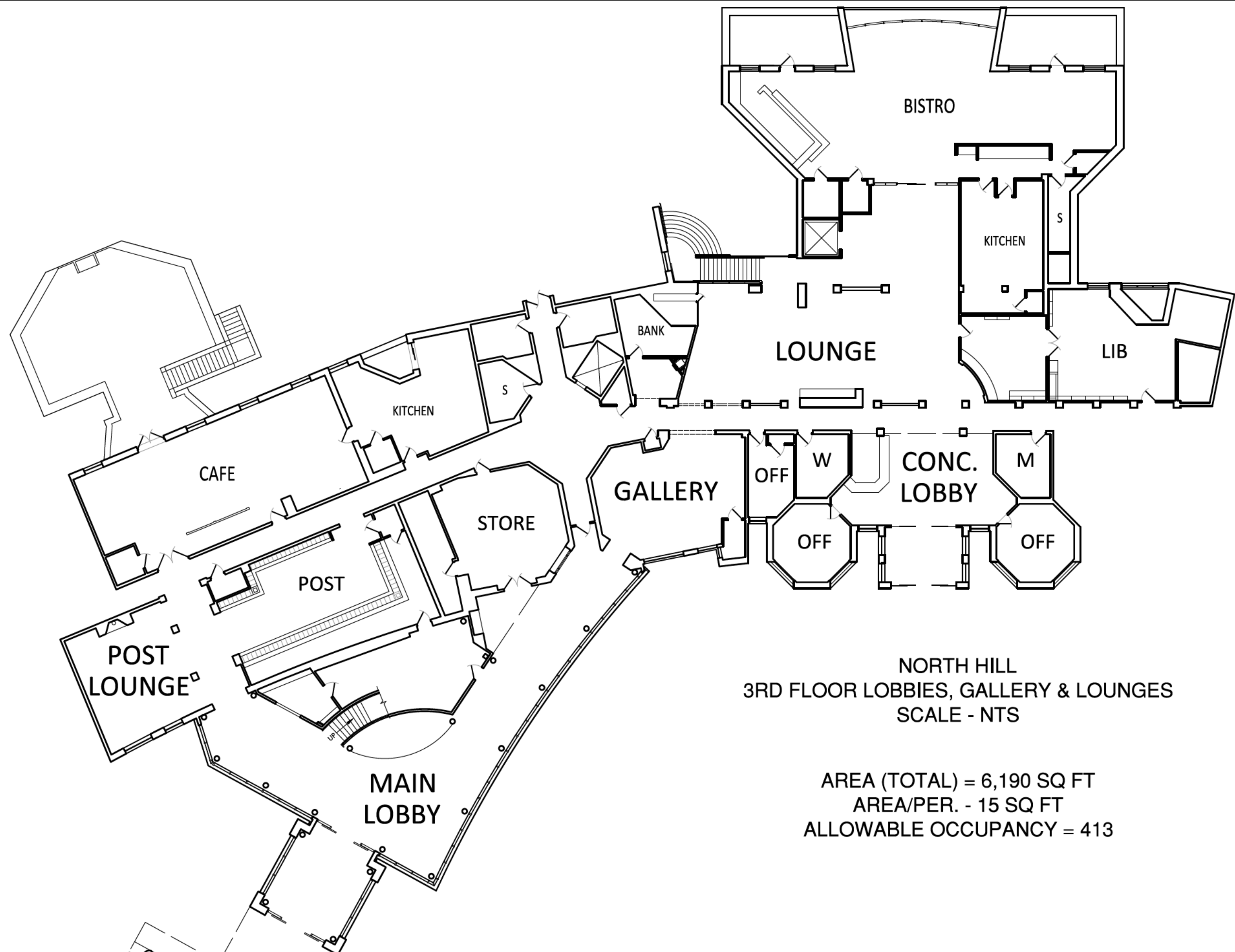
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Floor Plan

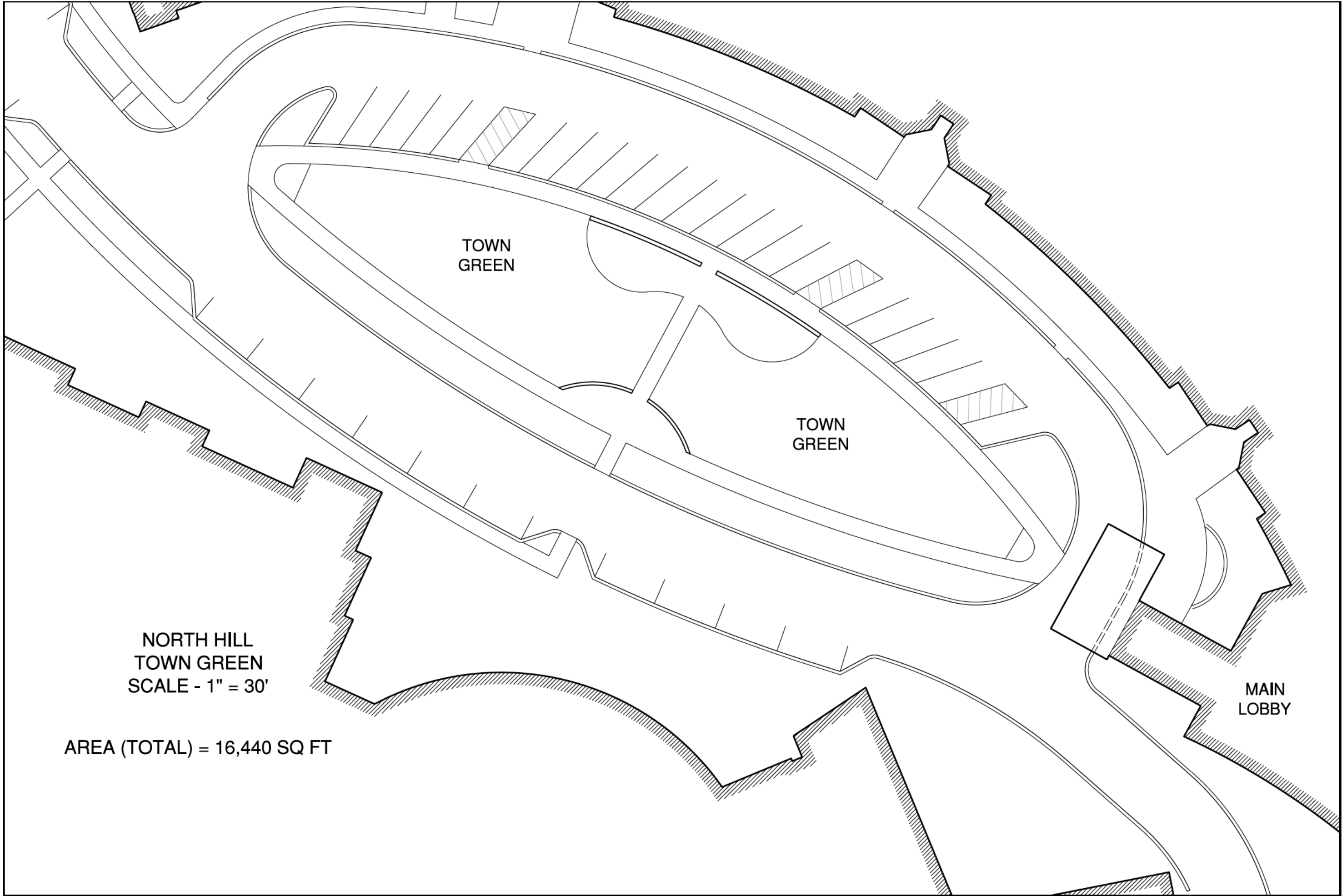
Sheet Number:  
A-101

1 Floor 2 Plan  
3/16" = 1'-0"









**TIMOTHY E LUND, ARCHITECT**  
262 FOREST STREET  
NEEDHAM, MA 02492  
(781) 444-6690 T  
www.TLArchitect.com



PROJECT

NORTH HILL  
865 CENTRAL AVE  
NEEDHAM, MA 02492

DATE

APRIL 2, 2025

# LEGAL NOTICE



## TOWN OF NEEDHAM

### SELECT BOARD

### Application for Alteration of Licensed Premises

Notice is hereby given pursuant to Massachusetts General Laws, Chapter 138, Sections 12 and 16C, that **North Hill Needham, Inc.**, dba North Hill, has applied for an Alteration of Premises Amendment to their Section 12 Continuing Care Retirement Community, All Alcoholic Beverages License at 865 Central Avenue, Needham.

IT IS ORDERED that a public hearing be held for said application at the office of the Select Board as the Needham Licensing Authority located in the Town Hall, 1471 Highland Avenue on the **27th day of May 2025 at 6:00 PM**. The Select Board invites all residents and interested parties to provide input at this meeting that will be held in person, Select Board Chambers, Town Hall and via Zoom.

Use this link below to join the webinar: <https://needham-k12-ma-us.zoom.us/j/82601013229?pwd=OE82V1MxQnJUZHVXZjFNbWJXRFRJb0QTO9>

Webinar ID: 826 0101 3229

Password: 652800

Or One-Tap Mobile Telephone: +16469313860,,82601013229#,,, \*652 800#

**Licensing Authority  
Select Board**



# 565 HIGHLAND AVE 300 FEET

| PARCEL ID             | OWNER NAME 1                            | OWNER NAME 2             | MAILING ADDRESS   | CITY    | ST     | ZIP    |
|-----------------------|-----------------------------------------|--------------------------|-------------------|---------|--------|--------|
| 199/111.0-0017-0000.0 | LASIC, IGOR &                           | LASIC, HELEN MARIE       | 46 ROLLING LN     | NEEDHAM | MA     | 02492- |
| 199/119.0-0034-0000.0 | FUNG, MAY Y &                           | FEI, YI                  | 65 NORTH HILL AVE | NEEDHAM | MA     | 02492- |
| 199/121.0-0007-0000.0 | MEYER, JAMES &                          | MEYER, CHRISTA           | 20 NEHOIDEN ST    | NEEDHAM | MA     | 02492- |
| 199/121.0-0058-0000.0 | WILLETTE, JOYCE C                       | 5 DAWSON DR              | SUDBURY           | MA      | 01776- |        |
| 199/122.0-0054-0000.0 | SHAIKH, RAJA TR. &                      | 140 JARVIS CIR           | NEEDHAM           | MA      | 02492- |        |
| 199/122.0-0065-0000.0 | PADVAL, MAHESH &                        | 814 CENTRAL AVE          | NEEDHAM           | MA      | 02492- |        |
| 199/122.0-0069-0000.0 | RAMSHAW, DAVID L &                      | 842 CENTRAL AVE          | NEEDHAM           | MA      | 02492- |        |
| 199/309.0-0012-0000.0 | FRANKLIN W. OLIN COLLEGE OF ENGINEERING | 1735 GREAT PLAIN AVE     | NEEDHAM           | MA      | 02492- |        |
| 199/110.0-0001-0000.0 | RHS LLP                                 | 292 FOREST ST            | NEEDHAM           | MA      | 02492- |        |
| 199/111.0-0001-0000.0 | DOYLE, WILLIAM J. &                     | 230 FOREST ST            | NEEDHAM           | MA      | 02492- |        |
| 199/111.0-0005-0000.0 | DOYLE, WILLIAM G. &                     | 208 FOREST ST            | NEEDHAM           | MA      | 02492- |        |
| 199/111.0-0008-0000.0 | EASTMAN, EILEEN T. TR.                  | PO BOX 1288              | SOUTH DENNIS      | MA      | 02660- |        |
| 199/111.0-0009-0000.0 | MATZA, SCOTT &                          | 178 FOREST ST            | NEEDHAM           | MA      | 02492- |        |
| 199/111.0-0019-0000.0 | MCCABE, BERNARD T + KATHYRN F., TRS     | 34 ROLLING LN            | NEEDHAM           | MA      | 02492- |        |
| 199/114.0-0012-0000.0 | BABSON COLLEGE                          | 231 FOREST AVE           | BABSON PARK       | MA      | 02457- |        |
| 199/121.0-0008-0000.0 | ZELIKOV, MISHA &                        | 10 NEHOIDEN ST           | NEEDHAM           | MA      | 02492- |        |
| 199/121.0-0011-0920.0 | ZHAO, YUCHI &                           | 920 CENTRAL AVE UNIT 920 | NEEDHAM           | MA      | 02492- |        |
| 199/122.0-0057-0000.0 | MARINO LAND DEVELOPMENT LLC             | 160 JARVIS CIR           | NEEDHAM           | MA      | 02492- |        |
| 199/122.0-0066-0000.0 | UDDHAO, JAGDISH                         | 822 CENTRAL AVE          | NEEDHAM           | MA      | 02492- |        |
| 199/122.0-0067-0000.0 | ENGEL, THEODORE F. II &                 | 828 CENTRAL AVE          | NEEDHAM           | MA      | 02492- |        |
| 199/309.0-0029-0000.0 | GAETA EC INVESTMENTS                    | 23 DWIGHT RD             | NEEDHAM           | MA      | 02492- |        |
| 199/309.0-0030-0000.0 | SELINA SULMONA                          | 22 HUNTERS RUN           | PROVIDENCE        | RI      | 02904- |        |
| 199/110.0-0013-0000.0 | SWENSON, ERIK &                         | 12 ROLLING LN            | NEEDHAM           | MA      | 02492- |        |
| 199/110.0-0015-0000.0 | SCHWARTZ, CARYN FRANKLIN TR. &          | 33 TURNPIKE RD           | SOUTHBOROUGH      | MA      | 01772- |        |
| 199/110.0-0016-0000.0 | KIM, CHRISTOPHER J. &                   | 18 ROLLING LN            | NEEDHAM           | MA      | 02492- |        |
| 199/111.0-0007-0000.0 | LEVINE, PAUL S. &                       | 190 FOREST ST            | NEEDHAM           | MA      | 02492- |        |
| 199/111.0-0013-0000.0 | ROCHFORD, JAMES S. & CATHERINE C. TRS.  | 74 ROLLING LN            | NEEDHAM           | MA      | 02492- |        |
| 199/111.0-0016-0000.0 | JOHNSON, WILLIAM THORN TR               | 52 ROLLING LN            | NEEDHAM           | MA      | 02492- |        |
| 199/111.0-0036-0000.0 | TANNER, SCOTT D. +                      | 95 ROLLING LN            | NEEDHAM           | MA      | 02492- |        |
| 199/121.0-0009-0000.0 | MEFM4QHHL LLC                           | 172 ELLIOT ST            | NEWTON            | MA      | 02464- |        |
| 199/121.0-0011-0922.0 | COX, KRISTIN A.                         | 922 CENTRAL AVE UNIT 922 | NEEDHAM           | MA      | 02492- |        |
| 199/121.0-0011-0926.0 | SANDLER, JACQUELINE TR.                 | 926 CENTRAL AVE          | NEEDHAM           | MA      | 02492- |        |
| 199/121.0-0015-0000.0 | KRESSE, FREDERICK H. TR.                | 760 EL VERANO DR.        | WALNUT CREEK      | CA      | 94598- |        |
| 199/121.0-0016-0000.0 | BORRELLI, DAMON JOSEPH TR               | 100 BORDER RD            | NEEDHAM           | MA      | 02492- |        |
| 199/309.0-0011-0000.0 | BABSON COLLEGE                          | 231 FOREST ST            | BABSON PARK       | MA      | 02457- |        |
| 199/110.0-0004-0000.0 | MAGGS, CHARLES A. &                     | 2 ROLLING LN             | NEEDHAM           | MA      | 02492- |        |
| 199/110.0-0014-0000.0 | BROADBENT, BARBARA B                    | 254 FOREST ST            | NEEDHAM           | MA      | 02492- |        |
| 199/111.0-0002-0000.0 | WELLS, EVAN D. &                        | 226 FOREST ST            | NEEDHAM           | MA      | 02492- |        |
| 199/111.0-0038-0000.0 | CHANG, ANDREA                           | 158 FOREST ST            | NEEDHAM           | MA      | 02492- |        |
| 199/111.0-0041-0000.0 | WASHEK, JOHN T. TR.                     | 935 GREAT PLAIN AVE      | NEEDHAM           | MA      | 02492- |        |
| 199/121.0-0006-0000.0 | BLOOM, SETH A &                         | 30 NEHOIDEN ST           | NEEDHAM           | MA      | 02492- |        |
| 199/121.0-0017-0000.0 | LI, GERRY &                             | 44 BESS RD               | NEEDHAM           | MA      | 02492- |        |
| 199/121.0-0054-0000.0 | TRABUCCO, ROBERT D. &                   | 120 JARVIS CIR           | NEEDHAM           | MA      | 02492- |        |

Certified as list of parties in interest under Mass. General Laws and Needham Zoning By-Law, to the Best of our knowledge for the Needham Board of Assessors.....

**565 HIGHLAND AVE  
300 FEET**

| PARCEL ID             | OWNER NAME 1                             | OWNER NAME 2                            | MAILING ADDRESS           | CITY        | ST | ZIP    |
|-----------------------|------------------------------------------|-----------------------------------------|---------------------------|-------------|----|--------|
| 199/121.0-0056-0000.0 | WELLER, VIVIAN K. TR                     | VIVIAN K. WELLER REVOCABLE TRUST        | 81 BESS RD                | NEEDHAM     | MA | 02492- |
| 199/121.0-0059-0000.0 | KAPLAN, ERIC &                           | KAPLAN, AIMEE K                         | 22 GILBERT RD             | NEEDHAM     | MA | 02492- |
| 199/122.0-0068-0000.0 | 314 OAKLAND LLC                          |                                         | 834 CENTRAL AVE           | NEEDHAM     | MA | 02492- |
| 199/122.0-0071-0000.0 | TARRAGONA, NESTOR G &                    | BARBERA, VANESA                         | 854 CENTRAL AVE           | NEEDHAM     | MA | 02494- |
| 199/309.0-0021-0000.0 | BABSON COLLEGE                           | FACILITIES MANAGEMENT & PLANNING        | BABSON COLLEGE            | BABSON PARK | MA | 02457- |
| 199/309.0-0025-0000.0 | BABSON COLLEGE                           | C/O NORTH HILL NEEDHAM ATTN: ACCOUNTING | 865 CENTRAL AVE           | NEEDHAM     | MA | 02492- |
| 199/110.0-0019-0000.0 | HALL, RICHARD J. &                       | HALL, SUSAN E                           | 24 ROLLING LN             | NEEDHAM     | MA | 02492- |
| 199/110.0-0023-0000.0 | TEN SIX LLP                              |                                         | 292 FOREST ST             | NEEDHAM     | MA | 02492- |
| 199/111.0-0004-0000.0 | MULAY, HARSHAL &                         | NAIK, NEETA R                           | 212 FOREST ST             | NEEDHAM     | MA | 02492- |
| 199/111.0-0012-0000.0 | O'NEIL, KEVIN M. &                       | RUSH, ROBYN L                           | 80 ROLLING LN             | NEEDHAM     | MA | 02492- |
| 199/111.0-0015-0000.0 | MCEVOY, JAMES H. & PAULA J. TRS          | MCEVOY FAMILY TRUST                     | 60 ROLLING LN             | NEEDHAM     | MA | 02492- |
| 199/111.0-0018-0000.0 | SPROTT, KEVIN T., TR &                   | SPROTT, KAM M., TR                      | 40 ROLLING LN             | NEEDHAM     | MA | 02492- |
| 199/111.0-0035-0000.0 | PFATFMANN, KENDRIK A                     |                                         | 89 ROLLING LN             | NEEDHAM     | MA | 02492- |
| 199/111.0-0040-0000.0 | EV-ELMVIEW REALTY LLC                    |                                         | 935 GREAT PLAIN AVE       | NEEDHAM     | MA | 02492- |
| 199/114.0-0011-0000.0 | BABSON COLLEGE                           | ADAMS, DAVID C                          | 231 FOREST ST OLIN 316    | BABSON PARK | MA | 02457- |
| 199/119.0-0023-0000.0 | ADAMS, RACHEL S. &                       | PINGETON, MALORY                        | 49 NORTH HILL AVE         | NEEDHAM     | MA | 02492- |
| 199/119.0-0035-0000.0 | PINGETON, SCOTT &                        | C/O PARK & RECREATION COMMISSION        | 69 NORTH HILL AVE         | NEEDHAM     | MA | 02492- |
| 199/120.0-0023-0002.0 | TOWN OF NEEDHAM                          | SAHU, SUMAN                             | 1471 HIGHLAND AVE         | NEEDHAM     | MA | 02492- |
| 199/121.0-0010-0000.0 | PRASAD, SAUMYA &                         |                                         | 930 CENTRAL AVE           | NEEDHAM     | MA | 02492- |
| 199/121.0-0011-0000.0 | NEEDHAM ENTERPRISES LLC                  | C/O BORRELLI LAW OFFICES                | 105 CHESTNUT STREET       | NEEDHAM     | MA | 02492- |
| 199/122.0-0070-0000.0 | WATTS, DIANA                             |                                         | 848 CENTRAL AVE           | NEEDHAM     | MA | 02492- |
| 199/309.0-0007-0000.0 | HERSEY, RICHARD A. TR                    | HERSEY FAMILY REALTY TRUST              | 861 CENTRAL AVE           | NEEDHAM     | MA | 02492- |
| 199/309.0-0009-0000.0 | CHARLES RIVER ASSOCIATION OF RETD CITIZN |                                         | P. O. BOX 920169          | NEEDHAM     | MA | 02492- |
| 199/110.0-0003-0000.0 | LUND, TIMOTHY E. &                       | LUND, SHARON B                          | 262 FOREST ST             | NEEDHAM     | MA | 02492- |
| 199/111.0-0006-0000.0 | WALKER, ROSS &                           | WALKER, RUTH D                          | 198 FOREST ST             | NEEDHAM     | MA | 02492- |
| 199/111.0-0010-0000.0 | AMAYA, JAVIER A & KELLY S                |                                         | 100 ROLLING LN            | NEEDHAM     | MA | 02492- |
| 199/111.0-0014-0000.0 | MURDOCK, SUSAN B                         |                                         | 66 ROLLING LN             | NEEDHAM     | MA | 02492- |
| 199/111.0-0037-0000.0 | DOMENICONI, PATRICIA &                   | KURKJIAN, DAVID                         | 101 ROLLING LN            | NEEDHAM     | MA | 02492- |
| 199/121.0-0055-0000.0 | LEYFER, MICHAEL &                        | LEYFER, OVSANNA                         | 77 BESS RD                | NEEDHAM     | MA | 02492- |
| 199/122.0-0052-0000.0 | BLOCH, BRIAN G. &                        | BLOCH, ALYSON L                         | 126 JARVIS CIR            | NEEDHAM     | MA | 02492- |
| 199/122.0-0072-0000.0 | MISKIN, MARK D. &                        | CONSIDINE-MISKIN, BRENDA                | 860 CENTRAL AVE           | NEEDHAM     | MA | 02492- |
| 199/309.0-0004-0000.0 | TORAN, MARYBETH                          |                                         | 945 CENTRAL AVE           | NEEDHAM     | MA | 02492- |
| 199/309.0-0010-0000.0 | UNITED STATES OF AMERICA                 | NATICK RPD                              | 59 EAST MILITIA HEIGHTS C | NEEDHAM     | MA | 02492- |
| 199/111.0-0003-0000.0 | KOUTSOPoulos, ANNETTE DEMCHUR &          | KOUTSOPoulos, HARILAOS N                | 218 FOREST ST             | NEEDHAM     | MA | 02492- |
| 199/111.0-0011-0000.0 | ROSSI, DIANNE M                          |                                         | 92 ROLLING LN             | NEEDHAM     | MA | 02492- |
| 199/111.0-0039-0000.0 | OBEID, CHARLES                           |                                         | 146 FOREST ST             | NEEDHAM     | MA | 02492- |
| 199/112.0-0042-0000.0 | RIEDL, BRADLEY R &                       | RIEDL, COLLEENE                         | 106 FOREST ST             | NEEDHAM     | MA | 02492- |
| 199/119.0-0033-0000.0 | SILVERMAN, JOSEPH H. +                   | SILVERMAN, SUSAN G                      | 57 NORTH HILL AVE         | NEEDHAM     | MA | 02492- |
| 199/121.0-0011-0924.0 | JIAN, XINGCHEN &                         | XU, JIALIE                              | 924 CENTRAL AVE           | NEEDHAM     | MA | 02492- |
| 199/121.0-0012-0000.0 | SUN, ZIRAN &                             | WANG, ZHENG                             | 914 CENTRAL AVE           | NEEDHAM     | MA | 02492- |
| 199/121.0-0013-0000.0 | SUBRAMANIAM, RAJESHWARI                  |                                         | 84 BESS RD                | NEEDHAM     | MA | 02492- |
| 199/121.0-0052-0000.0 | LIACOPOULOS, ROBERT D. &                 | LIACOPOULOS, SETA Z                     | 57 BESS RD                | NEEDHAM     | MA | 02492- |
| 199/121.0-0053-0112.0 | FREEDBERG, CATHY M. & RICHARD M. TRS     | CATHY M. FREEDBERG REVOCABLE TRUST      | 112 JARVIS CIR            | NEEDHAM     | MA | 02492- |

Certified as list of parties in interest under Mass. General Laws and Needham Zoning By-Law, to the Best of our knowledge  
for the Needham Board of Assessors.....

**565 HIGHLAND AVE  
300 FEET**

| <b>PARCEL ID</b>      | <b>OWNER NAME 1</b>                | <b>OWNER NAME 2</b>          | <b>MAILING ADDRESS</b> | <b>CITY</b> | <b>ST</b> | <b>ZIP</b> |
|-----------------------|------------------------------------|------------------------------|------------------------|-------------|-----------|------------|
| 199/121.0-0053-0114.0 | CENTOLA, JOSEPH P., TR             | JARVIS REALTY TRUST          | 113 WINTER ST          | HOPKINTON   | MA        | 01748-     |
| 199/122.0-0074-0000.0 | DEVRIES, LEE S &                   | DEVRIES, LAURIE C            | 876 CENTRAL AVE        | NEEDHAM     | MA        | 02492-     |
| 199/126.0-0001-0000.0 | NEEDHAM HISTORICAL SOCIETY, INC    |                              | 176 GREENDALE AVE      | NEEDHAM     | MA        | 02494-     |
| 199/309.0-0006-0000.0 | MAHERAS, STYLIANOS &               | MAHERAS, KRISTIE             | 891 CENTRAL AVE        | NEEDHAM     | MA        | 02492-     |
| 199/110.0-0020-0000.0 | KACHKA, MINNA TR.                  | MINNA KACHKA TRUST           | 238 FOREST ST          | NEEDHAM     | MA        | 02492-     |
| 199/114.0-0010-0000.0 | BABSON COLLEGE                     |                              | 231 FOREST ST OLIN 316 | BABSON PARK | MA        | 02457-     |
| 199/121.0-0014-0000.0 | WEISBROD, ERIC M. &                | WEISBROD, VANESSA M.         | 76 BESS RD             | NEEDHAM     | MA        | 02492-     |
| 199/121.0-0053-0000.0 | 112-114 JARVIS CIRCLE CONDOMINIUMS |                              | 112 JARVIS CIR         | NEEDHAM     | MA        | 02492-     |
| 199/121.0-0057-0000.0 | SARATELLA, VICTOR C.               |                              | 886 CENTRAL AVE        | NEEDHAM     | MA        | 02492-     |
| 199/122.0-0053-0000.0 | MANDELL, ADRIANNA E                |                              | 134 JARVIS CIR         | NEEDHAM     | MA        | 02492-     |
| 199/122.0-0055-0000.0 | SOUTHARD, ANDREA G. & ORTIZ, JISA  | FARROH, STEPHANIE ANN        | 148 JARVIS CIR         | NEEDHAM     | MA        | 02492-     |
| 199/122.0-0056-0000.0 | BARBER, LUTHER L. TR &             | DIAMOND-BARBER, MIRIAM S, TR | 152 JARVIS CIR         | NEEDHAM     | MA        | 02492-     |
| 199/122.0-0073-0000.0 | CHUNG, JOOHO &                     | JIN, XI                      | 870 CENTRAL AVE        | NEEDHAM     | MA        | 02492-     |
| 199/309.0-0001-0000.0 | SAFARI INVESTMENT LLC              |                              | 11 CANDLEBERRY LN      | WESTON      | MA        | 02493-     |

Certified as list of parties in interest under Mass. General Laws and Needham Zoning By-Law, to the Best of our knowledge  
for the Needham Board of Assessors. 

# 565 HIGHLAND AVE 500 FEET

| PARCEL ID             | OWNER NAME 1                                  | OWNER NAME 2                            | MAILING ADDRESS      | CITY         | ST | ZIP    |
|-----------------------|-----------------------------------------------|-----------------------------------------|----------------------|--------------|----|--------|
| 199/111.0-0017-0000.0 | LASIC, IGOR &                                 | LASIC, HELEN MARIE                      | 46 ROLLING LN        | NEEDHAM      | MA | 02492- |
| 199/119.0-0034-0000.0 | FUNG, MAY Y &                                 | FEI, YI                                 | 65 NORTH HILL AVE    | NEEDHAM      | MA | 02492- |
| 199/120.0-0023-0001.0 | CHARLES RIVER ASSOC FOR RETARDED CITIZEN      | P. O. BOX 169                           |                      | NEEDHAM      | MA | 02492- |
| 199/121.0-0032-0000.0 | BORRELLI, DAMON JOSEPH TR                     | THE ORION REALTY TRUST                  | 100 BORDER RD        | NEEDHAM      | MA | 02492- |
| 199/122.0-0065-0000.0 | PADVAL, MAHESH &                              | PADVAL, RACHNA M                        | 814 CENTRAL AVE      | NEEDHAM      | MA | 02492- |
| 199/110.0-0001-0000.0 | RHS LLP                                       |                                         | 292 FOREST ST        | NEEDHAM      | MA | 02492- |
| 199/110.0-0017-0000.0 | GERWECK, LEO E                                | DOYLE, LAURA S                          | 21 ROLLING LN        | NEEDHAM      | MA | 02492- |
| 199/111.0-0001-0000.0 | DOYLE, WILLIAM J. &                           | DOYLE, CNTHIA J                         | 230 FOREST ST        | NEEDHAM      | MA | 02492- |
| 199/111.0-0005-0000.0 | DOYLE, WILLIAM G. &                           | EILEEN T. EASTMAN REVOCABLE TRUST       | 208 FOREST ST        | NEEDHAM      | MA | 02492- |
| 199/111.0-0008-0000.0 | EASTMAN, EILEEN T. TR.                        | EISENBERG, MELANIE                      | PO BOX 1288          | SOUTH DENNIS | MA | 02660- |
| 199/111.0-0009-0000.0 | MATZA, SCOTT &                                | 34 ROLLING LANE REALTY TRUST            | 178 FOREST ST        | NEEDHAM      | MA | 02492- |
| 199/111.0-0019-0000.0 | MCCABE, BERNARD T + KATHYRN F., TRS           | PATEY, MEREDITH A                       | 34 ROLLING LN        | NEEDHAM      | MA | 02492- |
| 199/111.0-0030-0000.0 | PATEY, BRANDON G &                            |                                         | 61 ROLLING LN        | NEEDHAM      | MA | 02492- |
| 199/111.0-0031-0000.0 | COX, CAROL A., TR                             | CHENG, KEVIN                            | 69 ROLLING LN        | NEEDHAM      | MA | 02492- |
| 199/111.0-0033-0000.0 | CHENG, ELAINE C &                             |                                         | 81 ROLLING LN        | NEEDHAM      | MA | 02492- |
| 199/120.0-0026-0000.0 | ZULONG, AILI                                  |                                         | 14 SUNRISE TERRACE   | NEEDHAM      | MA | 02494- |
| 199/121.0-0008-0000.0 | ZELIKOV, MISHA &                              | ZELIKOV, LUDA                           | 10 NEHOLDEN ST       | NEEDHAM      | MA | 02492- |
| 199/121.0-0050-0000.0 | 106 JARVIS CIRCLE CONDOS                      |                                         | 106 JARVIS CIR       | NEEDHAM      | MA | 02492- |
| 199/121.0-0050-0106.0 | KATZ, LAURIE M                                |                                         | 106 JARVIS CIR       | NEEDHAM      | MA | 02492- |
| 199/122.0-0047-0000.0 | BRUSTOWICZ, ALEXANDER J. &                    | FLEISCHMAN, ESTIE E.                    | 149 JARVIS CIR       | NEEDHAM      | MA | 02492- |
| 199/122.0-0057-0000.0 | MARINO LAND DEVELOPMENT LLC                   |                                         | 160 JARVIS CIR       | NEEDHAM      | MA | 02492- |
| 199/122.0-0066-0000.0 | UDDHAO, JAGDISH                               |                                         | 822 CENTRAL AVE      | NEEDHAM      | MA | 02492- |
| 199/309.0-0029-0000.0 | GAETA EC INVESTMENTS                          |                                         | 23 DWIGHT RD         | NEEDHAM      | MA | 02492- |
| 199/110.0-0016-0000.0 | KIM, CHRISTOPHER J. &                         | KIM, ERIN M.                            | 18 ROLLING LN        | NEEDHAM      | MA | 02492- |
| 199/111.0-0007-0000.0 | LEVINE, PAUL S. &                             | LEVINE, ELIANA ROCCHI                   | 190 FOREST ST        | NEEDHAM      | MA | 02492- |
| 199/111.0-0013-0000.0 | ROCHFORD, JAMES S. & CATHERINE C. TRS.        | ROCHFORD FAMILY REALTY TRUST            | 74 ROLLING LN        | NEEDHAM      | MA | 02492- |
| 199/111.0-0036-0000.0 | TANNER, SCOTT D. +                            | TANNER, ROBIN L                         | 95 ROLLING LN        | NEEDHAM      | MA | 02492- |
| 199/112.0-0044-0000.0 | KAMBOURAKIS, JOSEPH &                         | BAUER, DEBORAH                          | 100 FOREST ST        | NEEDHAM      | MA | 02492- |
| 199/114.0-0008-0000.0 | VIRGILIO, JOHN & MARIA & VINCENT, DANIELA TRS | VIRGILIO IRREVOCABLE TRUST              | 1617 GREAT PLAIN AVE | NEEDHAM      | MA | 02492- |
| 199/119.0-0020-0000.0 | MARGET, LAWRENCE R. &                         | MARGET, DIANE TOLAN                     | 31 NORTH HILL AVE    | NEEDHAM      | MA | 02492- |
| 199/121.0-0005-0000.0 | REGAN, GERALDINNE A. TR.                      | GERALDINE A. REGAN 2006 REVOCABLE TRUST | 36 NEHOLDEN ST       | NEEDHAM      | MA | 02492- |
| 199/121.0-0009-0000.0 | MFFMAQHHL LLC                                 |                                         | 172 ELLIOT ST        | NEWTON       | MA | 02464- |
| 199/121.0-0015-0000.0 | KRESSE, FREDERICK H. TR.                      | C/O KRESSE, DAVID                       | 760 EL VERANO DR.    | WALNUT CREEK | CA | 94598- |
| 199/121.0-0051-0000.0 | BLIGH, HUBERT, TR                             | 29 JULIA ROAD REALTY TRUST              | 29 JULIA RD          | NEEDHAM      | MA | 02492- |
| 199/122.0-0051-0000.0 | EKTOV, YEVGENITY &                            | PINCHUK, LARISA                         | 123 JARVIS CIR       | NEEDHAM      | MA | 02492- |
| 199/122.0-0059-0000.0 | NOLAN, BRUCE P. TR. &                         | NOLAN, MAUREEN TR                       | 172 JARVIS CIR       | NEEDHAM      | MA | 02492- |
| 199/126.0-0003-0000.0 | BRAMANTE, DAVID &                             | MOHRWINKEL, LISA                        | 7 NEHOLDEN ST        | NEEDHAM      | MA | 02492- |
| 199/309.0-0028-0000.0 | DATAR, SWATI S. & SRIKANT M. TRS              | SWATI S. DATAR TRUST                    | 11 CANDLERBERRY LN   | WESTON       | MA | 02493- |
| 199/110.0-0014-0000.0 | BROADBENT, BARBARA B                          |                                         | 254 FOREST ST        | NEEDHAM      | MA | 02492- |
| 199/111.0-0002-0000.0 | WELLS, EVAN D. &                              | DULBERGER, DIANE E                      | 226 FOREST ST        | NEEDHAM      | MA | 02492- |
| 199/111.0-0038-0000.0 | CHANG, ANDREA                                 |                                         | 158 FOREST ST        | NEEDHAM      | MA | 02492- |
| 199/119.0-0021-0000.0 | NAHIGIAN, RICHARD L. &                        | CHIN, TINA W                            | 37 NORTH HILL AVE    | NEEDHAM      | MA | 02492- |
| 199/121.0-0031-0000.0 | THEROUX, VANESSA JEAN                         |                                         | 31 BESS RD           | NEEDHAM      | MA | 02492- |

Certified as list of parties in interest under Mass. General Laws and Needham Zoning By-Law, to the Best of our knowledge  
for the Needham Board of Assessors

# 565 HIGHLAND AVE 500 FEET

| PARCEL ID             | OWNER NAME 1                              | OWNER NAME 2                       | MAILING ADDRESS     | CITY        | ST | ZIP    |
|-----------------------|-------------------------------------------|------------------------------------|---------------------|-------------|----|--------|
| 199/121.0-0056-0000.0 | WELLER, VIVIAN K. TR                      | VIVIAN K. WELLER REVOCABLE TRUST   | 81 BESS RD          | NEEDHAM     | MA | 02492- |
| 199/121.0-0059-0000.0 | KAPLAN, ERIC &                            | KAPLAN, AIMEE K                    | 22 GILBERT RD       | NEEDHAM     | MA | 02492- |
| 199/122.0-0045-0000.0 | ZEIMAN, ALEKSANDR F. &                    | ZEIMAN, IDA R                      | 108 NARDONE RD      | NEEDHAM     | MA | 02492- |
| 199/122.0-0048-0000.0 | BLACK, ROBERT SETH &                      | BLACK, RACHEL                      | 139 JARVIS CIR      | NEEDHAM     | MA | 02492- |
| 199/122.0-0050-0000.0 | ZIELONKO, KAROL E. &                      | FITZGERALD, MARY C                 | 103 JARVIS CIR      | NEEDHAM     | MA | 02492- |
| 199/122.0-0071-0000.0 | TARRAGONA, NESTOR G &                     | BARBERA, VANESA                    | 854 CENTRAL AVE     | NEEDHAM     | MA | 02494- |
| 199/110.0-0023-0000.0 | TEN SIX LLP                               |                                    | 292 FOREST ST       | NEEDHAM     | MA | 02492- |
| 199/111.0-0004-0000.0 | MULAY, HARSHAL &                          | NAIK, NEETA R                      | 212 FOREST ST       | NEEDHAM     | MA | 02492- |
| 199/111.0-0012-0000.0 | O'NEIL, KEVIN M. &                        | RUSH, ROBYN L                      | 80 ROLLING LN       | NEEDHAM     | MA | 02492- |
| 199/111.0-0015-0000.0 | MCEVOY, JAMES H. & PAULA J. TRS           | MCEVOY FAMILY TRUST                | 60 ROLLING LN       | NEEDHAM     | MA | 02492- |
| 199/111.0-0018-0000.0 | SPROTT, KEVIN T., TR &                    | SPROTT, KAM M., TR                 | 40 ROLLING LN       | NEEDHAM     | MA | 02492- |
| 199/111.0-0021-0000.0 | SHEMS, BREE B. &                          | SHEMS, EDWARD                      | 41 ROLLING LN       | NEEDHAM     | MA | 02492- |
| 199/111.0-0024-0000.0 | STIEIER, GABRIELA &                       | NATHENSON, MICHAEL                 | 185 BROOKSIDE RD    | NEEDHAM     | MA | 02492- |
| 199/111.0-0035-0000.0 | PFAFFMANN, KENDRIK A                      |                                    | 89 ROLLING LN       | NEEDHAM     | MA | 02492- |
| 199/111.0-0040-0000.0 | EV-ELMVIEW REALTY LLC                     |                                    | 935 GREAT PLAIN AVE | NEEDHAM     | MA | 02492- |
| 199/112.0-0043-0000.0 | LEIBERMAN, AARON R. &                     | LEIBERMAN, KERRY A                 | 90 GLENDALE RD      | NEEDHAM     | MA | 02492- |
| 199/114.0-0001-0000.0 | BABSON INSTITUTE                          |                                    | BABSON PK           | BABSON PARK | MA | 02457- |
| 199/119.0-0023-0000.0 | ADAMS, RACHEL S. &                        | ADAMS, DAVID C                     | 49 NORTH HILL AVE   | NEEDHAM     | MA | 02492- |
| 199/119.0-0035-0000.0 | PINGETON, SCOTT &                         | PINGETON, MALLORY                  | 69 NORTH HILL AVE   | NEEDHAM     | MA | 02492- |
| 199/120.0-0023-0002.0 | TOWN OF NEEDHAM                           | C/O PARK & RECREATION COMMISSION   | 1471 HIGHLAND AVE   | NEEDHAM     | MA | 02492- |
| 199/121.0-0011-0000.0 | NEEDHAM ENTERPRISES LLC                   | C/O BORRELLI LAW OFFICES           | 105 CHESTNUT STREET | NEEDHAM     | MA | 02492- |
| 199/121.0-0033-0000.0 | FEI, JIA &                                | FEI, CHU WEN C                     | 32 JULIA RD         | NEEDHAM     | MA | 02492- |
| 199/122.0-0064-0000.0 | KEARNEY, ROBIN D. &                       | KEARNEY, DAVID                     | 808 CENTRAL AVE     | NEEDHAM     | MA | 02492- |
| 199/309.0-0009-0000.0 | CHARLES RIVER ASSOCIATION OF RETD CITIZEN |                                    | P. O. BOX 920169    | NEEDHAM     | MA | 02492- |
| 199/110.0-0003-0000.0 | LUND, TIMOTHY E. &                        | LUND, SHARON B                     | 262 FOREST ST       | NEEDHAM     | MA | 02492- |
| 199/110.0-0007-0000.0 | RAVINSKI, MARY H                          |                                    | 225 BROOKSIDE RD    | NEEDHAM     | MA | 02492- |
| 199/110.0-0018-0000.0 | OGRADY, MYLES R +                         | OGRADY, LORETTA                    | 27 ROLLING LN       | NEEDHAM     | MA | 02492- |
| 199/111.0-0014-0000.0 | MURDOCK, SUSAN B                          |                                    | 66 ROLLING LN       | NEEDHAM     | MA | 02492- |
| 199/111.0-0022-0000.0 | MORSE, ERIC T                             |                                    | 47 ROLLING LN       | NEEDHAM     | MA | 02492- |
| 199/111.0-0034-0000.0 | STUTZ, MATTHEW D                          |                                    | 83 ROLLING LN       | NEEDHAM     | MA | 02492- |
| 199/111.0-0037-0000.0 | DOMENICONI, PATRICIA &                    | KURKJIAN, DAVID                    | 101 ROLLING LN      | NEEDHAM     | MA | 02492- |
| 199/122.0-0052-0000.0 | BLOCH, BRIAN G. &                         | BLOCH, ALYSON L                    | 126 JARVIS CIR      | NEEDHAM     | MA | 02492- |
| 199/122.0-0072-0000.0 | MISKIN, MARK D. &                         | CONSIDINE-MISKIN, BRENDA           | 860 CENTRAL AVE     | NEEDHAM     | MA | 02492- |
| 199/309.0-0004-0000.0 | TORAN, MARYBETH                           |                                    | 945 CENTRAL AVE     | NEEDHAM     | MA | 02492- |
| 199/110.0-0005-0000.0 | KARELIS, ANDREW &                         | KARELIS, KIMBERLY                  | 7 ROLLING LN        | NEEDHAM     | MA | 02492- |
| 199/111.0-0003-0000.0 | KOUTSOPOULOS, ANNETTE DEMCHUR &           | KOUTSOPOULOS, HARILAOS N           | 218 FOREST ST       | NEEDHAM     | MA | 02492- |
| 199/111.0-0011-0000.0 | ROSSI, DIANNE M                           |                                    | 92 ROLLING LN       | NEEDHAM     | MA | 02492- |
| 199/111.0-0039-0000.0 | OBEID, CHARLES                            |                                    | 146 FOREST ST       | NEEDHAM     | MA | 02492- |
| 199/119.0-0033-0000.0 | SILVERMAN, JOSEPH H. +                    | SILVERMAN, SUSAN G                 | 57 NORTH HILL AVE   | NEEDHAM     | MA | 02492- |
| 199/120.0-0028-0000.0 | SEKAR, PAVAN MANIAN &                     | UDESHI, NAMRATA                    | 20 SUNRISE TERR     | NEEDHAM     | MA | 02492- |
| 199/121.0-0050-0108.0 | GROVER, ERIC &                            | KESHEN, JULIA                      | 108 JARVIS CIR      | NEEDHAM     | MA | 02492- |
| 199/121.0-0053-0112.0 | FREEDBERG, CATHY M. & RICHARD M. TRS      | CATHY M. FREEDBERG REVOCABLE TRUST | 112 JARVIS CIR      | NEEDHAM     | MA | 02492- |
| 199/122.0-0063-0000.0 | LUO, YULIA &                              | MERRIGAN, PATRICK                  | 800 CENTRAL AVE     | NEEDHAM     | MA | 02492- |

Certified as list of parties in interest under Mass. General Laws and Needham Zoning By-Law, to the Best of our knowledge for the Needham Board of Assessors.....

# 565 HIGHLAND AVE 500 FEET

| PARCEL ID             | OWNER NAME 1                            | OWNER NAME 2                       | MAILING ADDRESS          | CITY         | ST | ZIP    |
|-----------------------|-----------------------------------------|------------------------------------|--------------------------|--------------|----|--------|
| 199/126.0-0001-0000.0 | NEEDHAM HISTORICAL SOCIETY, INC         |                                    | 176 GREENDALE AVE        | NEEDHAM      | MA | 02494- |
| 199/126.0-0007-0000.0 | MANNING, BRENDAN D. &                   | MANNING, DANIELLE K                | 41 NEHOIDEN ST           | NEEDHAM      | MA | 02492- |
| 199/309.0-0006-0000.0 | MAHERAS, STYLIANOS &                    | MAHERAS, KRISTIE                   | 891 CENTRAL AVE          | NEEDHAM      | MA | 02492- |
| 199/110.0-0020-0000.0 | KACHKA, MINNA TR.                       | MINNA KACHKA TRUST                 | 238 FOREST ST            | NEEDHAM      | MA | 02492- |
| 199/119.0-0022-0000.0 | MCCANN, CHARLES J. &                    | MCCANN, MAUREEN B                  | 43 NORTH HILL AVE        | NEEDHAM      | MA | 02492- |
| 199/121.0-0004-0000.0 | DONNELLY, B. PHILIP, III &              | DONNELLY, MARYANNE                 | 44 NEHOIDEN ST           | NEEDHAM      | MA | 02492- |
| 199/121.0-0053-0000.0 | 112-114 JARVIS CIRCLE CONDOMINIUMS      |                                    | 112 JARVIS CIR           | NEEDHAM      | MA | 02492- |
| 199/121.0-0057-0000.0 | SARATELLA, VICTOR C.                    |                                    | 886 CENTRAL AVE          | NEEDHAM      | MA | 02492- |
| 199/122.0-0053-0000.0 | MANDELL, ADRIANNA E                     |                                    | 134 JARVIS CIR           | NEEDHAM      | MA | 02492- |
| 199/122.0-0055-0000.0 | SOUTHARD, ANDREA G. & ORTIZ, USA        |                                    | 148 JARVIS CIR           | NEEDHAM      | MA | 02492- |
| 199/122.0-0060-0000.0 | COUGHLIN, MAUREEN A                     | FARROHI, STEPHANIE ANN             | 178 JARVIS CIR           | NEEDHAM      | MA | 02492- |
| 199/122.0-0073-0000.0 | CHUNG, JOOHO &                          | JIN, XI                            | 870 CENTRAL AVE          | NEEDHAM      | MA | 02492- |
| 199/126.0-0005-0000.0 | HERLIHY, JOSEPH M. &                    | HERLIHY, MARIANNE G                | 23 NEHOIDEN ST           | NEEDHAM      | MA | 02492- |
| 199/309.0-0001-0000.0 | SAFARI INVESTMENT LLC                   |                                    | 11 CANDELBERRY LN        | WESTON       | MA | 02493- |
| 199/121.0-0007-0000.0 | MEYER, JAMES &                          | MEYER, CHRISTA                     | 20 NEHOIDEN ST           | NEEDHAM      | MA | 02492- |
| 199/121.0-0018-0000.0 | DOFF, BENJAMIN J. &                     | DOFF, RACHEL                       | 40 BESS RD               | NEEDHAM      | MA | 02492- |
| 199/121.0-0058-0000.0 | WILLETTE, JOYCE C                       |                                    | 5 DAWSON DR              | SUDBURY      | MA | 01776- |
| 199/122.0-0049-0000.0 | ALAMIAN, GARY R. & TERESA F. TRS        | THE ALAMIAN LIVING TRUST OF MARCH  | 47 MEETINGHOUSE CIR      | NEEDHAM      | MA | 02492- |
| 199/122.0-0054-0000.0 | SHAIKH, RALA TR. &                      | THOMAS, SMITHA TR.                 | 140 JARVIS CIR           | NEEDHAM      | MA | 02492- |
| 199/122.0-0069-0000.0 | RAMSHAW, DAVID L &                      | RAMSHAW, NICOLE J                  | 842 CENTRAL AVE          | NEEDHAM      | MA | 02492- |
| 199/309.0-0012-0000.0 | FRANKLIN W. OLIN COLLEGE OF ENGINEERING |                                    | 1735 GREAT PLAIN AVE     | NEEDHAM      | MA | 02492- |
| 199/109.0-0016-0000.0 | VOLANTE, DAVID &                        | VOLANTE, KATIE                     | 799 CENTRAL AVE          | NEEDHAM      | MA | 02492- |
| 199/110.0-0006-0000.0 | COHEN, PETER A. &                       | CASADO, MARIA PAZ                  | 233 BROOKSIDE RD         | NEEDHAM      | MA | 02492- |
| 199/110.0-0021-0000.0 | BOARDMAN, TERESA VOLANTE &              | BOARDMAN, STEPHEN                  | 226 BROOKSIDE RD         | NEEDHAM      | MA | 02492- |
| 199/111.0-0032-0000.0 | EWALD, TERESA A                         |                                    | 75 ROLLING LN            | NEEDHAM      | MA | 02492- |
| 199/112.0-0041-0000.0 | CANTWELL, SEAN P. &                     | CANTWELL, BRANDI L                 | 84 GLENDALE RD           | NEEDHAM      | MA | 02492- |
| 199/114.0-0012-0000.0 | BABSON COLLEGE                          |                                    | 231 FOREST AVE           | BABSON PARK  | MA | 02457- |
| 199/121.0-0011-0920.0 | ZHAO, YUCHI &                           | LI, YING                           | 920 CENTRAL AVE UNIT 92C | NEEDHAM      | MA | 02492- |
| 199/122.0-0067-0000.0 | ENGEL, THEODORE F. II &                 | EVANGELISTA, LAURA A               | 828 CENTRAL AVE          | NEEDHAM      | MA | 02492- |
| 199/309.0-0030-0000.0 | SELINA SULMONA                          | C/O P. NERI                        | 22 HUNTERS RUN           | PROVIDENCE   | RI | 02904- |
| 199/110.0-0011-0000.0 | BAREAU, VINCENT R. &                    | BAREAU, JANE L                     | 217 BROOKSIDE RD         | NEEDHAM      | MA | 02492- |
| 199/110.0-0013-0000.0 | SWENSON, ERIK &                         | SCHWARTZ, KATIE                    | 12 ROLLING LN            | NEEDHAM      | MA | 02492- |
| 199/110.0-0015-0000.0 | SCHWARTZ, CARYN FRANKLIN TR. &          | SCHWARTZ, MICHAEL TR               | 33 TURNPIKE RD           | SOUTHBOROUGH | MA | 01772- |
| 199/111.0-0016-0000.0 | JOHNSON, WILLIAM THORN TR               | WILLIAM THORN JOHNSON REVOCABLE TR | 52 ROLLING LN            | NEEDHAM      | MA | 02492- |
| 199/119.0-0036-0000.0 | SIPOVIC, DRAGOMIR &                     | SIPOVIC, ELENA                     | 75 NORTH HILL AVE        | NEEDHAM      | MA | 02492- |
| 199/121.0-0011-0922.0 | COX, KRISTIN A.                         |                                    | 922 CENTRAL AVE UNIT 92C | NEEDHAM      | MA | 02492- |
| 199/121.0-0011-0926.0 | SANDLER, JACQUELINE TR.                 | JACQUELINE SANDLER REVOCABLE TRUST | 926 CENTRAL AVE          | NEEDHAM      | MA | 02492- |
| 199/121.0-0016-0000.0 | BORRELLI, DAMON JOSEPH TR               | THE JASON REALTY TRUST             | 100 BORDER RD            | NEEDHAM      | MA | 02492- |
| 199/309.0-0011-0000.0 | BABSON COLLEGE                          |                                    | 231 FOREST ST            | BABSON PARK  | MA | 02457- |
| 199/110.0-0004-0000.0 | MAGGS, CHARLES A. &                     | MAGGS, AMANDA K.R                  | 2 ROLLING LN             | NEEDHAM      | MA | 02492- |
| 199/111.0-0020-0000.0 | DENSMORE, TRACEY A.                     |                                    | 35 ROLLING LANE          | NEEDHAM      | MA | 02492- |
| 199/111.0-0041-0000.0 | WASHEK, JOHN T. TR.                     | THE JOHN T WASHEK REVOCABLE TRUST  | 935 GREAT PLAIN AVE      | NEEDHAM      | MA | 02492- |
| 199/121.0-0006-0000.0 | BLOOM, SETH A &                         | BLOOM, ELIZABETH M                 | 30 NEHOIDEN ST           | NEEDHAM      | MA | 02492- |

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# 565 HIGHLAND AVE 500 FEET

| PARCEL ID             | OWNER NAME 1                        | OWNER NAME 2                            | MAILING ADDRESS           | CITY        | ST | ZIP    |
|-----------------------|-------------------------------------|-----------------------------------------|---------------------------|-------------|----|--------|
| 199/121.0-0017-0000.0 | LI, GERRY &                         | LI, ANITA                               | 44 BESS RD                | NEEDHAM     | MA | 02492- |
| 199/121.0-0054-0000.0 | TRABUCCO, ROBERT D. &               | TRABUCCO, KATHLEEN M                    | 120 JARVIS CIR            | NEEDHAM     | MA | 02492- |
| 199/122.0-0068-0000.0 | 314 OAKLAND LLC                     |                                         | 834 CENTRAL AVE           | NEEDHAM     | MA | 02492- |
| 199/309.0-0021-0000.0 | BABSON COLLEGE                      | FACILITIES MANAGEMENT & PLANNING        | BABSON COLLEGE            | BABSON PARK | MA | 02457- |
| 199/309.0-0025-0000.0 | BABSON COLLEGE                      | C/O NORTH HILL NEEDHAM ATTN: ACCOUNTING | 865 CENTRAL AVE           | NEEDHAM     | MA | 02492- |
| 199/110.0-0019-0000.0 | HALL, RICHARD J. &                  | HALL, SUSAN E                           | 24 ROLLING LN             | NEEDHAM     | MA | 02492- |
| 199/111.0-0023-0000.0 | RILEY, JUSTIN &                     | RILEY, TRAM                             | 53 ROLLING LN             | NEEDHAM     | MA | 02492- |
| 199/114.0-0011-0000.0 | BABSON COLLEGE                      |                                         | 231 FOREST ST OLIN 316    | BABSON PARK | MA | 02457- |
| 199/121.0-0010-0000.0 | PRASAD, SAUMYA &                    | SAHU, SUMAN                             | 930 CENTRAL AVE           | NEEDHAM     | MA | 02492- |
| 199/122.0-0070-0000.0 | WATTS, DIANA                        |                                         | 848 CENTRAL AVE           | NEEDHAM     | MA | 02492- |
| 199/126.0-0002-0000.0 | GAMBINO, MICHAEL &                  | GAMBINO, JILLIAN                        | 970 CENTRAL AVE           | NEEDHAM     | MA | 02492- |
| 199/126.0-0004-0000.0 | FULFORD, DANIEL &                   | FULFORD, MARIA XIMENA DOMINGUEZ         | 15 NEHOIDEN ST            | NEEDHAM     | MA | 02492- |
| 199/309.0-0007-0000.0 | HERSEY, RICHARD A. TR               | HERSEY FAMILY REALTY TRUST              | 881 CENTRAL AVE           | NEEDHAM     | MA | 02492- |
| 199/111.0-0006-0000.0 | WALKER, ROSS &                      | WALKER, RUTH D                          | 198 FOREST ST             | NEEDHAM     | MA | 02492- |
| 199/111.0-0010-0000.0 | AMAYA, JAVIER A & KELLY S           |                                         | 100 ROLLING LN            | NEEDHAM     | MA | 02492- |
| 199/114.0-0007-0000.0 | MORAND, HOLLY L. TR.                | HLM REALTY TRUST                        | 101 FOREST ST             | NEEDHAM     | MA | 02492- |
| 199/121.0-0055-0000.0 | LEYFER, MICHAEL &                   | LEYFER, OVSANNA                         | 77 BESS RD                | NEEDHAM     | MA | 02492- |
| 199/309.0-0010-0000.0 | UNITED STATES OF AMERICA            | NATICK RD                               | 59 EAST MILITIA HEIGHTS C | NEEDHAM     | MA | 02492- |
| 199/110.0-0012-0000.0 | LARSON, CHARLE D & ASLAUG TURID TRS | LARSON FAMILY 2015 REVOCABLE TRUST      | 15 ROLLING LN             | NEEDHAM     | MA | 02492- |
| 199/111.0-0042-0000.0 | 116 FOREST STREET LLC               |                                         | 106 FOREST ST             | NEEDHAM     | MA | 02492- |
| 199/112.0-0042-0000.0 | RIEDL, BRADLEY R &                  | RIEDL, COLLEEN E                        | 106 FOREST ST             | NEEDHAM     | MA | 02492- |
| 199/121.0-0011-0924.0 | JIAN, XINGCHEN &                    | XU, JIAJIE                              | 924 CENTRAL AVE           | NEEDHAM     | MA | 02492- |
| 199/121.0-0012-0000.0 | SUN, ZIRAN &                        | WANG, ZHENG                             | 914 CENTRAL AVE           | NEEDHAM     | MA | 02492- |
| 199/121.0-0013-0000.0 | SUBRAMANYAM, RAJESHWARI             |                                         | 84 BESS RD                | NEEDHAM     | MA | 02492- |
| 199/121.0-0052-0000.0 | LIACOPULOS, ROBERT D. &             | LIACOPULOS, SETA Z                      | 57 BESS RD                | NEEDHAM     | MA | 02492- |
| 199/121.0-0053-0114.0 | CENTOIA, JOSEPH P., TR              | JARVIS REALTY TRUST                     | 113 WINTER ST             | HOPKINTON   | MA | 01748- |
| 199/122.0-0038-0000.0 | POILLON, JEANNETTE E                |                                         | 171 JARVIS CIR            | NEEDHAM     | MA | 02492- |
| 199/122.0-0039-0000.0 | JAISWAL, SHIKHA &                   | JAISWAL, SANJEEV                        | 121 NARDONE RD            | NEEDHAM     | MA | 02492- |
| 199/122.0-0074-0000.0 | DEVRIES, LEE S &                    | DEVRIES, LAURIE C                       | 876 CENTRAL AVE           | NEEDHAM     | MA | 02492- |
| 199/114.0-0009-0000.0 | FARIA, ANNE MARIE &                 | FARIA, THOMAS A.                        | 117 FOREST ST             | NEEDHAM     | MA | 02492- |
| 199/114.0-0010-0000.0 | BABSON COLLEGE                      |                                         | 231 FOREST ST OLIN 316    | BABSON PARK | MA | 02457- |
| 199/121.0-0014-0000.0 | WEISBROD, ERIC M. &                 | WEISBROD, VANESSA M.                    | 76 BESS RD                | NEEDHAM     | MA | 02492- |
| 199/121.0-0019-0000.0 | GREEN, JEFFREY A. &                 | GREEN, ELIZABETH T. WEBB                | 32 BESS RD                | NEEDHAM     | MA | 02492- |
| 199/122.0-0046-0000.0 | ABRAMS, JASON &                     | PASTOR, LAUREN                          | 116 NARDONE RD            | NEEDHAM     | MA | 02492- |
| 199/122.0-0056-0000.0 | BARBER, LUTHER L. TR &              | DIAMOND-BARBER, MIRIAM S. TR            | 152 JARVIS CIR            | NEEDHAM     | MA | 02492- |
| 199/122.0-0058-0000.0 | CHARTERS, JOHN &                    | CHARTERS, JORDANN                       | 166 JARVIS CIR            | NEEDHAM     | MA | 02492- |
| 199/122.0-0062-0000.0 | HOU, TIANWEN &                      | DING, QIAN                              | 5 JARVIS CIR              | NEEDHAM     | MA | 02492- |
| 199/126.0-0006-0000.0 | CHERN, PAUL L +                     | CHERN, SUSAN P                          | 27 NEHOIDEN ST            | NEEDHAM     | MA | 02492- |

Certified as list of parties in interest under Mass. General Laws and Needham Zoning By-Law, to the Best of our knowledge for the Needham Board of Assessors.

# LEGAL NOTICE



## TOWN OF NEEDHAM

### SELECT BOARD

### Application for Alteration of Licensed Premises

Notice is hereby given pursuant to Massachusetts General Laws, Chapter 138, Sections 12 and 16C, that **North Hill Needham, Inc.**, dba North Hill, has applied for an Alteration of Premises Amendment to their Section 12 Continuing Care Retirement Community, All Alcoholic Beverages License at 865 Central Avenue, Needham.

IT IS ORDERED that a public hearing be held for said application at the office of the Select Board as the Needham Licensing Authority located in the Town Hall, 1471 Highland Avenue on the **27th day of May 2025 at 6:00 PM**. The Select Board invites all residents and interested parties to provide input at this meeting that will be held in person, Select Board Chambers, Town Hall and via Zoom.

Use this link below to join the webinar: <https://needham-k12-ma-us.zoom.us/j/82601013229?pwd=OE82V1MxQnJUZHVXZjFNbWJXRjJoQT09>

Webinar ID: 826 0101 3229

Password: 652800

Or One-Tap Mobile Telephone: +16469313860,,82601013229#,,, \*652 800#

**Licensing Authority  
Select Board**





**Select Board  
TOWN OF NEEDHAM  
AGENDA FACT SHEET**

---

**MEETING DATE: 5/27/2025**

|                     |                                                                                                                                                                                      |
|---------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Agenda Item</b>  | 40B Housing Proposal – Charles River Heights                                                                                                                                         |
| <b>Presenter(s)</b> | Anne-Marie Bajwa, Charles River Center President & CEO<br>William Grogan, Planning Office of Urban Affairs President<br>Phil Crean, Planning Office of Urban Affairs Project Manager |

|           |                                                                                                                                                                               |
|-----------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>1.</b> | <b>BRIEF DESCRIPTION OF TOPIC TO BE DISCUSSED</b>                                                                                                                             |
|           | Ms. Bajwa, Mr. Grogan, and Mr. Crean will provide the Board with an update on the Charles River Heights project and ask for the Board’s support for a “friendly 40B” project. |
| <b>2.</b> | <b>VOTE REQUIRED BY SELECT BOARD</b>                                                                                                                                          |
|           | Suggested Motion: That the Board vote to support/not support the Charles River Center’s Charles River Heights project as a “friendly 40B.”                                    |
| <b>3.</b> | <b>BACK UP INFORMATION ATTACHED</b>                                                                                                                                           |
|           | a. Slide Presentation<br>b. Project Summary Provided to 2025 Annual Town Meeting<br>c. Project FAQs Provided to 2025 Annual Town Meeting                                      |



# CHARLES RIVER HEIGHTS

# Charles River Heights

Aerial View



Charles River Autism Supportive Housing  
Section 101 | August 07, 2024 | #23022 | © The Architectural Team, Inc.



**Mission:** To provide inclusive housing and a full spectrum of supportive services that empower individuals with disabilities to live independently, achieve their personal goals, and actively participate in their communities.

**Current Challenges:** A considerable percentage of adults with ASD face challenges in achieving independent living. Studies indicate that only about 5% of autistic adults live independently, while 37% require overnight care. This underscores a significant gap of **58%** of individuals who need support services necessary to foster autonomy among this population.

**Proposed Solution:** By offering inclusive housing and flexible, integrated support services—including assistance with daily living activities, vocational training, and social skills development—we can empower adults with ASD to access their communities, gain employment and live more independently.

This impacts not only benefits individuals but also enhances the broader community by fostering diversity and inclusion.

# Project Team Members



## **Developer:**

Planning Office for Urban Affairs

## **Project team members:**

Anne-Marie Bajwa, President and CEO, Charles River Center

William Grogan, President, Planning Office for Urban Affairs

Phil Crean, Project Manager, Planning Office for Urban Affairs

**Architect:** The Architectural Team (TAT)

**Civil and Traffic Engineer:** VHB

**Landscape Architect:** RBLA Design

**Owner's Representative:** Waypoint KLA

**Land Use Attorney:** Goulston and Storrs

**Attorney:** Nolan Sheehan Patten



# Overview of POUA

## Mission

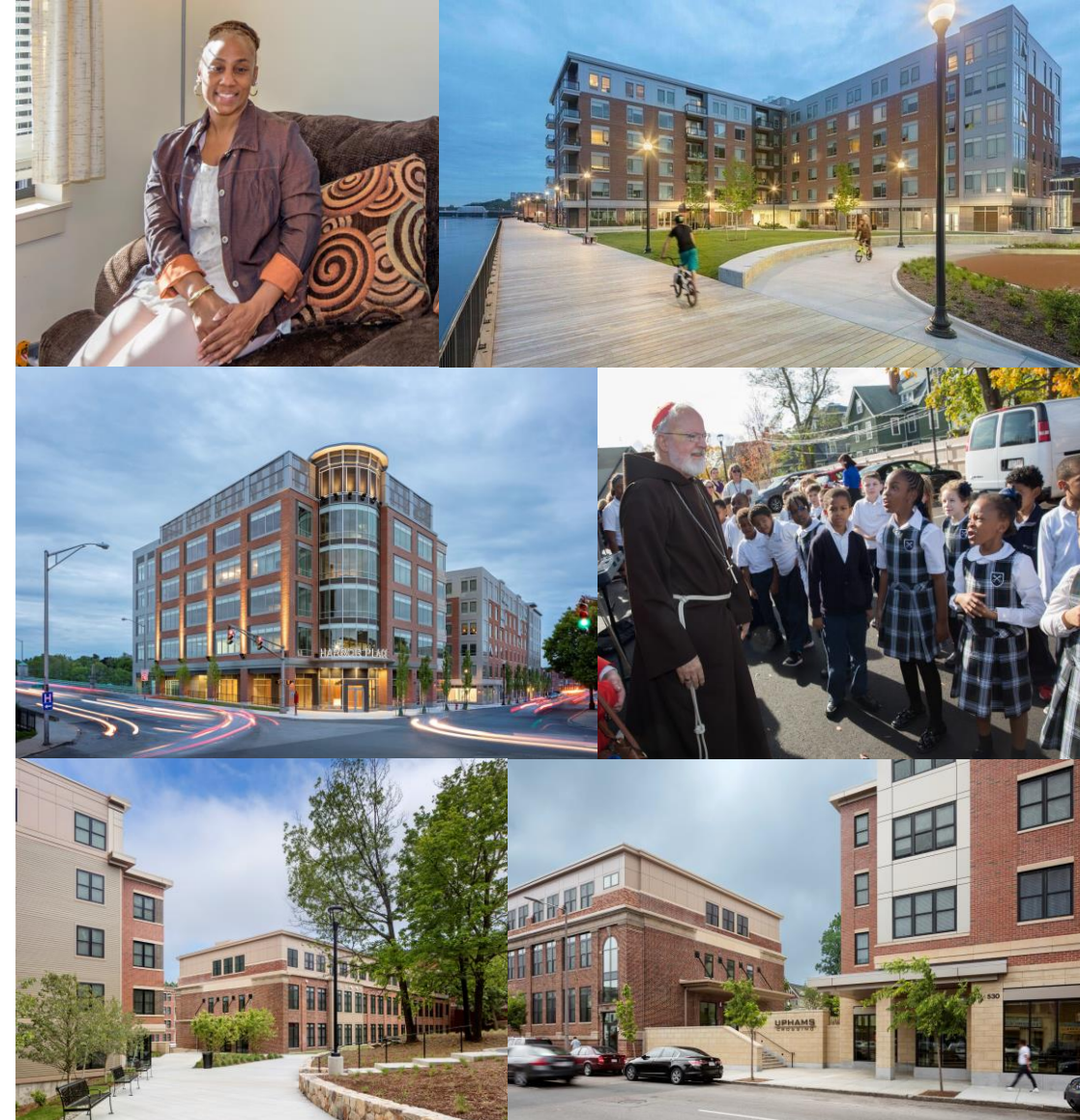
Develop high-quality housing where people can live with dignity and respect in homes that they can afford, in order to create inclusive and vibrant communities

## Overview

- Formed in 1969 by the Archdiocese of Boston
- Affordable, workforce and mixed-income housing
- Commercial and community development
- Neighborhood and community revitalization
- Focus on building vibrant and inclusive communities

## Experience

- Completed over 3,000 units to date, with financing over \$650M
- Developed over 1,400 housing units across a variety of Boston neighborhoods
- Provided for a wide range of affordable rental & homeownership opportunities throughout a variety of income levels



# Charles River Heights

Creating **86** new affordable housing units to attract and retain households earning at or below 30% to 80% of the Area Median Income (AMI), including elderly residents, individuals with disabilities, young professionals, and public/private employees essential to the town's services.

**43 handicapped-accessible units** with integrated supportive services, including:

- Remote monitoring for overnight support Clinical services
- Health and safety monitoring
- College navigation
- Career exploration
- Job support
- Adult companion
- Peer support services
- Transportation assistance

Five affordable apartments for Charles River Center staff to provide emergency support after hours.

**Community Center:** 4,400 sf- to bring the community to us

- Commercial grade kitchen and dining space (events)
- Office space
- Recreation Room
- Computer stations
- Gym

Green space with walking trails  
Covered outdoor space

**Model Community:** Establishing a creative, inclusive model that other municipalities across the state and beyond can replicate.

# Project Design

## Building A

- 3 story
- 67,000 gsf
- (15) CRC studios with common area
- (10) CRC 1 bedrooms with common area
- (33) 1-bedroom units
- (10) 2- bedroom units
- **68 units total**
- 4,400 sf Community Space
- 1,900 sf Lobby / Amenity

## Building B, C, D

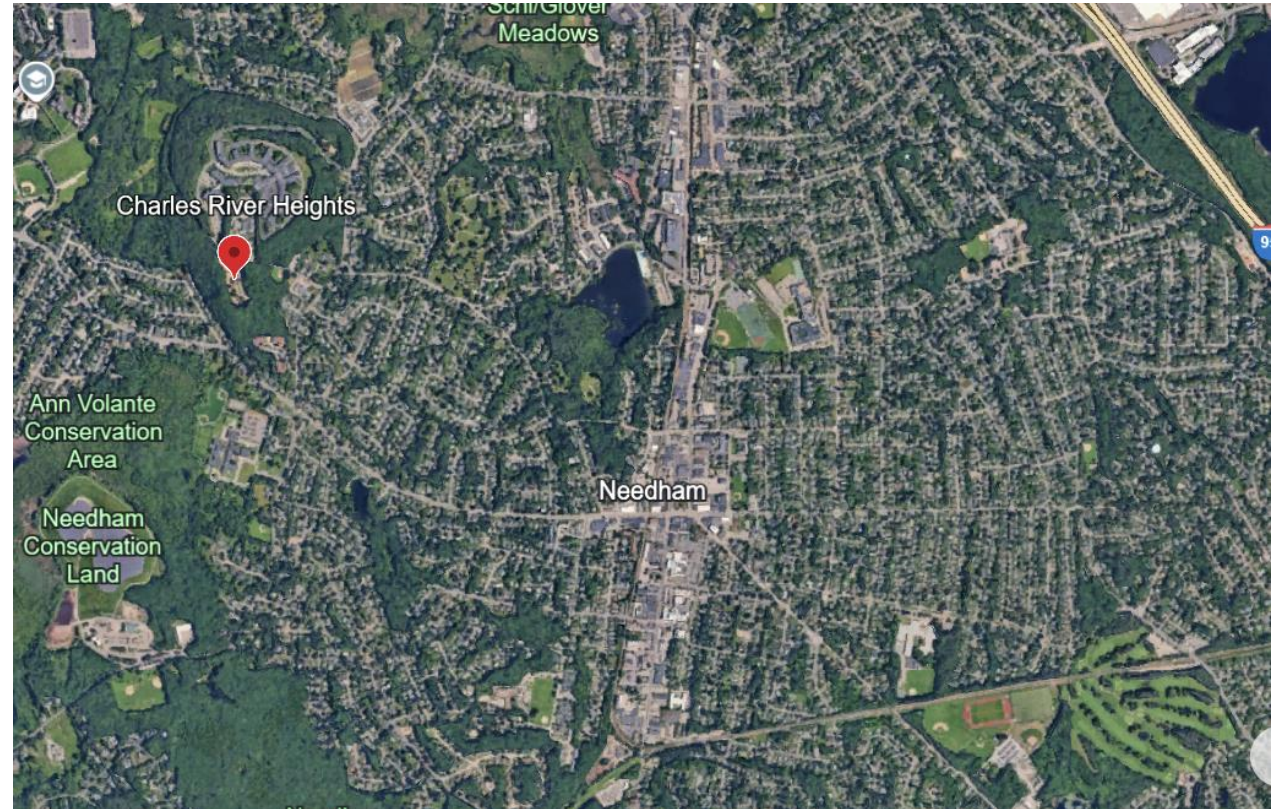
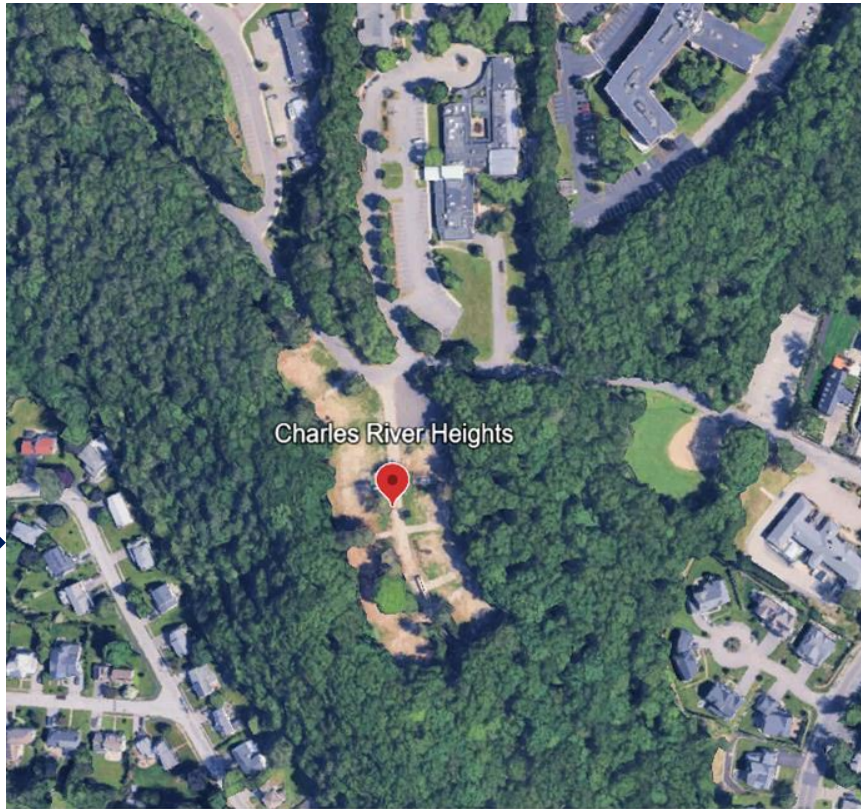
- 1 story
- 4,000 gsf
- (6) CRC studios with common area

## Other Features

- 61 Parking Space
  - 1:1 spaces per affordable unit
  - 0.4:1 spaces per CRC unit
- CRC wrap around services
- Community Room available to town
- Passive House Design for all 4 buildings
- Onsite Renewable Energy Creation
- Connections to outdoor walking trails



# Site Locus





Building A  
3 story  
67,000 gsf  
(15) CRC studios with common area  
(10) CRC 1 bedrooms with common area  
(33) 1 bedroom units  
(10) 2 bedroom units  
68 units total  
  
4,400 sf Community Space  
1,900 sf Lobby / Amenity  
  
Building B  
1 story  
4,000 gsf  
(6) CRC studios with common area  
  
Building C  
1 story  
4,000 gsf  
(6) CRC studios with common area  
  
Building D  
1 story  
4,000 gsf  
(6) CRC studios with common area  
  
61 parking spaces







# Building A | Ground Floor Plan



- Studio
- 1 bedroom
- 2 bedroom

CRC units  
5 - studio  
5 - 1 bedroom

Non CRC units  
5 - 1 bedroom  
2 - 2 bedroom

Total  
5 - studio  
10 - 1 bedroom  
2 - 2 bedroom  
17 units



Studio  
1 bedroom  
2 bedroom

CRC units  
5 - studio  
5 - 1 bedroom

Non CRC units  
11 - 1 bedroom  
4 - 2 bedroom

Total  
5 - studio  
16 - 1 bedroom  
4 - 2 bedroom  
25 units





# Building A | Third Floor Plan



Studio  
 1 bedroom  
 2 bedroom

CRC units  
 5 - studio

Non CRC units  
 17 - 1 bedroom  
 4 - 2 bedroom

Total  
 5 - studio  
 17 - 1 bedroom  
 4 - 2 bedroom  
 26 units



(5) CRC studio units with shared community room

## Aerial View





## Pedestrian Level View





## Pedestrian Level View





# Project Timeline



- May 2025- Town Meeting Approved CPC funding request
- June 2025- Project Eligibility Letter (PEL) application submission
- September 2025- PEL issuance
- October 2025- Comprehensive Permit Application
- Nov. 2025- Executive Office of Housing and Livable Communities pre-application due
- Feb. 2026- Executive Office of Housing and Livable Communities application due
- July 2026- Anticipated funding award
- Mar. 2027- Construction Start
- Oct. 2028- Construction End/ Certificate of Occupancy

# Questions & Comments

Aerial View



## Charles River Heights

**Address: 59 East Militia Heights Drive, Needham, MA**



### **Project Summary**

Charles River Heights (the “Project” or “Heights”) is a project proposed by the Charles River Center (“CRC”) to redevelop 3.5 acres of land at 59 East Militia Heights Drive in Needham (the “Property”) to serve as an integrated housing and education complex where adults with intellectual disabilities can live side by side with people without intellectual disabilities.

By way of background, CRC was established in 1956 to empower and support people with developmental disabilities by offering high-quality, individualized opportunities that foster independence and community inclusion. Programs that CRC currently offers include day, residential, family, and in-home support services. Day services include community-based day support, employment, and day habilitation. Residential services include 32 group homes in 10 communities. Family and in-home support services include respite services, after work programs, in-home behavioral services, vacation programming for school-aged children, educational training, family, navigation of services, and individual support and adult family care.

In 2023, CRC acquired the Property in hopes of addressing the unmet housing need for individuals with autism and intellectual disabilities. Recently, CRC partnered with the Planning Office for Urban Affairs (“POUA”), a nonprofit housing developer and affiliate of the Archdiocese of Boston, on the Project to create an inclusive and vibrant community that provides an innovative and integrated housing model to address this urgent need for housing.

The Heights will entail 86-units of housing for households earning at or below 30% to 80% of Area Median Income. Approximately half of the units in the Project will be available through a closed referral system for people with autism and intellectual and developmental disabilities and CRC staff. CRC will provide a comprehensive network of support and services alongside educational opportunities within the Project, including remote support for monitoring overnight, clinical support including medical, health and safety, college navigation, employment and career exploration, training and job support, adult companion and peer support and transportation services.

As part of the CRC's educational model, the remainder of the units in the Project will be available to households earning at or below 30% to 80% of Area Median Income but will not be restricted to individuals with autism and intellectual and developmental disabilities. The integration of adults with disabilities and adults without disabilities is a critical component of the CRC model and is mandated by both federal and state law, which require such individuals to have access to the greater community, and receive support in the least restrictive, and most typical setting possible. When complete, the Project will provide a creative model of an inclusive community for other cities and towns across the state and beyond.

#### Unit Summary

| <u>Overall</u> | Affordable<br>CRC (4) | Affordable<br>Sec. 8/MRVP<br>(4) | Affordable<br>60% AMI, LIHTC<br>(1) | Affordable<br>80% AMI | CRC<br>Staff | TOTAL |
|----------------|-----------------------|----------------------------------|-------------------------------------|-----------------------|--------------|-------|
| Studio         | 33                    | 0                                | 0                                   | 0                     |              | 33    |
| 1 Bedroom      | 10                    | 0                                | 25                                  | 3                     | 5            | 43    |
| 2 Bedroom      | 0                     | 7                                | 1                                   | 2                     | 0            | 10    |
| Total          | 43                    | 7                                | 26                                  | 5                     | 5            | 86    |

**Paul D. Merritt Center**

59 East Militia Heights Drive  
Needham, MA 02492  
Ph: 781-972-1000

**John Grugan Center**

989 Central Avenue  
Needham, MA 02492  
Ph: 781-972-1000

**4 Strathmore Road**

Natick, MA 01760  
Ph: 781-972-1000

[www.charlesrivercenter.org](http://www.charlesrivercenter.org)

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**FAQs for Charles River Heights**

**May 2025**

**Who is Charles River Center partnering with to develop the housing project?**

Charles River Center (CRC) is partnering with the nonprofit developer Planning Office for Urban Affairs on this project. The Planning Office for Urban Affairs (POUA) is a non-profit housing developer affiliated with the Archdiocese of Boston. POUA has developed over 3,000 units of affordable, workforce and mixed-income housing in the greater Boston area. [www.poua.org](http://www.poua.org)

**How many housing units are planned for the development?**

The proposed project will create 86 new affordable housing units to attract and retain households earning at or below 30% to 80% of the Area Median Income (AMI), including elderly residents, individuals with disabilities, young professionals, and public/private employees essential to the town's services.

**How many of the units will be set aside for CRC?**

Studies indicate that only about 5% of autistic adults live independently, while 37% require overnight care. This underscores a significant gap of 58% of individuals who need support services necessary to foster autonomy among this population.

To address this gap of services for people with intellectual disabilities, **38** of the new housing units will be occupied by individuals with intellectual disabilities who will receive intermittent support services, no more than 30 hours per week from the Charles River Center. This model is called In-home Supports. Referrals to Charles River Center are determined by the Massachusetts Department of Developmental Services (DDS), which also provides funding. Private pay options may be available based on space availability.

5 of the new housing units will be occupied by CRC employees.

In addition, Charles River Center currently supports 150 individuals in 24/7 residential homes. In FY2026, Charles River Center will be adding 2 additional 24/7 residential homes.

**What additional facilities will be included in the design?**

The core of this inclusive community includes a community center and green outdoor space that is accessible to the surrounding neighborhood and open to the greater Needham community.

**How does the project integrate individuals with autism and intellectual disabilities with the broader community?**

The project provides inclusive housing integrated with traditional affordable and workforce housing and a full spectrum of supportive services that empower individuals with intellectual disabilities to live independently, achieve their personal goals, and actively participate in their communities.



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**FAQs for Charles River Heights**

**May 2025**

**Is the project required to go before the Planning Board?**

No, we propose using a Friendly- 40B process, or Comprehensive Permit, which will require a Project Eligibility (PEL) application to the Executive Office of Housing and Livable Communities (EOHLC) and then an application to the Zoning Board of Appeals.

**Will there be any units for Needham residents?**

Yes, subject to permission from EOHLC, we will set aside up to 70% of the units for Needham residents and town employees.

**Why does the project need CPA funds before you apply for the State Funds?**

Yes, EOHLC requires a local commitment of funds as part of the application for both a Project Eligibility Letter and state funding sources. It is critical that local support is demonstrated by June to keep the funding timelines.

**Can Charles River Center use fundraising or a capital campaign instead of town funds?**

No, as part of our application to the state, we are required to provide a local commitment of funds. It will significantly, negatively impact the likelihood of State funding for this project without a local commitment of funds. Additionally, the funds are required for the project to be financially feasible.

**Do you need the capital campaign funds to complete the construction of the units?**

No, the development budget includes all funding sources necessary to begin construction. Capital campaign funds will be used to enhance CRC units with unique environmental adaptations and assistive technology that is generally not permitted by public resources yet is necessary to accommodate the unique needs of this specialized housing project.

**What is the scope of the CRC capital campaign?**

The capital campaign for this affordable housing project is designed to meet the unique needs of individuals with developmental disabilities including autism by incorporating specialized features and assistive technologies that go beyond state-funded standards. With sensory-friendly design elements, adaptive layouts, and advanced communication aids like speech-generated devices and smart home technology, this housing will provide safe, supportive, and inclusive environments where residents can live independently and thrive. These adaptations, though not typically funded by the state programs, are essential to ensuring that people with autism and developmental disabilities have access to affordable housing that fosters dignity, independence, and community integration.



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## FAQs for Charles River Heights

May 2025

### The capital campaign has not started, will that negatively impact the project's timeline?

No, the capital campaign will not negatively impact the project's timeline as the funds are outside the scope of the development budget and specific to the CRC units. Typically, capital campaigns extend through and beyond the construction of a development which may necessitate obtaining a bridge loan.

### What are the phases of a capital campaign and projected timelines?

There are three phases of a capital campaign:

**Planning phase** (year 1)-includes setting goals, creating a case for support, developing a budget, identifying prospective donors, strategies for solicitation developed and implemented, and organize and train a campaign team.

**Quiet phase** (year 2)-Cultivation and solicitation begins; significant portion of the funds is secured from major donors and foundations. Multi-year donations are typically desired by the donor.

**Public Phase** (year 3+)-Continue cultivation and solicitation until the goal is met. The goal is to raise \$3M with a stretch to \$5M. This will be achieved in 3-5 years, or until the goal is met.

### Will the CPA funds be a grant or a loan?

These funds must be a grant, and a commitment must be obtained now, so we can submit a Project Eligibility Letter to The Executive Office of Housing and Livable Communities (EOHLC) by June. This application will put us on track to apply for financing to EOHLC in its November round later this year. There is no mechanism in place for a loan program in Needham.

### What are the benefits to the town of Needham?

- **The Needham Housing Plan**- adopted in 2023 acknowledges the compelling need for additional housing opportunities for the disabled. The plan called for special needs housing with barrier free units and supportive housing as a priority.
- **Special Needs Housing**-38 accessible units with integrated supportive services that help people live independently.
- **Local Preference for Needham Residents and Employees**-subject to approval of EOHLC, up to 70% of the non-CRC units will have a local preference for Needham Residents and Employees.
- **Workforce Housing**- 5 units for workforce housing to CRC employees
- **Long-Term Affordability**-ensuring affordability in perpetuity to serve underserved populations sustainably.
- **Payment of Real Estate Taxes**-the project will convert a property that is currently tax-exempt from real estate taxes to a property that will pay annual real estate taxes.
- **Model Community**-Established a creative, inclusive model that other municipalities across the state can replicate.





**Select Board  
TOWN OF NEEDHAM  
AGENDA FACT SHEET**

---

**MEETING DATE: 5/27/2024**

|                     |                                                                                 |
|---------------------|---------------------------------------------------------------------------------|
| <b>Agenda Item</b>  | Municipal Decarbonization Roadmap                                               |
| <b>Presenter(s)</b> | Gabby Queenan, Sustainability Manager<br>Carys Lustig, Director of Public Works |

|           |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
|-----------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>1.</b> | <b>BRIEF DESCRIPTION OF TOPIC TO BE DISCUSSED</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |
|           | <p>Municipalities seeking state Climate Leader Communities certification are required to develop a Department of Energy Resources (DOER) approved roadmap for decarbonizing municipal buildings and vehicles. Municipal decarbonization roadmaps focus on eliminating the use of onsite fossil fuels in buildings and vehicles. The proposed draft Municipal Decarbonization Roadmap for Select Board review is an aspirational planning document. To the greatest extent possible, the proposed draft seeks to align electrification opportunities with replacement planning for equipment end-of-life timeframes. The intent of the Roadmap is to evaluate and implement upgrades where technically and fiscally feasible.</p> <p>Ms. Queenan is consulting with the Superintendent of Schools as well, since the Climate Leader Communities program requires both general government and school district adoption of the Municipal Decarbonization Roadmap.</p> <p>A vote of the Select Board will be needed in order for the Town to apply for Climate Leader Communities certification before June 30, 2025.</p> |
| <b>2.</b> | <b>VOTE REQUIRED BY SELECT BOARD</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |
|           | <p>The Board may choose to take a vote at this meeting or at its meeting on June 10, 2025.</p> <p>Suggested Motion: That the Select Board adopt the Needham Municipal Decarbonization Roadmap as part of Needham's application for Climate Leader Communities Certification.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |
| <b>3.</b> | <b>BACK UP INFORMATION ATTACHED</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |
|           | <ul style="list-style-type: none"><li>a. Memo to the Select Board for Municipal Decarbonization Roadmap and Climate Leader Communities Certification</li><li>b. Draft Needham Municipal Decarbonization Roadmap</li></ul>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |

## MEMORANDUM

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**TO:** Needham Select Board  
**FROM:** Gabby Queenan, Sustainability Manager  
**SUBJECT:** Municipal Decarbonization Roadmap and Climate Leader Communities Certification  
**DATE:** May 19, 2025  
**CC:** Kate Fitzpatrick, Town Manager; Katie King, Deputy Town Manager; Dave Davison, Deputy Town Manager/Director of Finance; Cecilia Simchak, Assistant Director of Finance; Carys Lustig, Director of Public Works

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### Background

The Green Communities Act of 2008 created the Green Communities Designation and Grant Program within the Department of Energy Resources (DOER). This program developed a framework for achieving designation and awarding grant funds to municipalities for proposed energy efficiency projects. Since then, 297 Massachusetts municipalities have become designated Green Communities. Needham was designated as a Green Community in 2020 and thus far has received both a designation grant (\$148,270 in 2020) and competitive grant (\$162,848 in 2024), funding LED upgrade projects and heat pump hot water heaters in several municipal buildings. The Town has submitted another competitive grant request for 2025 that is currently under review by DOER for \$216,424 for additional LED upgrades, attic insulation, and condenser and evaporator upgrades. However, the goals articulated in the 2021 *An Act Creating A Next-Generation Roadmap For Massachusetts Climate Policy* and the *Massachusetts Clean Energy and Climate Plan for 2025 and 2030* shift the focus of the state from energy efficiency to greenhouse gas reduction. As a result, the programs DOER offers to support municipalities are also shifting their focus.

The Climate Leader Communities certification program, evolving from the Green Communities program, creates a new voluntary framework for meeting state greenhouse gas reduction goals by providing resources to help municipalities reduce emissions by electrifying non-electric energy uses. Since the program was created, the first class of certified Climate Leader Communities has been announced. On May 2, 2025 DOER announced that 19 cities and towns applied for and met the requirements to become the state's first class of Climate Leader Communities. The certified communities include Acton, Amherst, Arlington, Ashfield, Cambridge, Carlisle, Chelmsford, Easthampton, Lexington, Melrose, Natick, Pelham, Salem, Somerville, Stow, Swampscott, Truro, Watertown, and Wellesley. The next application deadline for Climate Leader Communities certification is June 30, 2025.

### Climate Leader Communities Grants

Once Climate Leader Communities certification is achieved, municipalities are then eligible to apply for funding from two separate grants. The first, the Decarbonization Technical Support Grant, provides communities up to \$150,000 to hire vendors to produce recommendations and engineering design documents for one or more clean energy projects at municipal facilities. The second, the Decarbonization Accelerator Grant, provides up to \$1,000,000 per municipality for projects that significantly reduce greenhouse gas emissions from municipal operations. Eligible projects must align with the community's Climate Leader Municipal Decarbonization Roadmap and prioritize reducing fossil fuel combustion, energy use, and costs. Potential funding areas

include renewable energy technologies like solar and heat pumps, energy storage, and other strategies that support decarbonization efforts.

Grant applications will be reviewed by DOER on a rolling basis and accepted semi-annually. The first deadline is August 1, 2025. Subsequent deadlines will be the first Fridays in February and August. Applications for these grant programs will be accepted until February 5, 2027, or until all funds have been awarded, whichever comes first.

#### Climate Leader Communities Certification Requirements

To be eligible for Climate Leader Community certification, communities must meet the following requirements:

- *Requirement #1: Be a Green Community in good standing.*  
Town staff submitted and received approval for their FY24 Green Communities Annual Report, securing a position as a community in good standing with the program and fulfilling this requirement.
- *Requirement #2: Establish/maintain a local committee to advise, coordinate, and/or lead clean energy and climate activities.*  
The Town of Needham's Climate Action Committee has been confirmed by the Department of Energy Resources as meeting the criteria for this requirement.
- *Requirement #3: Municipal Decarbonization Commitment.*  
The Town of Needham's Climate Action Roadmap includes a goal of achieving net-zero emissions across the entire community, fulfilling this requirement.
- *Requirement #4: Zero-Emission-Vehicle First Policy.*  
The Town of Needham Select Board adopted a Zero-Emission-Vehicle First Policy in November 2024. The Town of Needham School Committee adopted an identical Policy in December 2024.
- *Requirement #5: Specialized Stretch Energy Code.*  
The Town of Needham adopted the Municipal Opt-in Specialized Stretch Energy Code at Special Town Meeting on October 30, 2023.
- *Requirement #6: Municipal Decarbonization Roadmap.*  
A draft Municipal Decarbonization Roadmap is presented to the Select Board for their review as an accompaniment to this memo.

#### Municipal Decarbonization Roadmap

Municipalities seeking to achieve Climate Leader Community certification must develop a DOER approved roadmap for decarbonizing municipal buildings and vehicles. Consistent with the goals established by Executive Order 594, municipal decarbonization roadmaps must focus on eliminating the use of onsite fossil fuels in buildings and vehicles.

Roadmaps must use a “Net Zero Over Time” approach that prioritizes “trigger events” such as equipment end-of-life replacement, roof replacement, change of use, or substantial renovations in conjunction with evaluating equipment electrification and solar opportunities. Roadmaps must include plans for replacing vehicles powered by gasoline and diesel with zero-emission vehicles upon retirement. Municipalities are expected to ensure that greenhouse gas reductions, energy efficiency, renewable energy, and emissions reduction strategies are considered in decisions made with respect to equipment replacement, capital spending, and master planning efforts in support of the community’s goals.

Municipalities must provide a letter from the Select Board and the Superintendent of Schools stating that they have adopted the roadmap in order to receive DOER confirmation of fulfillment for the roadmap requirement. DOER also requires that communities seeking to maintain their Climate Leader Communities certification update their roadmaps every three years.

The proposed draft Municipal Decarbonization Roadmap for Select Board review is an aspirational planning document. To the greatest extent possible, the proposed draft seeks to align electrification opportunities with replacement planning for equipment end-of-life timeframes. The intent of the Roadmap is to evaluate and implement upgrades where technically and fiscally feasible.

To review the Town of Needham’s draft Municipal Decarbonization Roadmap, please see the attached PDF file. The Town Sustainability Manager will attend the Select Board’s meeting on May 27, 2025 to present the proposed draft. A vote of the Select Board will be needed in order for the Town to apply for Climate Leader Communities certification before June 30, 2025.

# Climate Leaders Municipal Decarbonization Roadmap

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Prepared for: The Town of Needham, MA  
May 2025



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# Introduction

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In 2021, the Commonwealth of Massachusetts amended the state’s signature climate law with *An Act Creating a Next Generation Roadmap for Massachusetts Climate Policy*, also known as the 2021 Climate Law.<sup>1,2</sup> The 2021 Climate Law requires the Secretary of the Executive Office of Energy and the Environment (Secretary) to set statewide greenhouse gas (GHG) emissions limits and set sector-specific emissions sublimits that are to be met every five years. These limits require GHG emissions to be at least thirty-three percent below 1990 levels in 2025, and fifty percent below 1990 levels in 2030.

In accordance with *An Act Relative to Green Communities*, the Climate Leader Community certification has also provided a framework for municipalities to reach the Secretary’s set limits. To become a certified Climate Leader, a municipality must 1) commit to eliminating on-site fossil fuel use by the municipality by 2050 and, 2) develop a roadmap for decarbonizing municipal operations. The roadmap will focus on eliminating the use of fossil fuels by municipal buildings and vehicles, and will use a “Zero Over Time” approach (Table 1).<sup>3</sup> PowerOptions developed this Climate Leaders Municipal Decarbonization Roadmap for the Town of Needham as the second action for certification.

*Table 1. Suggested minimum Emission Reduction Timeline, established by DOER.*

| Targets                                                    | 2027 | 2030 | 2040 | 2050  |
|------------------------------------------------------------|------|------|------|-------|
| Reduce emissions from onsite fossil fuels                  | -20% | -35% | -60% | -100% |
| Zero emission vehicles (ZEVs) in light-duty fleet adoption | 5%   | 20%  | 75%  | 100%  |
| Zero emission vehicles (ZEVs) in heavy-duty fleet adoption | 0%   | 20%  | 50%  | 100%  |
| Energy Use Intensity reduction                             | -20% | -25% | -25% | -30%  |
| Total Emissions Reduction Goals (% of 2022 emissions)      | >15% | >35% | >65% | >95%  |

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<sup>1</sup> Global Warming Solutions Act, 2008, <https://malegislature.gov/Laws/SessionLaws/Acts/2008/Chapter298>

<sup>2</sup> 2021 Climate Law, <https://malegislature.gov/Laws/SessionLaws/Acts/2021/Chapter8>

<sup>3</sup> Green Communities 2.0, <https://www.mass.gov/doc/climate-leader-communities-webinar-slides/download>



# Background

The Town of Needham became a Green Community in 2020. Since then, Needham has received designation and competitive grants to fund energy conservation measures, including LED lighting upgrades and heat pump hot water heaters in multiple municipal facilities. In addition to work supported by Green Communities, the Town has made several investments in its buildings over the years which has supported its decarbonization efforts. The Public Service Administration Building is heated and cooled with ground source heat pumps. The Memorial Park Building, Rosemary Recreation Center, and Center at the Heights all use air source heat pumps for heating and cooling. The Emery Grover Building is Needham's first all-electric building, also using air source heat pumps for heating and cooling. In addition, the Needham Public Library and Sunita Williams Elementary School both earned LEED Silver Certification from the U.S. Green Building Council.

In Fiscal Year 2022, Needham's municipal and school buildings, and municipal and school vehicle fleet analyzed in this roadmap, emitted over 10,000 metric tons of carbon dioxide equivalent (MT CO<sub>2</sub>e) (Table 2). To become a certified Climate Leader, Needham will move forward with projects aimed at reducing energy consumption and emissions through implementation of decarbonization projects and planning.

This roadmap evaluates the following strategies to decarbonize Needham's buildings: energy efficiency, electrification (fuel-switching away from fossil fuel equipment to electric alternatives), and on-site solar photovoltaics. The roadmap also analyzes Needham's vehicle fleet to match each existing vehicle with the best candidates for battery electric vehicles (BEV). A combination of in-house economic models, a virtual energy audit, and Helioscope solar software were used to produce this roadmap. Because this roadmap focuses on reducing on-site fossil fuel usage, the results of the solar assessment are provided only in the Appendix.

## KEY FACTS

### BUILDINGS

- 28 Buildings in analysis
  - Total 1,305,412 ft<sup>2</sup>
- FY2022 Usage:
  - 16,120 MWh
  - 96,840 MMBTU natural gas
  - 8,700 MMBTU fuel oil
  - 9,578 MT CO<sub>2</sub>e

### VEHICLES

#### Included in analysis

- 87 LDV
- 40 MDV
- 30 HDV

#### Excluded from analysis

- Motorcycles
- Non-road vehicles
- FY2022 Fleet Usage:
  - 68,235 gallons of gasoline
  - 42,651 gallons of diesel
  - EV charging 4,000 MWh
  - 1,050 MT CO<sub>2</sub>e



Table 2. Town of Needham's municipal GHG Emissions, Fiscal Year 2022, grouped by Town buildings, school buildings, and vehicles. Based on energy consumption and vehicle data provided by the Town.

| Department and Facility Name                  | Fiscal Year 2022 Emissions (MT CO <sub>2</sub> e) |              |              |                  |
|-----------------------------------------------|---------------------------------------------------|--------------|--------------|------------------|
|                                               | Electricity                                       | Fossil Fuels | Total        | Percent of Total |
| <b>Schools</b>                                | <b>2,470</b>                                      | <b>4,477</b> | <b>6,947</b> | <b>64.2%</b>     |
| High School                                   | 831                                               | 1,163        | 1,994        | 18.4%            |
| Pollard Middle School                         | 252                                               | 747          | 999          | 9.2%             |
| Newman Elementary School                      | 266                                               | 714          | 980          | 9.1%             |
| Broadmeadow Elementary School                 | 295                                               | 371          | 666          | 6.2%             |
| Eliot Elementary School                       | 238                                               | 354          | 592          | 5.5%             |
| Mitchell Elementary School                    | 83                                                | 441          | 524          | 4.9%             |
| Williams School                               | 219                                               | 302          | 521          | 4.8%             |
| High Rock School                              | 184                                               | 207          | 391          | 3.6%             |
| Hillside Elementary School                    | 22                                                | 178          | 323          | 2.6%             |
| <b>Town Buildings</b>                         | <b>741</b>                                        | <b>1,161</b> | <b>1,902</b> | <b>17.6%</b>     |
| Public Safety Complex                         | 178                                               | 249          | 427          | 4.0%             |
| Emery Grover                                  | 22                                                | 301          | 323          | 2.9%             |
| Library                                       | 148                                               | 92           | 240          | 2.2%             |
| DPW                                           | 30                                                | 198          | 228          | 2.1%             |
| Town Hall                                     | 99                                                | 98           | 197          | 1.8%             |
| Daley Building                                | 6                                                 | 167          | 174          | 1.6%             |
| <i>Rosemary Recreation Center<sup>4</sup></i> | 108                                               | 4            | 112          | 1.0%             |
| Center at the Heights                         | 56                                                | 6            | 62           | 0.6%             |
| PSAB                                          | 53                                                | -            | 53           | 0.5%             |
| Recycling Transfer Station                    | 31                                                | -            | 31           | 0.3%             |
| <i>Jack Cogswell Building</i>                 | 4                                                 | 24           | 28           | 0.3%             |
| Memorial Park Building                        | 1                                                 | 21           | 22           | 0.2%             |
| Ridge Hill Main House                         | 3                                                 | -            | 3            | 0.0%             |
| Ridge Hill Barn                               | 0                                                 | -            | 0            | 0.0%             |
| <b>Vehicles</b>                               | <b>10</b>                                         | <b>1,041</b> | <b>1,051</b> | <b>9.7%</b>      |
| Vehicles                                      | 10                                                | 1,041        | 1,051        | 9.7%             |
| <b>Water and Sewer</b>                        | <b>635</b>                                        | <b>132</b>   | <b>767</b>   | <b>7.0%</b>      |
| Charles River Pump Station                    | 451                                               | 75           | 526          | 4.8%             |
| Reservoir Street Pump Station                 | 74                                                | 2            | 77           | 0.7%             |
| St. Mary's Pump Station                       | 38                                                | 32           | 71           | 0.7%             |
| West Street Pump Station                      | 43                                                | 1            | 44           | 0.4%             |
| Dedham Ave Pump Station                       | 2                                                 | 16           | 19           | 0.2%             |
| Kendrick St Pump Station                      | 11                                                | -            | 11           | 0.1%             |
| Captain Cook Pump Station                     | 7                                                 | -            | 7            | 0.1%             |
| Great Plain Ave Pump Station                  | -                                                 | 5            | 5            | 0.0%             |
| Alden Rd Pump Station                         | 4                                                 | -            | 4            | 0.0%             |
| Hillcrest Water Tower                         | 2                                                 | -            | 2            | 0.0%             |
| Lake Dr Pump Station                          | 0                                                 | -            | 0            | 0.0%             |
| Dunster Rd Pump Station                       | 0                                                 | -            | 0            | 0.0%             |
| <b>Streetlighting</b>                         | <b>95</b>                                         | <b>-</b>     | <b>95</b>    | <b>0.9%</b>      |

<sup>4</sup> The Rosemary Recreation Center and Jack Cogswell Building are newer buildings that had incomplete data for FY22. FY23 data was therefore used. They are listed in the baseline because they are included in the Town's emissions projections through 2050.

|                     |              |              |               |             |
|---------------------|--------------|--------------|---------------|-------------|
| Streetlights        | 95           | -            | 95            | 0.9%        |
| <b>Parks</b>        | <b>35</b>    | <b>19</b>    | <b>54</b>     | <b>0.5%</b> |
| Claxton Field House | 2            | 19           | 21            | 0.2%        |
| DeFazio             | 16           | -            | 16            | 0.1%        |
| Memorial Field      | 13           | -            | 13            | 0.1%        |
| Carleton Pavillion  | 2            | -            | 2             | 0.0%        |
| Greensfield Park    | 1            | -            | 1             | 0.0%        |
| Hillside Park       | 0            | -            | 0             | 0.0%        |
| Mills Field         | 0            | -            | 0             | 0.0%        |
| Asa Small Jr. Field | 0            | -            | 0             | 0.0%        |
| Riverside Field     | 0            | -            | 0             | 0.0%        |
| Dwight Field        | 0            | -            | 0             | 0.0%        |
| <b>Total</b>        | <b>3,985</b> | <b>6,830</b> | <b>10,816</b> | <b>100%</b> |

Table 3. Town of Needham's GHG Emissions from buildings (28) included in analysis, Fiscal Year 2022. Based on energy consumption data provided by the Town.

| Facility Name                                 | Fiscal Year 2022 Emissions (MT CO <sub>2</sub> e) |              |              |                  |
|-----------------------------------------------|---------------------------------------------------|--------------|--------------|------------------|
|                                               | Electricity                                       | Fossil Fuels | Total        | Percent of Total |
| High School                                   | 831                                               | 1,163        | 1,994        | 20.81%           |
| Pollard Middle School                         | 252                                               | 747          | 999          | 10.46%           |
| Newman Elementary School                      | 266                                               | 714          | 980          | 10.26%           |
| Broadmeadow Elementary School                 | 295                                               | 371          | 666          | 6.95%            |
| Eliot Elementary School                       | 238                                               | 354          | 592          | 6.18%            |
| Mitchell Elementary School                    | 83                                                | 441          | 524          | 5.50%            |
| Williams School                               | 219                                               | 302          | 521          | 5.44%            |
| Charles River Pump Station                    | 451                                               | 75           | 526          | 5.43%            |
| Public Safety Complex                         | 178                                               | 249          | 427          | 4.46%            |
| High Rock School                              | 184                                               | 207          | 391          | 4.08%            |
| Emery Grover                                  | 22                                                | 301          | 323          | 3.40%            |
| Hillside Elementary School                    | 101                                               | 178          | 279          | 2.92%            |
| Library                                       | 148                                               | 92           | 240          | 2.50%            |
| DPW                                           | 30                                                | 198          | 228          | 2.40%            |
| Town Hall                                     | 99                                                | 98           | 197          | 2.06%            |
| Daley Building                                | 6                                                 | 167          | 174          | 1.83%            |
| <i>Rosemary Recreation Center<sup>5</sup></i> | 108                                               | 4            | 112          | 1.16%            |
| Reservoir Street Pump Station                 | 74                                                | 2            | 77           | 0.79%            |
| St. Mary's Pump Station                       | 38                                                | 32           | 71           | 0.74%            |
| Center at the Heights                         | 56                                                | 6            | 62           | 0.64%            |
| PSAB                                          | 53                                                | -            | 53           | 0.54%            |
| West Street Pump Station                      | 43                                                | 1            | 44           | 0.46%            |
| <i>Jack Cogswell Building</i>                 | 4                                                 | 24           | 28           | 0.30%            |
| Memorial Park Building                        | 1                                                 | 21           | 22           | 0.24%            |
| Claxton Field House                           | 2                                                 | 19           | 21           | 0.23%            |
| Dedham Ave Pump Station                       | 2                                                 | 16           | 19           | 0.20%            |
| Great Plain Ave Pump Station                  | -                                                 | 5            | 5            | 0.05%            |
| <b>Total</b>                                  | <b>3,788</b>                                      | <b>5,789</b> | <b>9,578</b> | <b>100%</b>      |

<sup>5</sup> The Rosemary Recreation Center and Jack Cogswell Building are newer buildings that had incomplete data for FY22. FY23 data was therefore used. They are listed in the baseline because they are included in the Town's emissions projections through 2050.

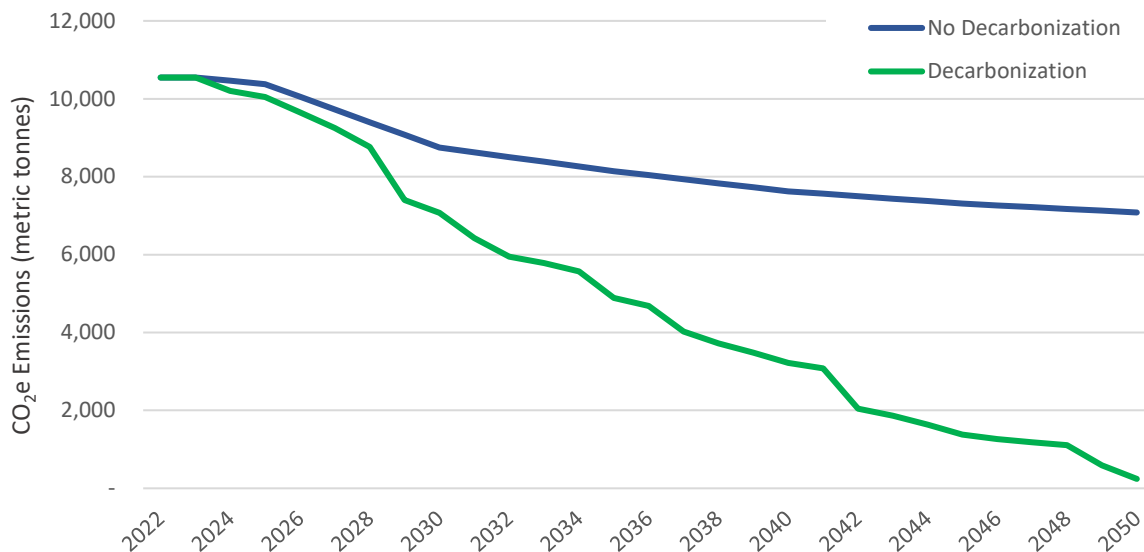
# Summary of Findings

Twenty-eight municipal buildings (Table 3), which accounted for nearly 90 percent (9,578 MT CO<sub>2</sub>e) of building emissions in Fiscal Year 2022, were included in the analysis. Ten of those twenty-two buildings contributed to 80 percent of the Town’s building emissions, and 70 percent of the Town’s total Fiscal Year 2022 emissions (Table 3): the High School (21%), Pollard Middle School (10.5%), Newman Elementary School (10%), Broadmeadow Elementary School (7%), Eliot Elementary (6.2%), Mitchell Elementary School (5.5%), Williams School (5.4%), the Charles River Pump Station (5.4% [not prioritized: building use type and low fossil fuel consumption]), the Public Safety Complex (4.5% [not prioritized: new construction]), and the High Rock School (4.1%). Needham aims to electrify all buildings and vehicles in the Town, but focusing decarbonization efforts on these “high impact” facilities will significantly reduce the Town’s overall emissions.

Table 4. Projected emissions reductions as a result of decarbonizing the Town of Needham’s 28 buildings and 157 vehicles analyzed in this roadmap.

| Decarbonization Roadmap Projections                        | 2027 | 2030 | 2040 | 2050  |
|------------------------------------------------------------|------|------|------|-------|
| Reduce emissions from onsite fossil fuels                  | -5%  | -26% | -65% | -100% |
| Zero emission vehicles (ZEVs) in light-duty fleet adoption | 7%   | 30%  | 93%  | 100%  |
| Zero emission vehicles (ZEVs) in heavy-duty fleet adoption | 1%   | 10%  | 57%  | 100%  |
| Energy Use Intensity reduction                             | -6%  | -17% | -37% | -53%  |
| Total Emissions Reduction Goals (% of 2022 emissions)      | 12%  | 33%  | 70%  | 97%   |

Figure 1. CO<sub>2</sub>e emissions by scenario, showing percent reduction as compared to FY2022 emissions (2022-2050) for facilities (28 buildings) and fleet (157 vehicles).



# Decarbonization Plans for High Impact Buildings



# Needham High School

Needham's High School emits the highest amount of building-related GHG emissions in the Town. Fossil fuels are still the primary source of the school's emissions, and remain the highest in the Town.<sup>6</sup>

There are long-term energy conservation measures planned at this property, and options for efficiency measures will be explored prior to full electrification. In the near-term, the phased replacements of roof top units (RTUs) with energy recovery wheels will help to improve efficiency and decrease the energy usage of these systems at the High School.

Needham commits to electrifying the existing natural gas boiler at or near its projected end-of-useful life.

Given the size and heating demand at the school, ground-source heat pumps (GSHP) could be an appropriate solution to meet the school's energy needs, and could also be used for domestic hot water heating. Finally, induction range stovetops will help the school achieve net zero emissions by 2050. The implementation of these efficiency and electrification measures could help to reduce the high school's emissions by 95 percent through 2050.

## Building Characteristics

**Square Footage:** 304,170

**FY2022 Emissions:** 1,991 MTCO<sub>2</sub>e

**FY2022 EUI:** 112 kBtu/ft<sup>2</sup>

**Existing Solar:** No

**HVAC:** 2017/2008, natural gas

**Water Heating:** 2014, natural gas

**Kitchen:** 2007, natural gas

## Proposed Strategy

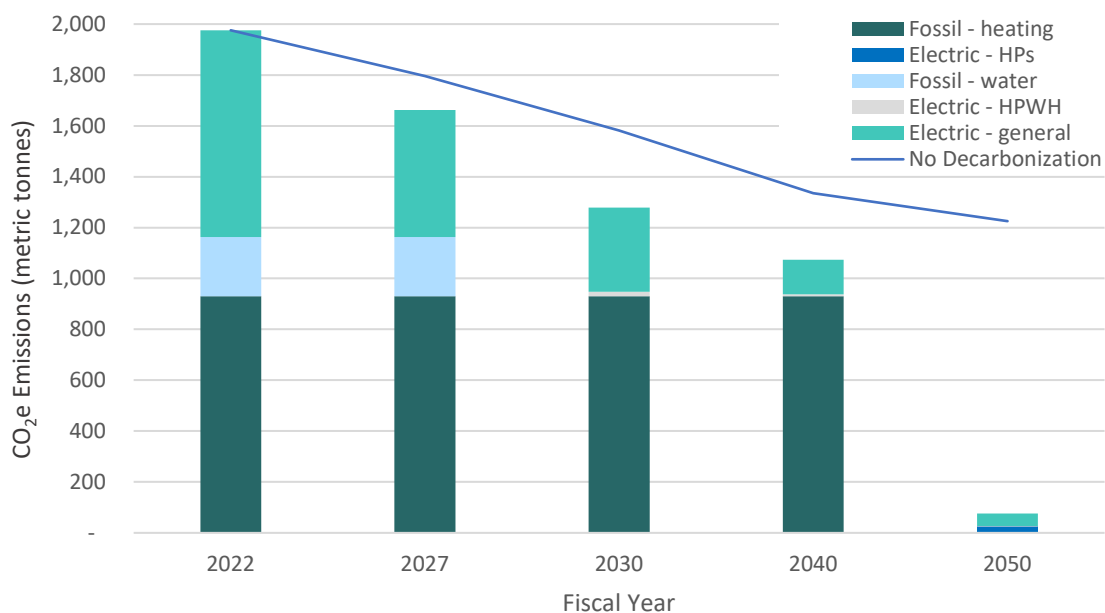
**Energy Efficiency:** 2039

**HVAC:** 2042, GSHP or other electric

**Water Heating:** 2028

**Kitchen:** 2035, electric

Figure 2. Estimated future building emissions based on proposed building efficiency and electrification plans at the High School.



<sup>6</sup> <https://www.massenergyinsight.net/>



# Pollard Middle School

The Pollard Middle School emitted the second highest GHG emissions in Fiscal Year 2022. In May of 2024, the Town approved funding for a feasibility study at the Middle School, related to the demolition and construction of a new building. This new building would meet the standards set by the state's Specialized Stretch Code.<sup>7</sup>

When the building is renovated, the current natural gas boiler could be replaced with GSHPs or Variable Refrigerant Flow (VRF) heat pumps. VRFs are advanced heat pumps that can provide both heating and cooling at the same time to different parts of the building. Ductwork is required for fresh air makeup. The existing natural gas water heater could be

upgraded to a heat pump water heater near 2030. If the building is demolished, renovated, or added on to, electrification measures similar to these will be explored in the feasibility study.

## Building Characteristics

**Square Footage:** 118,080

**FY2022 Emissions:** 999 MTCO<sub>2</sub>e

**FY2022 EUI:** 150 kBtu/ft<sup>2</sup>

**Existing Solar:** No

**HVAC:** 2013/1995, natural gas

**Water Heating:** 2013, natural gas

## Proposed Strategy\*

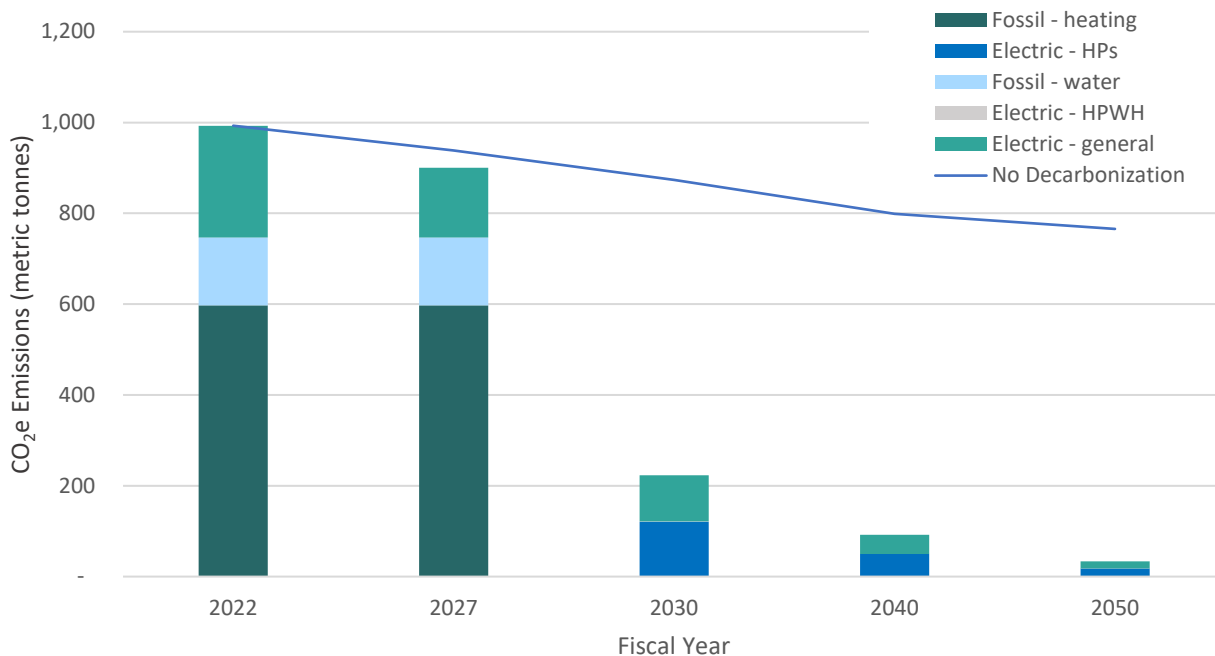
**HVAC:** 2030, GSHP, VRF, or other electric

**Water Heating:** 2030, HPWH

**On-Site Solar Potential:** 2030, 385 kW

\* in combination with new construction

Figure 3. Estimated future building emissions based on proposed building electrification plans at Pollard Middle School.



<sup>7</sup> <https://www.mass.gov/info-details/building-energy-code>

# Newman Elementary School

The Newman School emitted 980 MTCO<sub>2</sub>e, the third highest emissions building in Fiscal Year 2022, and accounting for over 10 percent of total municipal emissions. In recent years, the Town implemented energy conservation measures at the school that included LED lighting upgrades.<sup>8</sup>

The heating and cooling equipment at this building were installed in 2011 and in a decade will be approaching their projected end-of-useful life. Electrification upgrades to the existing equipment may begin in, or close to 2035. GSHPs will be considered at this school building, as they would be an efficient solution that meets the school's energy demands, but VRF heat pumps could also meet these demands if GSHPs are not feasible. Heat pump water heaters are expected to replace the existing natural gas heaters near 2031.

## ***Building Characteristics***

***Square Footage:*** 137,710

***FY2022 Emissions:*** 980 MTCO<sub>2</sub>e

***FY2022 EUI:*** 125 kBtu/ft<sup>2</sup>

***Existing Solar:*** No

***HVAC:*** 2012/2010, natural gas

***Water Heating:*** 2011, natural gas

***Kitchen:*** 2005, natural gas

## ***Proposed Strategy***

***Energy Efficiency:*** 2028-2029

***HVAC:*** 2035, GSHP, VRF, or other electric

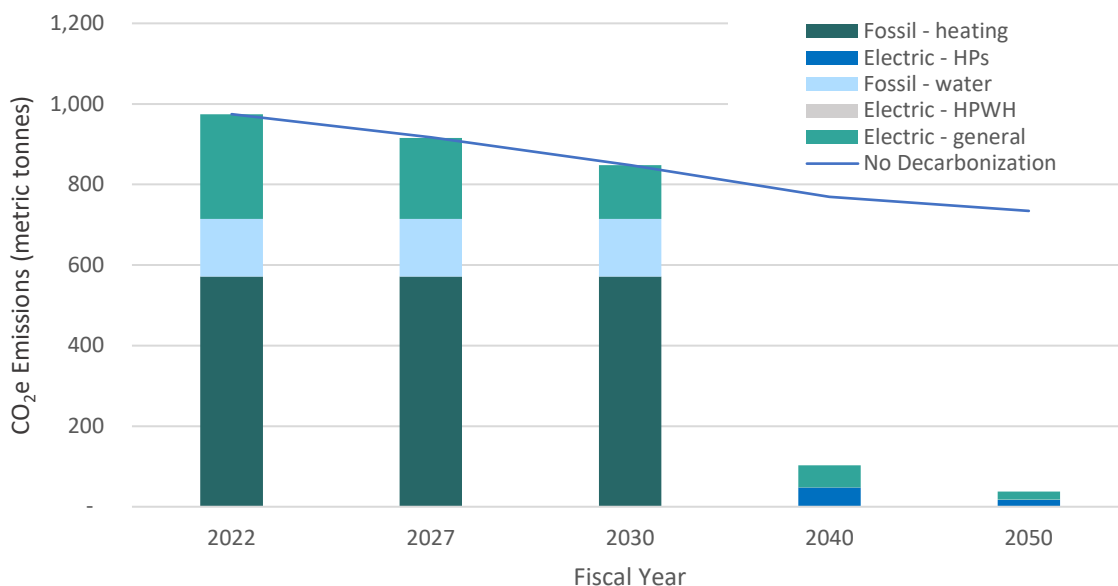
***Water Heating:*** 2031, HPWH

***Kitchen:*** 2035, electric

***On-Site Solar Potential:*** 2031, 313 kW

The implementation of these efficiency and electrification measures could help to reduce the school's emissions by 95 percent through 2050.

Figure 4. Estimated future building emissions based on proposed building efficiency and electrification plans at the Newman Elementary School.



<sup>8</sup> Green Communities Designations, <https://www.mass.gov/doc/map-of-current-green-communities-and-grant-summaries/download>



# Broadmeadow Elementary School

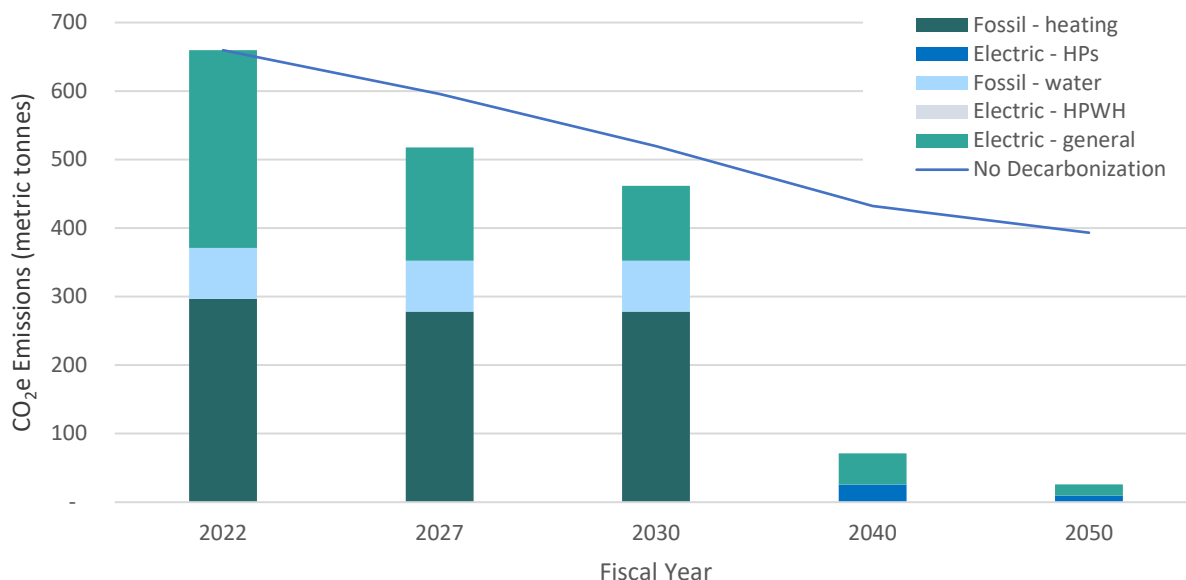
The Broadmeadow Elementary School emitted the next highest GHG emissions in Fiscal Year 2022 and had an EUI of 97 kBtu/ ft<sup>2</sup>. Energy efficiency measures such as ensuring BMS and ventilation efficiencies, replacing single-pane windows, a roof replacement with code compliant insulation, and upgrading lighting controls and fixtures (2026), could reduce the school's energy consumption by nearly 10 percent in the near-term.

Upgrades to existing heating and cooling equipment will begin in 2025 with the elimination of gas usage for rooftop units (RTUs). Five new RTUs with energy recovery wheels will be installed and two ASHPs will supply reheat water during the cooling season. In the future, GSHPs or VRF heat pumps could both be appropriate solutions to meet the school's energy needs, and heat pump water heaters could replace the existing water heaters installed in 2017. The natural gas cooking ranges are dated and could be replaced with induction ranges as soon as 2027.

Reductions in energy consumption and emissions have occurred between Fiscal Years 2022 and 2024, and implementation of efficiency and electrification measures could continue to reduce emissions by 96 percent through 2050.

| <b>Building Characteristics</b>                 |
|-------------------------------------------------|
| <b>Square Footage:</b> 116,466                  |
| <b>FY2022 Emissions:</b> 666 MTCO <sub>2e</sub> |
| <b>FY2022 EUI:</b> 97 kBtu/ ft <sup>2</sup>     |
| <b>Existing Solar:</b> No                       |
| <b>HVAC:</b> 2017/2008, natural gas             |
| <b>Water Heating:</b> 2017, natural gas         |
| <b>Kitchen:</b> 1997, natural gas               |
| <b>Proposed Strategy</b>                        |
| <b>Energy Efficiency:</b> 2025-2041             |
| <b>HVAC:</b> 2031, GSHP, VRF, or other electric |
| <b>Water Heating:</b> 2037, HPWH                |
| <b>Kitchen:</b> 2027, electric                  |
| <b>On-Site Solar Potential:</b> 2035, 336 kW    |

Figure 5. Estimated future building emissions based on proposed building electrification plans at the Broadmeadow Elementary School.



# Eliot Elementary School

The Eliot Elementary School contributed 592 MTCO<sub>2e</sub> in Fiscal Year 2022. This building does not emit as many GHG emissions as some of Needham's other school buildings but is still a top (6 percent) contributor to the Town's overall emissions. Recent funding from Green Communities supported the upgrade of lighting in the building to LEDs in early 2025.<sup>9</sup>

All four RTUs at the school were replaced in 2024, and two ASHPs were installed for reheat during the summer cooling season. The largest RTU has six VRF heat pumps. BMS upgrades are in process for 2025, and in 2026, the existing natural gas boilers will be replaced with high efficiency condensing boilers. In the future, the addition of VRF heat pumps could be a viable replacement for the remaining boilers. Around 2036, heat pump water heaters will be considered for electrifying the existing equipment. Induction range stovetops will be the final measure required to achieve net zero emissions by 2050.

## Building Characteristics

**Square Footage:** 70,850

**FY2022 Emissions:** 592 MTCO<sub>2e</sub>

**FY2022 EUI:** 143 kBtu/ft<sup>2</sup>

**Existing Solar:** No

**HVAC:** 2003, natural gas

**Water Heating:** 2016, natural gas

**Kitchen:** 2002, natural gas

## Proposed Strategy

**Energy Efficiency:** 2025-2029

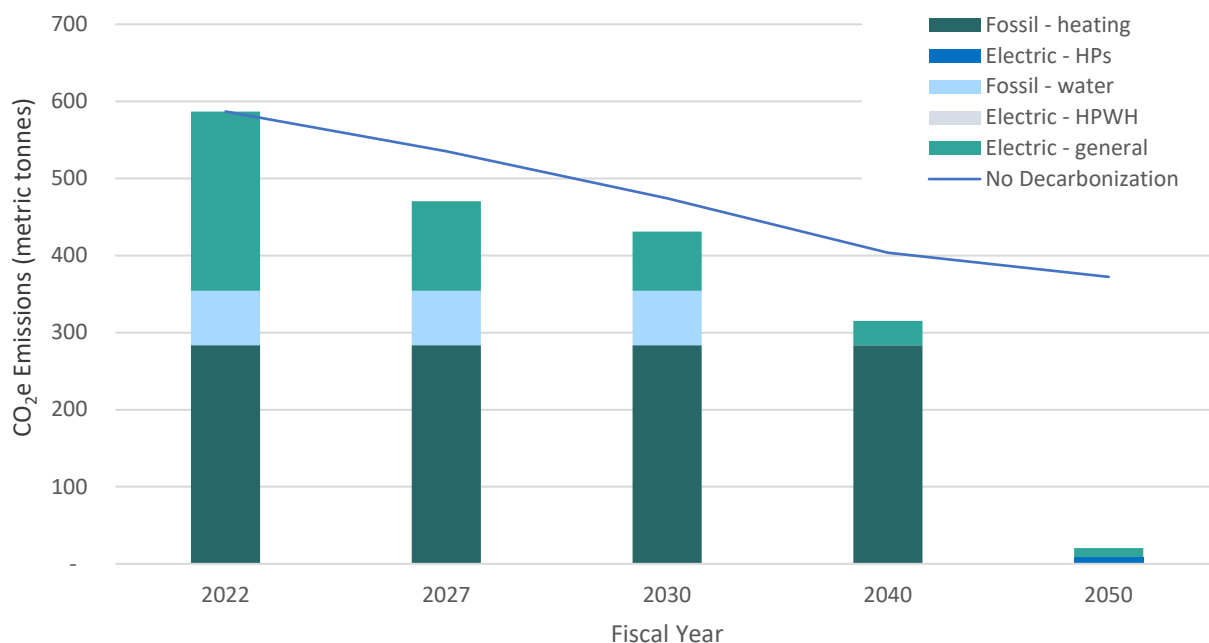
**HVAC:** 2049, VRF or other electric

**Water Heating:** 2036, HPWH

**Kitchen:** 2032, electric

**On-Site Solar Potential:** 2040, 192 kW

Figure 6. Estimated future building emissions based on proposed building efficiency and electrification plans at the Eliot Elementary School.



<sup>9</sup> Green Communities Designations, <https://www.mass.gov/doc/map-of-current-green-communities-and-grant-summaries/download>

# Mitchell Elementary School

The Mitchell Elementary emitted the sixth highest GHG emissions in Fiscal Year 2022, at 524 MTCO<sub>2</sub>e. Since 2022, the Town has installed a domestic heat pump water heater (2024).<sup>10</sup> Further savings from this electrification measure are likely to occur in Fiscal Year 2025.

The school is next on the School Master Plan for major reconstruction or renovation after Pollard Middle School. In 2030, the Town is expected to submit a Scope of Interest to the Massachusetts School Board Authority (MSBA) for phased additions and renovations in conjunction with building electrification.

## Building Characteristics

**Square Footage:** 53,785

**FY2022 Emissions:** 524 MTCO<sub>2</sub>e

**FY2022 EUI:** 176 kBtu/ft<sup>2</sup>

**Existing Solar:** No

**HVAC:** 2009/1997, natural gas

**Water Heating:** 2024, electric

## Proposed Strategy

**Energy Efficiency:** 2025-2029

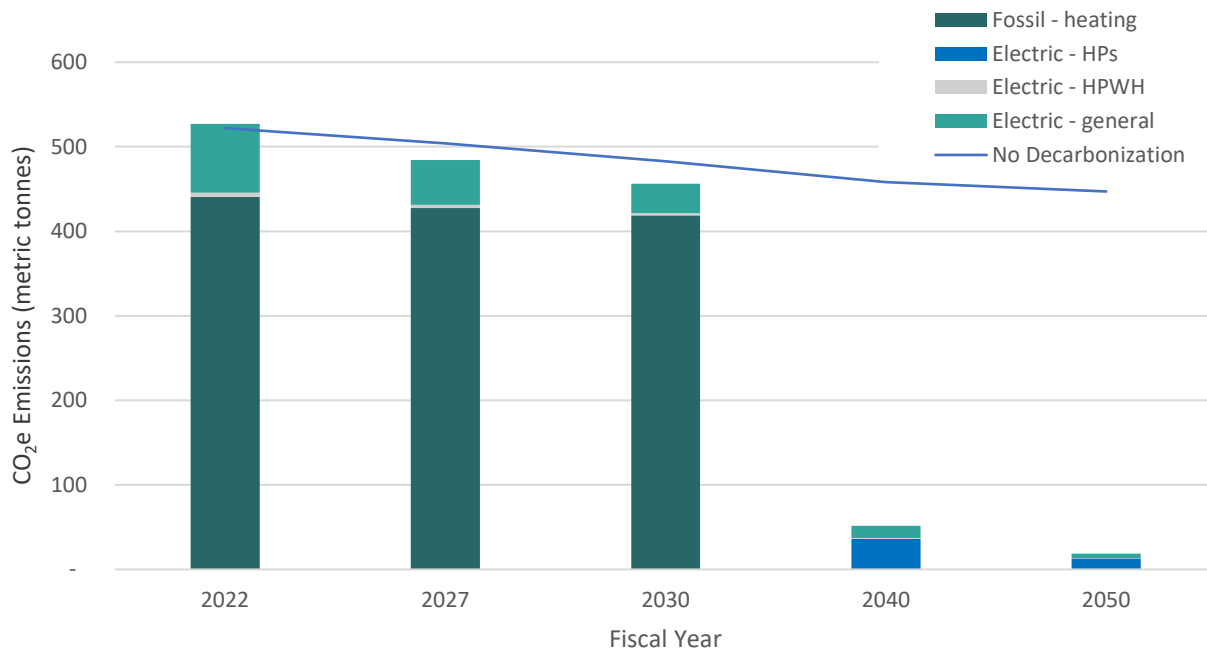
**HVAC:** 2038, VRF or other electric

**Water Heating:** 2038, HPWH update

**On-Site Solar Potential:** 2038, 264 kW

After the occurrence of a feasibility assessment in 2033, and design concepts in 2035, the construction of these additions and renovations will likely occur in 2038.

Figure 7. Estimated future building emissions based on proposed building efficiency and electrification plans at the Mitchell Elementary School.



<sup>10</sup> <https://www.massenergyinsight.net/>

# Sunita L. Williams Elementary School

The Sunita L. Williams Elementary School emitted 521 MTCO<sub>2</sub>e, the next highest in Fiscal Year 2022, accounting for 5.3 percent of total municipal emissions.

The school's EUI is lower than that of other school buildings due to the better efficiency of the newer Rooftop Units (RTU) and chillers, installed in 2019. Due to the higher efficiency of this equipment, this building will be prioritized for electrification in the long-term.

Though upgrades to existing heating and domestic water heating equipment will likely not be needed in the near-term, Needham commits to electrifying the existing natural gas equipment within the next 25 years. Needham can also ensure BMS and ventilation systems operate efficiently to potentially reduce energy consumption before 2040.

## Building Characteristics

**Square Footage:** 90,700

**FY2022 Emissions:** 521 MTCO<sub>2</sub>e

**FY2022 EUI:** 98 kBtu/ft<sup>2</sup>

**Existing Solar:** Yes, 155 kW

**HVAC:** 2019, natural gas

**Water Heating:** 2019, natural gas

**Kitchen:** 2019, natural gas

## Proposed Strategy

**Energy Efficiency:** 2025-2029

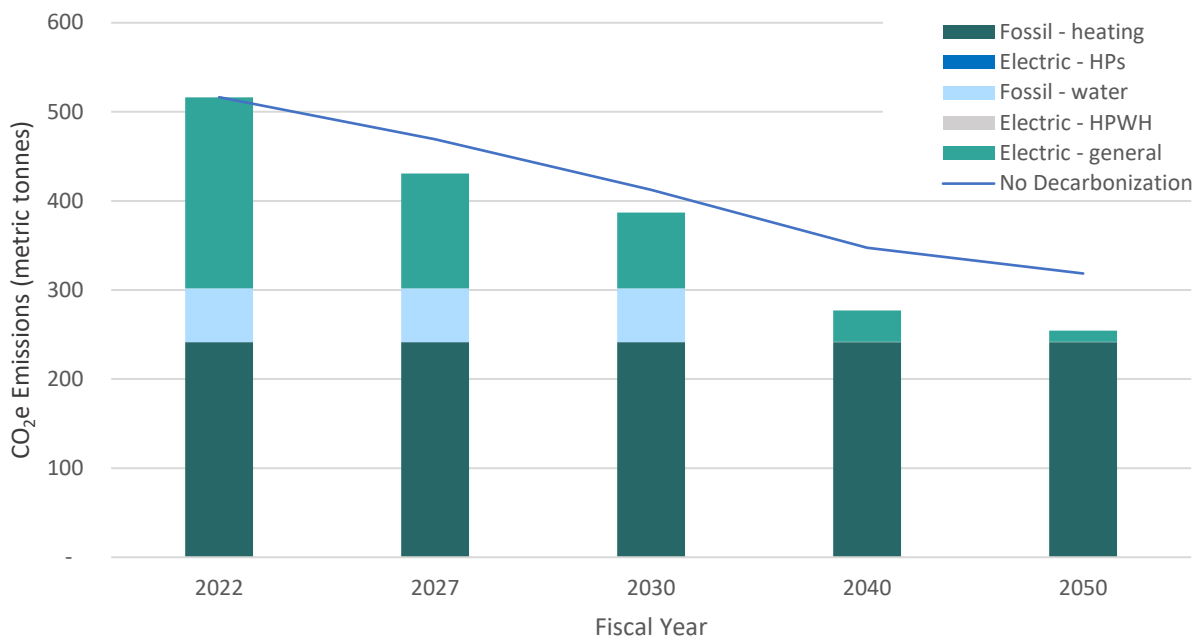
**HVAC:** 2050, HP RTUs or other electric

**Water Heating:** 2039, HPWH

**Kitchen:** 2045, electric

**On-Site Solar Potential:** 2045 - replace

Figure 8. Estimated future building emissions based on proposed efficiency and building electrification plans at the Williams Elementary School.



# High Rock School

The High Rock School emitted 391 MTCO<sub>2</sub>e, the eighth highest in Fiscal Year 2022, accounting for 4 percent of total municipal emissions.

The heating equipment at this building was installed in 2009, and is close to its projected end-of-useful life. Electrification upgrades to the existing equipment will be prioritized after some of the other, higher emitting school buildings, but will be considered around 2031.

Heat Pump Packaged Units would meet the school's energy demand, and could be a viable replacement to the existing natural gas RTUs. Within the next few years, heat pump water heaters will be considered for electrifying the existing equipment installed in 2006. Induction range stovetops will be the final measure required to achieve net zero emissions by 2050.

## Building Characteristics

**Square Footage:** 62,400

**FY2022 Emissions:** 391 MTCO<sub>2</sub>e

**FY2022 EUI:** 105 kBtu/ft<sup>2</sup>

**Existing Solar:** No

**HVAC:** 2009, natural gas

**Water Heating:** 2006, natural gas

**Kitchen:** 2009, natural gas

## Proposed Strategy

**Energy Efficiency:** 2027

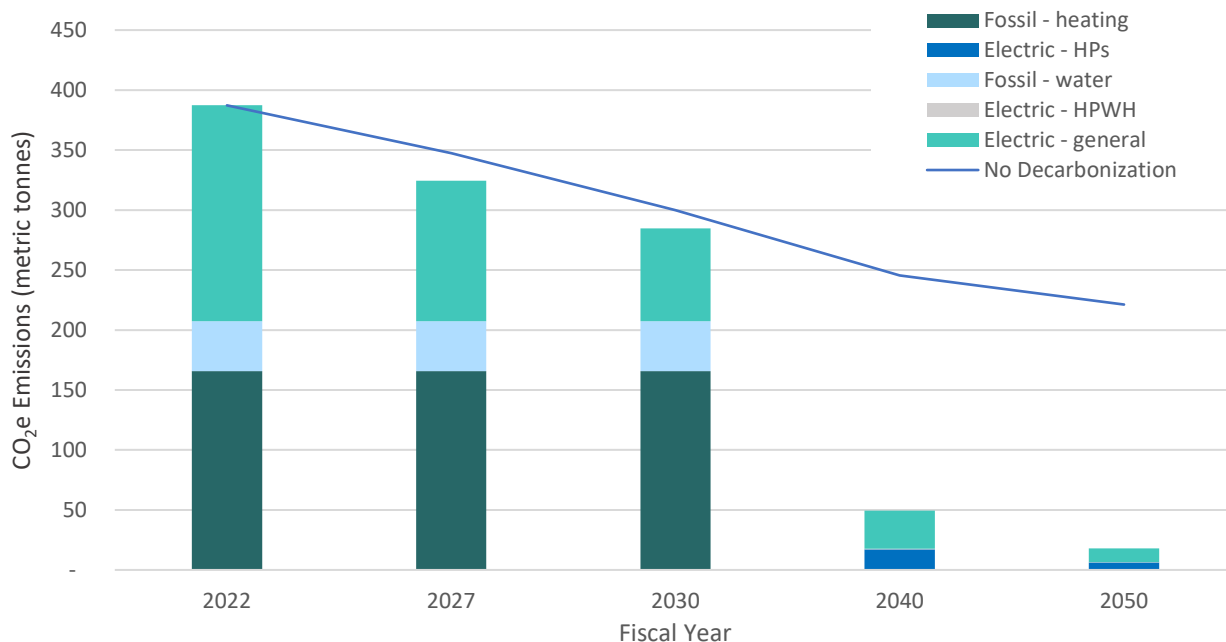
**HVAC:** 2031, HP RTU, or other electric

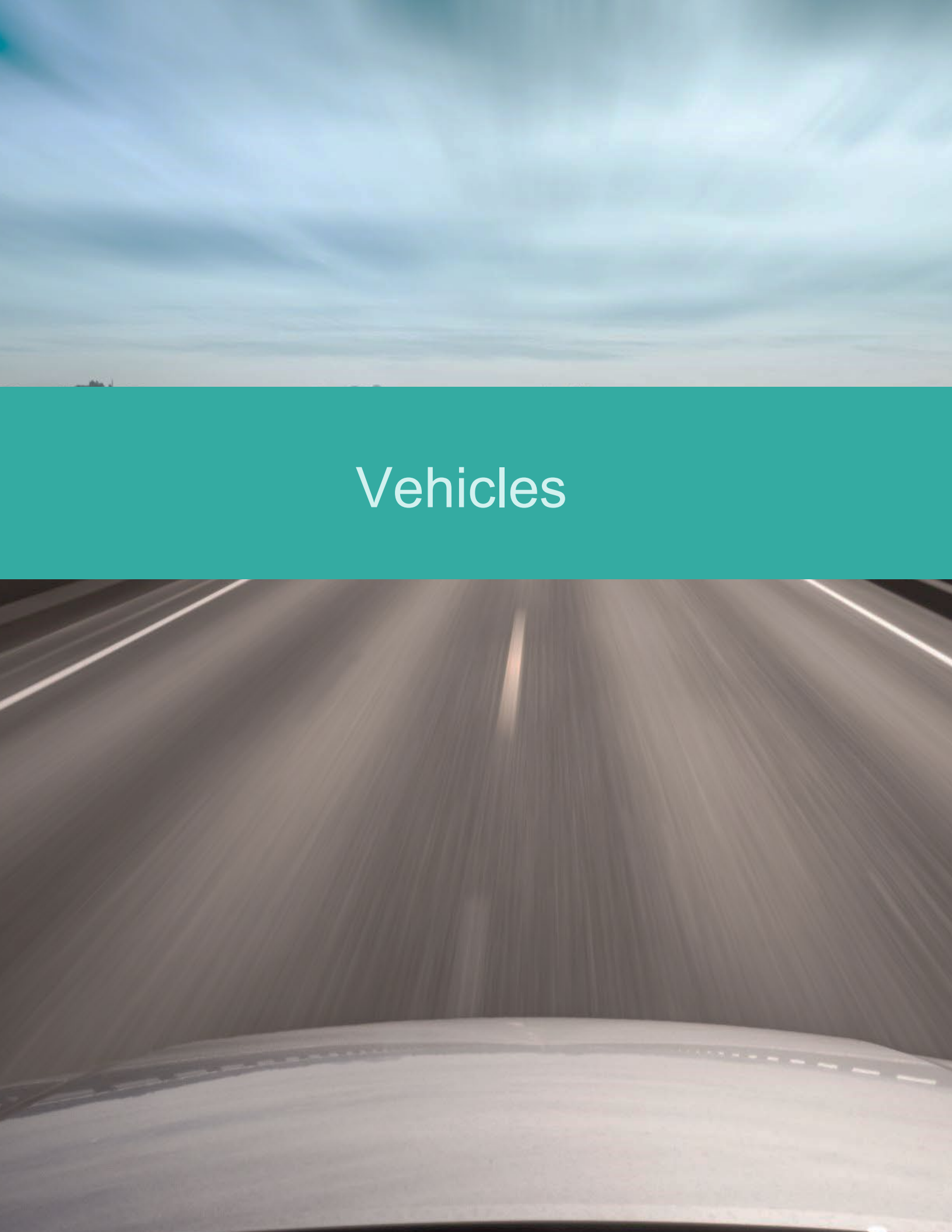
**Water Heating:** 2031, HPWH

**Kitchen:** 2031, induction

**On-Site Solar Potential:** 2034, 144 kW

Figure 9. Estimated future building emissions based on proposed efficiency and building electrification plans at the High Rock School.





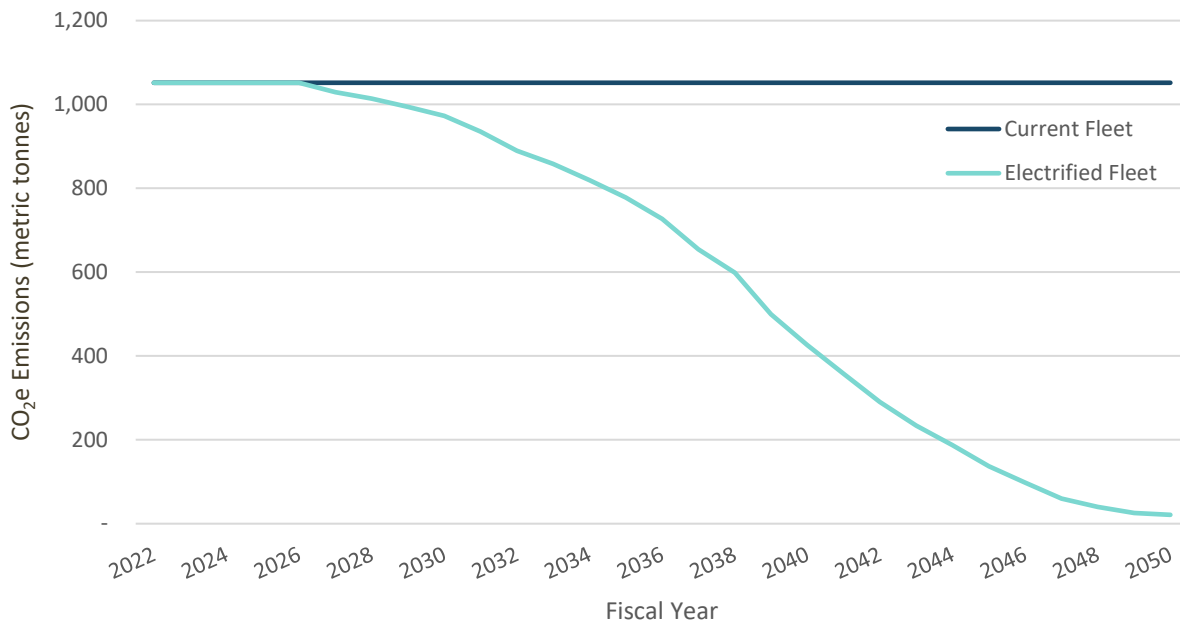
# Vehicles

# Fleet Vehicles

Since 2020, the Town of Needham has utilized grant funding to convert several of their internal combustion engine (ICE) vehicles to battery electric vehicles (BEV). In support of Climate Leader Communities designation, the Town of Needham Select Board and School Committee adopted a Zero-Emission Vehicle (ZEV) First Policy in November and December 2024, respectively. This policy requires that municipal departments and divisions prioritize the purchase of ZEVs moving forward.<sup>11</sup> The requirements are intended to eliminate the combustion of fossil fuels in fleets and support broader emissions reductions in the municipality. Though there are some exempt vehicle types and exceptions, a procurement timeline that replaces vehicles at their projected end-of-useful lives or when electric alternatives become available, can be followed to comply with the policy.

Needham's fleet consists of 157 vehicles: 87 light-duty vehicles (LDV), 40 medium-duty vehicles (MDV), and 30 heavy-duty vehicles (HDV), including six electric vehicles (EVs) already owned by the Town.<sup>12</sup> Additionally, there are motorcycles, non-road equipment (NRE) or trailers, and unidentifiable vehicles, that were excluded from the analysis. Municipal and school vehicles contribute 10 percent (10%) of emissions for the Town of Needham. Converting the current fleet of ICE vehicles to BEV platforms could result in avoiding 12,000 metric tons of CO<sub>2</sub>e emissions cumulatively through 2050 (Figure 10).<sup>13</sup>

Figure 10. CO<sub>2</sub>e emissions by scenario, Fiscal Year 2022-2050.



<sup>11</sup> Climate Leader Communities Zero-Emission-First Vehicle Policy, <https://www.mass.gov/doc/climate-leader-communities-zev-first-policy/download>

<sup>12</sup> Alternative Fuels Data Center. "Vehicle Weight Classes & Categories." U.S. Department of Energy, <https://afdc.energy.gov/data/10380>. Accessed 24 June 2024.

<sup>13</sup> Green Vehicle Guide. "Greenhouse Gas Emissions from a Typical Passenger Vehicle" U.S. EPA, <https://www.epa.gov/greenvehicles/greenhouse-gas-emissions-typical-passenger-vehicle>.



# Procurement Timeline

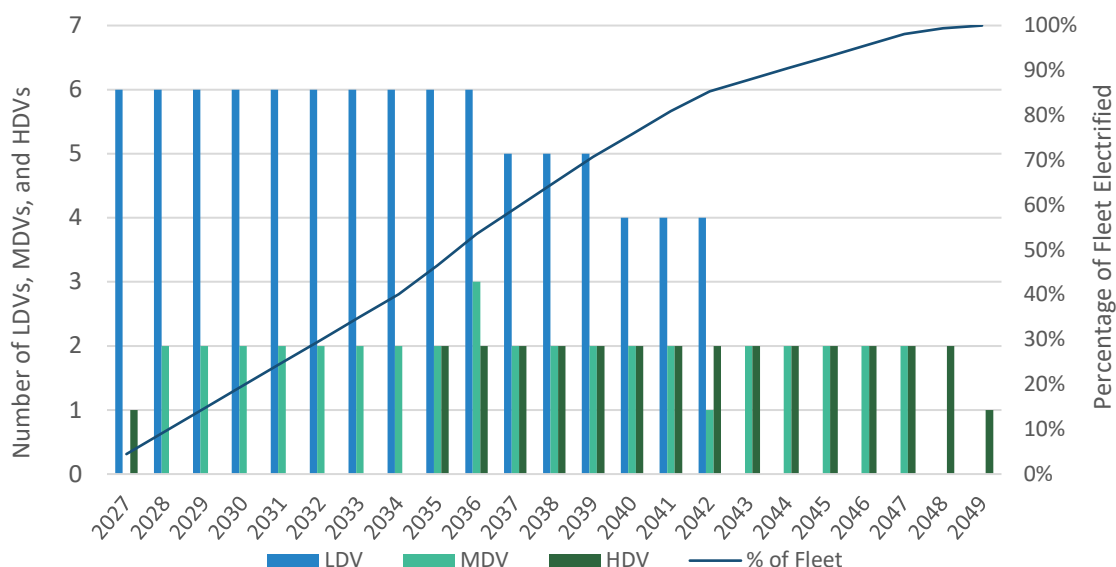
The following procurement timeline is based on cost-effectiveness, annual budget considerations, and the remaining useful life of each vehicle in Needham's existing fleet (Figure 11). Assumptions are subject to change based on evolving factors such as market development and vehicle availability.

**In 2025-2030, 24 light-, 6 medium- and 1 heavy-duty vehicle(s)** can be converted to electric. These are primarily sedans, SUVs, and pickup trucks—all of which have mature EV market options that are cheaper and cleaner to operate than their gas/diesel alternatives. Strong state incentives make immediate purchase possible and recommended. Needham will also be replacing one heavy-duty packer in the near-term.

**Between 2031-2040, another 55 light-, 21 medium-, and 12 heavy-duty vehicles** can be replaced. In addition to small LDVs, some transit vans and pickup trucks can also be replaced in the mid-term. This will allow Needham to reap the benefits of projected reductions in battery costs, and global competition that is expected to reduce vehicle cost. The medium- and heavy-duty market is in the early stages of development, and we anticipate significant advancements will lead to increased cost-effectiveness in the future.

**In 2041-2050, the remaining 8 light-, 13 medium-, and 17 heavy-duty vehicles** will be cost-competitive candidates for EV replacement. These HDVs are mostly comprised of fire trucks, and heavy-duty trucks. Currently, electric alternatives for these vehicle types, particularly those with specialty features like mounted cranes and snowplows, are limited or non-existent. GM announced plans to launch EV heavy-duty trucks by 2035.

Figure 11. Vehicle replacement schedule by vehicle class (light-duty [LDV], medium-duty [MDV] and heavy-duty [HDV]).





# Assumptions & Conclusion



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# Assumptions

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## Emissions Factors

- Emissions factors for fossil fuels are held constant throughout the roadmap and were derived from the EPA published factors.<sup>14</sup> Electricity emissions factors are sourced from Mass Energy Insight, and represent estimates based off the New England grid (Table 8).

## Buildings

- *Energy Efficiency Recommendations and Savings:* The measures and associated savings outlined for buildings were derived through completion of a virtual energy audit of all buildings.<sup>15</sup>
- *Electrification Recommendations:* Existing equipment replacement year is determined by the current age of the system(s) and any planning currently underway. The type of heat pump equipment used for electrification is determined using the following data points provided by the community:
  - o System age and capacity
  - o Fuel type(s) used
  - o Building square footage
  - o Existing equipment type (i.e., boiler, furnace, RTU, etc.)

## Fleet

- *Mileage Consideration:* Analysis incorporates average miles traveled to align recommendations with real-world usage patterns, unless otherwise provided by the Town.
- *Vehicle Replacement:* The year is determined by factors including:
  - o *Expected Lifetime:* Vehicles typically have a lifespan of around 10 years. This expected lifetime helps to establish a baseline for when replacement becomes necessary.
  - o *Market Availability:* Based on the availability of electric alternatives in the market, the recommendation is to wait until a specific model becomes available.
  - o *Community Budgets:* The Town's proposed budget for vehicle replacement is considered when determining how many vehicles are replaced in each year of the procurement timeline.

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<sup>14</sup> [Greenhouse Gas Emissions Technical Reference](#)

<sup>15</sup> This was a "desktop" audit. In-person, technical audits will be required to validate efficiency measures to implement.

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# Conclusion

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This roadmap illustrates that the Town of Needham can effectively meet the emissions reductions targets set by the Secretary and required for the Climate Leader Community certification. By 2050, the electrification measures outlined in this roadmap are estimated to reduce Needham's GHG emissions by nearly 150 thousand cumulative MT CO<sub>2</sub>e, lowering their Energy Use Intensity (EUI) by over 53 percent.

To become a certified Climate Leader, Needham will move forward with several planned projects aimed at reducing energy consumption and GHG emissions and strive to implement the following decarbonization roadmap. In order to comply with Climate Leader guidelines, Needham also commits to updating the proposed plan of action every three years. Implementation will be administered by the Sustainability Manager.



# Appendix

Table 5. Possible decarbonization measures, by building.

| Building                 | Fiscal Year 2022 Emissions (MT CO <sub>2</sub> e) | Possible/Ongoing Energy Efficiency (EE) Measures                                                                                                                                                                                                                                 | Space Heating                           |                                                 | Domestic Water Heating                  |                                                 | Solar PV Potential (kW)                  |                                      |
|--------------------------|---------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------|-------------------------------------------------|-----------------------------------------|-------------------------------------------------|------------------------------------------|--------------------------------------|
|                          |                                                   |                                                                                                                                                                                                                                                                                  | Existing (installation year, fuel type) | Replacement (installation year, heat pump type) | Existing (installation year, fuel type) | Replacement (installation year, heat pump type) | Existing (roof year)                     | Solar (installation year, size [kW]) |
| High School              | 1,994                                             | <ul style="list-style-type: none"> <li>- RTU replacements #17 and #18 electrification (FY2027)</li> <li>- Lighting upgrades to LEDs (Phase I – FY2028, Phase II – FY2029)</li> <li>- Energy efficiency updates (air sealing, insulation, windows, and doors) (FY2039)</li> </ul> | 2017, Natural Gas                       | 2042, GSHP, VRF or other electric               | 2014, Natural Gas                       | 2028, HPWH                                      | 1997 (to be replaced in FY2027) and 2009 | N/A                                  |
| Newman Elementary School | 980                                               | <ul style="list-style-type: none"> <li>- Ensure efficient BMS run times and temperature settings</li> <li>- Energy recovery wheel replacement (FY2029)</li> </ul>                                                                                                                | 2012, Natural Gas                       | 2035, VRF or other electric                     | 2011, Natural Gas                       | 2031, HPWH                                      | 2012 (to be replaced FY2044)             | 2031, 312.8                          |
| Pollard Middle School    | 999                                               | <ul style="list-style-type: none"> <li>- Ensure efficient BMS run times and temperature settings</li> </ul>                                                                                                                                                                      | 2013, Natural Gas                       | 2030, VRF or other electric (with new building) | 2013, Natural Gas                       | 2030, HPWH (with new building)                  | 2011                                     | 2030, 385 (with new building)        |

| Building                      | Fiscal Year 2022 Emissions (MT CO <sub>2</sub> e) | Possible/Ongoing Energy Efficiency (EE) Measures                                                                                                                                                                                                                                         | Space Heating                           |                                                    | Domestic Water Heating                  |                                                 | Solar PV Potential (kW)      |                                      |
|-------------------------------|---------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------|----------------------------------------------------|-----------------------------------------|-------------------------------------------------|------------------------------|--------------------------------------|
|                               |                                                   |                                                                                                                                                                                                                                                                                          | Existing (installation year, fuel type) | Replacement (installation year, heat pump type)    | Existing (installation year, fuel type) | Replacement (installation year, heat pump type) | Existing (roof year)         | Solar (installation year, size [kW]) |
| Broadmeadow Elementary School | 666                                               | <ul style="list-style-type: none"> <li>- Lighting upgrades to LEDs (FY2026)</li> <li>- RTU replacement and electrification of cooling system with ASHP for summer reheat (FY2025)</li> <li>- Energy efficiency updates (air sealing, insulation, windows, and doors) (FY2041)</li> </ul> | 2017, Natural Gas                       | 2031, VRF or other electric                        | 2017, Natural Gas                       | 2037, HPWH                                      | 2001 (to be replaced FY2032) | 2035, 336.8                          |
| Williams School               | 521                                               | <ul style="list-style-type: none"> <li>- Ensure efficient BMS run times and temperature settings</li> </ul>                                                                                                                                                                              | 2019, Natural Gas                       | 2050, HP RTUs or other electric                    | 2019, Natural Gas                       | 2039, HPWH                                      | 2019 (to be replaced FY2046) | 2045, replace existing               |
| Eliot Elementary School       | 592                                               | <ul style="list-style-type: none"> <li>- Energy conservation measures and DHW heat pumps</li> </ul>                                                                                                                                                                                      | 2003, Natural Gas                       | 2049, VRF or other electric                        | 2016, Natural Gas                       | 2036, HPWH                                      | 2003 (to be replaced FY2034) | 2041, 192.5                          |
| High Rock School              | 391                                               | <ul style="list-style-type: none"> <li>- Ensure efficient BMS run times and temperature settings</li> <li>- Lighting upgrades to LEDs (FY2027)</li> </ul>                                                                                                                                | 2009, Natural Gas                       | 2031, HP RTUs or other electric (with renovations) | 2006, Natural Gas                       | 2031, HPWH (with renovations)                   | 2009                         | 2031, 144.4 (with renovations)       |

| Building                   | Fiscal Year 2022 Emissions (MT CO <sub>2</sub> e) | Possible/Ongoing Energy Efficiency (EE) Measures                                                                                                      | Space Heating                           |                                                 | Domestic Water Heating                  |                                                 | Solar PV Potential (kW)         |                                      |
|----------------------------|---------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------|-------------------------------------------------|-----------------------------------------|-------------------------------------------------|---------------------------------|--------------------------------------|
|                            |                                                   |                                                                                                                                                       | Existing (installation year, fuel type) | Replacement (installation year, heat pump type) | Existing (installation year, fuel type) | Replacement (installation year, heat pump type) | Existing (roof year)            | Solar (installation year, size [kW]) |
| Mitchell Elementary School | 524                                               | - Ensure efficient BMS run times and temperature settings                                                                                             | 2009, Natural Gas                       | 2038, VRF or other electric (with renovations)  | 2024, Electricity (Heat Pump)           | 2038, replace/update (with renovations)         | 2014                            | 2038, 264.7 (with renovations)       |
| Hillside Elementary School | 279                                               | - Energy efficiency updates (air sealing, insulation, windows, and doors) (FY2030)                                                                    | 2021, Oil                               | 2045, VRF or other electric                     | 2012, Oil                               | 2045, HPWH                                      | 2004 (to be replaced in FY2028) | 2032, 168.4                          |
| Library                    | 240                                               | - Ensure efficient BMS run times and temperature settings                                                                                             | 2018, Natural Gas                       | 2044, VRF or other electric                     | 2006, Electricity (resistance coils)    | 2043, HPWH                                      | 2006 (to be replaced FY2038)    | 2041, 72.2                           |
| Public Safety Complex      | 427                                               | - New facility construction in Phase I (completed in 2020) and Phase II (completed in February 2022).<br><br>- New, high efficiency boilers installed | 2019, Natural Gas                       | 2049, VRF or other electric                     | 2019, Natural Gas                       | 2039, HPWH                                      | 2019                            | 2033, 96.2                           |
| DPW                        | 228                                               | - Energy conservation measures, DHW heat pumps and LED lighting                                                                                       | 2021, Natural Gas                       | 2028, VRF or other electric                     | 1999, Electricity (resistance coils)    | 2028, HPWH                                      | 1998                            | 2028, 144.4                          |



| Building                   | Fiscal Year 2022 Emissions (MT CO <sub>2</sub> e) | Possible/Ongoing Energy Efficiency (EE) Measures                                                                                                                                                                                                                      | Space Heating                           |                                                 | Domestic Water Heating                  |                                                 | Solar PV Potential (kW)      |                                      |
|----------------------------|---------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------|-------------------------------------------------|-----------------------------------------|-------------------------------------------------|------------------------------|--------------------------------------|
|                            |                                                   |                                                                                                                                                                                                                                                                       | Existing (installation year, fuel type) | Replacement (installation year, heat pump type) | Existing (installation year, fuel type) | Replacement (installation year, heat pump type) | Existing (roof year)         | Solar (installation year, size [kW]) |
| Town Hall                  | 197                                               | - Energy conservation measures, DHW heat pumps and LED lighting                                                                                                                                                                                                       | 2010, Natural Gas                       | 2034, VRF or other electric                     | 2005, Natural Gas                       | 2045, HPWH                                      | 2011 (to be replaced FY2050) | 2050, 48.1                           |
| Center at the Heights      | 62                                                | - Ensure efficient BMS run times and temperature settings                                                                                                                                                                                                             | 2014, Natural Gas                       | 2034, VRF or other electric                     | 2013, Electricity (resistance coils)    | 2033, HPWH                                      | 2014 (to be replaced FY2046) | 2048, 24.1                           |
| Fire Station 2             | 0*                                                | - Ensure efficient BMS run times and temperature settings                                                                                                                                                                                                             | 2022, Natural Gas                       | 2050, HP RTUs or other electric                 | 2022, Natural Gas                       | 2042, HPWH                                      | 2022                         | 2034, 48.1                           |
| PSAB                       | 53                                                | - Ensure efficient BMS run times and temperature settings                                                                                                                                                                                                             | 2009, Electricity                       | Maintenance to GSHPs as needed                  | 2009, Electricity (resistance coils)    | 2029, HPWH                                      | 2009 (to be replaced FY2041) | N/A                                  |
| Rosemary Recreation Center | 112*                                              | - Ensure efficient BMS run times and temperature settings                                                                                                                                                                                                             | 2018, Electric                          | 2036, ASHP replacements                         | 2018, Natural Gas                       | 2035, HPWH                                      | 2018 (to be replaced FY2050) | 2050, 48.1                           |
| Emery Grover               | 323                                               | <i>The Emery Grover building is a new, all-electric building that utilizes air-source heat pumps for heating and cooling. The building opened in October 2024, and will look into updating the electric water heater with a heat pump hot water heater in FY2045.</i> |                                         |                                                 |                                         |                                                 |                              |                                      |
| Jack Cogswell Building     | 28*                                               | - Ensure efficient BMS run times and temperature settings<br>- Upgrade lighting controls and fixtures                                                                                                                                                                 | 2020, Natural Gas                       | 2029, ASHP or other electric                    | 2020, Electricity (resistance coils)    | 2029, HPWH                                      | 2020                         | 2027 (with new addition)             |

| Building                   | Fiscal Year 2022 Emissions (MT CO <sub>2</sub> e) | Possible/Ongoing Energy Efficiency (EE) Measures                                                                | Space Heating                           |                                                 | Domestic Water Heating                  |                                                 | Solar PV Potential (kW) |                                      |
|----------------------------|---------------------------------------------------|-----------------------------------------------------------------------------------------------------------------|-----------------------------------------|-------------------------------------------------|-----------------------------------------|-------------------------------------------------|-------------------------|--------------------------------------|
|                            |                                                   |                                                                                                                 | Existing (installation year, fuel type) | Replacement (installation year, heat pump type) | Existing (installation year, fuel type) | Replacement (installation year, heat pump type) | Existing (roof year)    | Solar (installation year, size [kW]) |
|                            |                                                   | - All-electric fleet maintenance building addition (FY2026)                                                     |                                         |                                                 |                                         |                                                 |                         |                                      |
| Charles River Pump Station | 526                                               | - Ensure efficient BMS run times and temperature settings<br>- Upgrade lighting controls and fixtures as needed | 2000, Natural Gas                       | 2033, ASHP or other electric                    | 2021, Natural Gas                       | 2038, HPWH                                      | N/A                     | N/A                                  |
| Dedham Ave Pump Station    | 19                                                | - Ensure efficient BMS run times and temperature settings<br>- Upgrade lighting controls and fixtures as needed | 2014, Natural Gas                       | 2041, ASHP or other electric                    | 2000, Electricity (resistance coils)    | 2038, HPWH                                      | N/A                     | N/A                                  |
| Daley Building             | 174                                               | - Ensure efficient BMS run times and temperature settings<br>- Upgrade lighting controls and fixtures as needed | 1960, Oil                               | 2028, VRF or other electric                     | 1960, Oil                               | 2028, HPWH                                      | N/A                     | N/A                                  |
| St. Mary's Pump Station    | 71                                                | - Ensure efficient BMS run times and temperature settings<br>- Upgrade lighting controls and fixtures as needed | 2014, Natural Gas                       | 2041, VRF or other electric                     | 2013, Electricity (resistance coils)    | 2039, HPWH                                      | N/A                     | N/A                                  |

| Building                     | Fiscal Year 2022 Emissions (MT CO <sub>2</sub> e) | Possible/Ongoing Energy Efficiency (EE) Measures                                                                       | Space Heating                           |                                                 | Domestic Water Heating                  |                                                 | Solar PV Potential (kW)    |                                      |
|------------------------------|---------------------------------------------------|------------------------------------------------------------------------------------------------------------------------|-----------------------------------------|-------------------------------------------------|-----------------------------------------|-------------------------------------------------|----------------------------|--------------------------------------|
|                              |                                                   |                                                                                                                        | Existing (installation year, fuel type) | Replacement (installation year, heat pump type) | Existing (installation year, fuel type) | Replacement (installation year, heat pump type) | Existing (roof year)       | Solar (installation year, size [kW]) |
| Memorial Park Building       | 22                                                | - Ensure efficient BMS run times and temperature settings                                                              | 2020, Electricity                       | 2050, HP RTUs or other electric                 | 2020, Electricity (resistance coils)    | 2040, HPWH                                      | To be replaced FY2049      | N/A                                  |
| West Street Pump Station     | 44                                                | - Ensure efficient BMS run times and temperature settings<br>- Upgrade lighting controls and fixtures as needed        | 1999, Natural Gas                       | 2027, Ducted ASHP or other electric             | 1999, Natural Gas                       | 2039, HPWH                                      | N/A                        | N/A                                  |
| Claxton Field House          | 21                                                | - Lighting upgrades to LEDs (FY2028)<br>- Energy efficiency updates (air sealing, insulation, windows, doors) (FY2030) | 2014, Natural Gas                       | 2037, Ducted ASHP or other electric             | 2008, Natural Gas                       | 2029, HPWH                                      | Roof to be replaced FY2039 | N/A                                  |
| Great Plain Ave Pump Station | 5                                                 | - Ensure efficient BMS run times and temperature settings<br>- Upgrade lighting controls and fixtures as needed        | 2010, Natural Gas                       | 2035, Ducted ASHP or other electric             | N/A                                     | N/A                                             | N/A                        | N/A                                  |

| Building                            | Fiscal<br>Year 2022<br>Emissions<br>(MT CO <sub>2</sub> e) | Possible/Ongoing Energy<br>Efficiency (EE) Measures                                                                                                                     | Space Heating                                    |                                                          | Domestic Water Heating                           |                                                          | Solar PV Potential (kW) |                                               |
|-------------------------------------|------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------|----------------------------------------------------------|--------------------------------------------------|----------------------------------------------------------|-------------------------|-----------------------------------------------|
|                                     |                                                            |                                                                                                                                                                         | Existing<br>(installation<br>year, fuel<br>type) | Replacement<br>(installation<br>year, heat<br>pump type) | Existing<br>(installation<br>year, fuel<br>type) | Replacement<br>(installation<br>year, heat<br>pump type) | Existing<br>(roof year) | Solar<br>(installation<br>year, size<br>[kW]) |
| Reservoir<br>Street Pump<br>Station | 77                                                         | <ul style="list-style-type: none"> <li>- Ensure efficient BMS run times and temperature settings</li> <li>- Upgrade lighting controls and fixtures as needed</li> </ul> | 2012,<br>Natural Gas                             | 2041, Ducted<br>ASHP or<br>other electric                | N/A                                              | N/A                                                      | N/A                     | N/A                                           |

\*The Rosemary Recreation Center, Jack Cogswell Building and Fire Station 2, are new buildings with no- or incomplete-data for FY22. FY23 data was therefore used. They are listed in the baseline because they are included in the Town's emissions projections through 2050.

Table 6. Vehicle by vehicle replacement schedule and savings estimates (derived from Needham's Fleet Electrification Roadmap).

| Replace Year | VIN                | Electric Vehicle Description                      | EV Price  | EV Miles per Gallon) eMPG | Estimated Total Cost of Ownership | Estimated avoided GHG tons (annual) | Estimated Fuel Savings (annual) | Estimated Maintenance Savings (annual) | Unit Number    |
|--------------|--------------------|---------------------------------------------------|-----------|---------------------------|-----------------------------------|-------------------------------------|---------------------------------|----------------------------------------|----------------|
| 2042         | 1BAKGCPH6HF333727  | School_Bus-BlueBird-Vision-Class 7-\$230765       | \$230,765 | 26                        | \$456,168                         | 27.5                                | \$7,611                         | \$5,799                                | NONE           |
| 2046         | 1BAKGCSH0MF374047  | School_Bus-BlueBird-Vision-Class 7-\$230765       | \$230,765 | 26                        | \$354,249                         | 19.4                                | \$5,377                         | \$4,096                                | 0052-H*-2365   |
| 2043         | 1BAKGCPH8HF333728  | School_Bus-BlueBird-Vision-Class 7-\$230765       | \$230,765 | 26                        | \$472,245                         | 33.9                                | \$9,384                         | \$7,149                                | 0024-W-2469    |
| 2036         | NM0LS6E29K1384603  | Delivery_Van-Ford-E-Transit Cargo-Class 4-\$40095 | \$40,095  | 62                        | \$64,950                          | 3.6                                 | \$757                           | \$495                                  | 0405-COA       |
| 2035         | 1FTYE1CG6KKKB60359 | Delivery_Van-Ford-E-Transit Cargo-Class 4-\$40095 | \$40,095  | 62                        | \$56,353                          | 2.0                                 | \$424                           | \$277                                  | NONE           |
| 2035         | 1FTYE1CG2KKA37299  | Delivery_Van-Ford-E-Transit Cargo-Class 4-\$40095 | \$40,095  | 62                        | \$83,902                          | 7.1                                 | \$1,491                         | \$976                                  | NONE           |
| 2027         | 1FTNE2EL3CDA13974  | Delivery_Van-Ford-E-Transit Cargo-Class 4-\$40095 | \$40,095  | 62                        | \$63,956                          | 2.6                                 | \$540                           | \$354                                  | NONE           |
| 2030         | NM0LS6E76F1179547  | Delivery_Van-Ford-E-Transit Cargo-Class 4-\$40095 | \$40,095  | 62                        | \$54,849                          | 1.7                                 | \$366                           | \$239                                  | 8713-B-1818    |
| 2035         | 1FTYR1CMXKKA06618  | Delivery_Van-Ford-E-Transit Cargo-Class 4-\$40095 | \$40,095  | 62                        | \$63,716                          | 3.4                                 | \$709                           | \$464                                  | 0041-F*-2150   |
| 2031         | 1FTYR1YM6HKB48076  | Delivery_Van-Ford-E-Transit Cargo-Class 4-\$40095 | \$40,095  | 62                        | \$61,690                          | 3.0                                 | \$631                           | \$413                                  | 0452-Assessors |
| 2036         | 1FTBR1C88MKA38818  | Delivery_Van-Ford-E-Transit Cargo-Class 4-\$40095 | \$40,095  | 62                        | \$53,321                          | 1.5                                 | \$307                           | \$201                                  | 0703-B-2019    |
| 2030         | NM0LS7E70G1285547  | Delivery_Van-Ford-E-Transit Cargo-Class 4-\$40095 | \$40,095  | 62                        | \$58,763                          | 2.4                                 | \$517                           | \$339                                  | 8071-G*-1533   |
| 2027         | 1FTNE2EL1BDA18136  | Delivery_Van-Ford-E-Transit Cargo-Class 4-\$40095 | \$40,095  | 62                        | \$64,951                          | 2.7                                 | \$579                           | \$379                                  | NONE           |
| 2038         | 1FTBR1CG8LKB25463  | Delivery_Van-Ford-E-Transit Cargo-Class 4-\$40095 | \$40,095  | 62                        | \$62,802                          | 3.2                                 | \$674                           | \$441                                  | 0026-W*-2366   |
| 2027         | 1FTNE24L86DB34943  | Delivery_Van-Ford-E-Transit Cargo-Class 4-\$40095 | \$40,095  | 62                        | \$60,205                          | 1.9                                 | \$395                           | \$258                                  | 8030-W*        |
| 2028         | 1FTNE2EW6DDA63621  | Delivery_Van-Ford-E-Transit Cargo-Class 4-\$40095 | \$40,095  | 62                        | \$54,656                          | 1.7                                 | \$358                           | \$234                                  | 8039-H*-1831   |
| 2032         | 1FTYR2XM3JKB37114  | Delivery_Van-Ford-E-Transit Cargo-Class 4-\$40095 | \$40,095  | 62                        | \$79,218                          | 6.2                                 | \$1,310                         | \$857                                  | 0092-E-2713    |

| Replace Year | VIN               | Electric Vehicle Description                      | EV Price  | EV Miles per Gallon) eMPG | Estimated Total Cost of Ownership | Estimated avoided GHG tons (annual) | Estimated Fuel Savings (annual) | Estimated Maintenance Savings (annual) | Unit Number      |
|--------------|-------------------|---------------------------------------------------|-----------|---------------------------|-----------------------------------|-------------------------------------|---------------------------------|----------------------------------------|------------------|
| 2036         | 1FTYE1CM4KKA09865 | Delivery_Van-Ford-E-Transit Cargo-Class 4-\$40095 | \$40,095  | 62                        | \$79,218                          | 6.2                                 | \$1,310                         | \$857                                  | NONE             |
| 2042         | 1FTBR1C86NKA20867 | Delivery_Van-Ford-E-Transit Cargo-Class 4-\$40095 | \$40,095  | 62                        | \$75,837                          | 6.2                                 | \$1,310                         | \$857                                  | 0085-A           |
| 2039         | 1K9AF4289DN058427 | Fire_Truck-Pierce-Volterra-Class 8-\$870000       | \$870,000 | 9                         | \$934,721                         | 13.4                                | \$(3,276)                       | \$924                                  | 0032-H*-1756     |
| 2045         | 4EN6AHA80L2002978 | Fire_Truck-Pierce-Volterra-Class 8-\$870000       | \$870,000 | 9                         | \$878,092                         | 11.5                                | \$(2,803)                       | \$791                                  | 0027-W*-2468     |
| 2040         | 1K9AF4285EN058748 | Fire_Truck-Pierce-Volterra-Class 8-\$870000       | \$870,000 | 9                         | \$911,105                         | 10.7                                | \$(2,611)                       | \$737                                  | DAS-0454-BD-1968 |
| 2035         | 4ENGAAA8X51009327 | Fire_Truck-Pierce-Volterra-Class 8-\$870000       | \$870,000 | 9                         | \$895,193                         | 8.9                                 | \$(2,163)                       | \$610                                  | DAS-0456-BD-1969 |
| 2035         | 1S9A3LLE832003068 | Fire_Truck-Pierce-Volterra-Class 8-\$870000       | \$870,000 | 9                         | \$847,498                         | 3.4                                 | \$(820)                         | \$231                                  | NONE             |
| 2030         | 1FADP3R45GL217885 | Sedan-Chevrolet-Bolt-Class 1-\$17122              | \$17,122  | 134                       | \$30,850                          | 2.5                                 | \$709                           | \$130                                  | 0082-C           |
| 2030         | 1FADP3R47GL217886 | Sedan-Chevrolet-Bolt-Class 1-\$17122              | \$17,122  | 134                       | \$27,212                          | 0.5                                 | \$117                           | \$33                                   | 588              |
| 2028         | 1FDXF46FX1EB46390 | Pickup2-Chevrolet-Silverado EV-Class 1-3-\$24900  | \$24,900  | 67                        | \$43,458                          | 2.3                                 | \$597                           | \$131                                  | 0712-B-1649      |
| 2029         | 1FDUF4HT3CEB43453 | Pickup2-Chevrolet-Silverado EV-Class 1-3-\$24900  | \$24,900  | 67                        | \$43,523                          | 2.3                                 | \$603                           | \$132                                  | NONE             |
| 2030         | 1FDUF5HT6CEC69571 | Pickup2-Chevrolet-Silverado EV-Class 1-3-\$24900  | \$24,900  | 67                        | \$46,864                          | 3.3                                 | \$883                           | \$193                                  | 582              |
| 2043         | 1FDUF4HN4LEC00468 | Pickup2-Chevrolet-Silverado EV-Class 1-3-\$24900  | \$24,900  | 67                        | \$52,627                          | 5.6                                 | \$1,164                         | \$374                                  | 0756-B           |
| 2044         | 1FDRF3H61MED21596 | Pickup2-Chevrolet-Silverado EV-Class 1-3-\$24900  | \$24,900  | 67                        | \$42,752                          | 2.5                                 | \$523                           | \$168                                  | 0009-H*-1792     |
| 2030         | 1FDUF4GTXCEB43452 | Pickup2-Chevrolet-Silverado EV-Class 1-3-\$24900  | \$24,900  | 67                        | \$55,925                          | 6.2                                 | \$1,644                         | \$360                                  | 0053-R*-1832     |
| 2039         | 1FDRF3H6XKEG25684 | Pickup2-Chevrolet-Silverado EV-Class 1-3-\$24900  | \$24,900  | 67                        | \$51,327                          | 4.1                                 | \$857                           | \$275                                  | 0715-B-2722      |
| 2046         | 1FDUF5HN0NEE91477 | Pickup2-Chevrolet-Silverado EV-Class 1-3-\$24900  | \$24,900  | 67                        | \$36,811                          | 0.3                                 | \$54                            | \$17                                   | 0404-COA         |
| 2046         | 1FDUF5HN6NEE70813 | Pickup2-Chevrolet-Silverado EV-Class 1-3-\$24900  | \$24,900  | 67                        | \$36,604                          | 0.1                                 | \$30                            | \$10                                   | 573              |

| Replace Year | VIN               | Electric Vehicle Description                           | EV Price  | EV Miles per Gallon) eMPG | Estimated Total Cost of Ownership | Estimated avoided GHG tons (annual) | Estimated Fuel Savings (annual) | Estimated Maintenance Savings (annual) | Unit Number  |
|--------------|-------------------|--------------------------------------------------------|-----------|---------------------------|-----------------------------------|-------------------------------------|---------------------------------|----------------------------------------|--------------|
| 2032         | 1FDRF3H6XCEC69562 | Pickup2-Chevrolet-Silverado EV-Class 1-3-\$24900       | \$24,900  | 67                        | \$44,301                          | 2.2                                 | \$455                           | \$146                                  | NONE         |
| 2040         | 1FDUF4HY8KEE06756 | Pickup2-Chevrolet-Silverado EV-Class 1-3-\$24900       | \$24,900  | 67                        | \$54,101                          | 4.9                                 | \$1,015                         | \$326                                  | 0010-H*      |
| 2040         | 1FDUF5HY7KEG25083 | Pickup2-Chevrolet-Silverado EV-Class 1-3-\$24900       | \$24,900  | 67                        | \$50,226                          | 3.8                                 | \$794                           | \$255                                  | 0080-R-2487  |
| 2034         | 1FDUF5HT8FEB24942 | Pickup2-Chevrolet-Silverado EV-Class 1-3-\$24900       | \$24,900  | 67                        | \$52,833                          | 5.2                                 | \$1,384                         | \$303                                  | 8705-B-1285  |
| 2037         | 1FDUF5HY8HEE36628 | Pickup2-Chevrolet-Silverado EV-Class 1-3-\$24900       | \$24,900  | 67                        | \$53,684                          | 4.8                                 | \$991                           | \$319                                  | NONE         |
| 2038         | 1FDUF5HY6HEE36627 | Pickup2-Chevrolet-Silverado EV-Class 1-3-\$24900       | \$24,900  | 67                        | \$53,257                          | 4.7                                 | \$967                           | \$311                                  | 580          |
| 2034         | 1FDUF5HT0FEA13642 | Pickup2-Chevrolet-Silverado EV-Class 1-3-\$24900       | \$24,900  | 67                        | \$51,206                          | 4.7                                 | \$1,248                         | \$273                                  | NONE         |
| 2036         | 1FDUF5HY4GEC24677 | Pickup2-Chevrolet-Silverado EV-Class 1-3-\$24900       | \$24,900  | 67                        | \$53,789                          | 4.8                                 | \$997                           | \$321                                  | 0019-S*-1550 |
| 2035         | 1FDUF5HT1GED15250 | Pickup2-Chevrolet-Silverado EV-Class 1-3-\$24900       | \$24,900  | 67                        | \$56,980                          | 6.5                                 | \$1,732                         | \$379                                  | 8010-H*-1523 |
| 2036         | 1FDUF5HY2GEC24676 | Pickup2-Chevrolet-Silverado EV-Class 1-3-\$24900       | \$24,900  | 67                        | \$54,909                          | 5.1                                 | \$1,061                         | \$341                                  | NONE         |
| 2029         | 1FDUF5HTXBEB66751 | Pickup2-Chevrolet-Silverado EV-Class 1-3-\$24900       | \$24,900  | 67                        | \$51,541                          | 4.8                                 | \$1,276                         | \$279                                  | NONE         |
| 2033         | 1FDUF4HY8CEB43458 | Pickup2-Chevrolet-Silverado EV-Class 1-3-\$24900       | \$24,900  | 67                        | \$42,832                          | 1.8                                 | \$371                           | \$119                                  | 575          |
| 2031         | 1FDUF5HT7CEB43462 | Pickup2-Chevrolet-Silverado EV-Class 1-3-\$24900       | \$24,900  | 67                        | \$56,298                          | 5.0                                 | \$1,312                         | \$287                                  | NONE         |
| 2031         | 1FDUF5HT8CEC69572 | Pickup2-Chevrolet-Silverado EV-Class 1-3-\$24900       | \$24,900  | 67                        | \$54,590                          | 4.4                                 | \$1,169                         | \$256                                  | 0029-S       |
| 2027         | 4V5KC9GF72N325944 | Heavy_Duty_Truck_8-Volvo-VNR Electric-Class 8-\$220000 | \$220,000 | 16                        | \$387,586                         | 12.0                                | \$1,580                         | \$1,024                                | 8014-G*-1504 |
| 2028         | 1FDAF57R89EA61094 | Pickup2-Chevrolet-Silverado EV-Class 1-3-\$24900       | \$24,900  | 67                        | \$54,082                          | 4.3                                 | \$1,126                         | \$247                                  | NONE         |
| 2035         | 1FDRF3HT1FEB26235 | Pickup2-Chevrolet-Silverado EV-Class 1-3-\$24900       | \$24,900  | 67                        | \$48,091                          | 3.7                                 | \$986                           | \$216                                  | NONE         |
| 2044         | 1FDUF5HNXMDA02829 | Pickup2-Chevrolet-Silverado EV-Class 1-3-\$24900       | \$24,900  | 67                        | \$60,674                          | 9.6                                 | \$1,987                         | \$639                                  | 576          |



| Replace Year | VIN               | Electric Vehicle Description                     | EV Price | EV Miles per Gallon) eMPG | Estimated Total Cost of Ownership | Estimated avoided GHG tons (annual) | Estimated Fuel Savings (annual) | Estimated Maintenance Savings (annual) | Unit Number  |
|--------------|-------------------|--------------------------------------------------|----------|---------------------------|-----------------------------------|-------------------------------------|---------------------------------|----------------------------------------|--------------|
| 2047         | 1FDUF5HN4NED46684 | Pickup2-Chevrolet-Silverado EV-Class 1-3-\$24900 | \$24,900 | 67                        | \$48,946                          | 9.2                                 | \$1,909                         | \$614                                  | 0016-S       |
| 2038         | 1FDEE3FS4HDC57390 | Pickup2-Chevrolet-Silverado EV-Class 1-3-\$24900 | \$24,900 | 67                        | \$53,489                          | 5.0                                 | \$1,078                         | \$315                                  | 0035-S-2699  |
| 2047         | 1FDFE4FN7NDC23508 | Pickup2-Chevrolet-Silverado EV-Class 1-3-\$24900 | \$24,900 | 67                        | \$46,240                          | 7.4                                 | \$1,522                         | \$490                                  | 8029-H*-1375 |
| 2045         | 1HA3GRB75MN002466 | Minivan-Chrysler-Pacifica PHEV-Class 1-\$40000   | \$40,000 | 110                       | \$44,147                          | 0.8                                 | \$253                           | \$80                                   | 0459-BD      |
| 2037         | 1FDXE4FS5GDC22063 | Pickup2-Chevrolet-Silverado EV-Class 1-3-\$24900 | \$24,900 | 67                        | \$56,571                          | 5.6                                 | \$1,156                         | \$372                                  | NONE         |
| 2039         | 1FDXE4FS2HDC76115 | Pickup2-Chevrolet-Silverado EV-Class 1-3-\$24900 | \$24,900 | 67                        | \$53,729                          | 4.8                                 | \$994                           | \$320                                  | 0002-G       |
| 2031         | 5TDKZ3DC8HS841478 | Minivan-Chrysler-Pacifica PHEV-Class 1-\$40000   | \$40,000 | 110                       | \$61,404                          | 5.8                                 | \$1,743                         | \$552                                  | 5AC1         |
| 2030         | 5TDJK3DC5FS095388 | Minivan-Chrysler-Pacifica PHEV-Class 1-\$40000   | \$40,000 | 110                       | \$46,799                          | 1.3                                 | \$396                           | \$126                                  | NONE         |
| 2028         | 5TDJK3DC6ES091980 | Minivan-Chrysler-Pacifica PHEV-Class 1-\$40000   | \$40,000 | 110                       | \$45,592                          | 1.0                                 | \$285                           | \$90                                   | 585          |
| 2035         | 1FTEW1EP3MKF08666 | Pickup2-Chevrolet-Silverado EV-Class 1-3-\$24900 | \$24,900 | 67                        | \$40,127                          | 1.1                                 | \$238                           | \$70                                   | 0021-S*      |
| 2041         | 1FDRF3B62KEG24909 | Pickup2-Chevrolet-Silverado EV-Class 1-3-\$24900 | \$24,900 | 67                        | \$41,607                          | 1.5                                 | \$301                           | \$97                                   | 0034-R-2708  |
| 2033         | 1FTEW1EP1JKE08271 | Pickup2-Chevrolet-Silverado EV-Class 1-3-\$24900 | \$24,900 | 67                        | \$49,769                          | 3.9                                 | \$844                           | \$247                                  | 0700-B-1753  |
| 2030         | 1FTBF2B69GED28180 | Pickup2-Chevrolet-Silverado EV-Class 1-3-\$24900 | \$24,900 | 67                        | \$49,673                          | 3.7                                 | \$762                           | \$245                                  | NONE         |
| 2033         | 1FTBF2B69JEB43859 | Pickup2-Chevrolet-Silverado EV-Class 1-3-\$24900 | \$24,900 | 67                        | \$68,309                          | 8.8                                 | \$1,827                         | \$588                                  | 0043-H*      |
| 2033         | 1FTEX1EB1JKE08272 | Pickup2-Chevrolet-Silverado EV-Class 1-3-\$24900 | \$24,900 | 67                        | \$66,554                          | 8.7                                 | \$1,899                         | \$555                                  | 0708-B-2230  |
| 2036         | 1FTEX1EP2MKF08672 | Pickup2-Chevrolet-Silverado EV-Class 1-3-\$24900 | \$24,900 | 67                        | \$43,712                          | 2.1                                 | \$463                           | \$135                                  | 0045-E       |
| 2032         | 1FT8X3BTXCEB43469 | Pickup2-Chevrolet-Silverado EV-Class 1-3-\$24900 | \$24,900 | 67                        | \$54,649                          | 5.8                                 | \$1,537                         | \$337                                  | 0005-R*-1657 |
| 2031         | 1FTBF2B61GEB06359 | Pickup2-Chevrolet-Silverado EV-Class 1-3-\$24900 | \$24,900 | 67                        | \$61,294                          | 6.9                                 | \$1,426                         | \$459                                  | 0037-S-1551  |

| Replace Year | VIN               | Electric Vehicle Description                     | EV Price | EV Miles per Gallon) eMPG | Estimated Total Cost of Ownership | Estimated avoided GHG tons (annual) | Estimated Fuel Savings (annual) | Estimated Maintenance Savings (annual) | Unit Number    |
|--------------|-------------------|--------------------------------------------------|----------|---------------------------|-----------------------------------|-------------------------------------|---------------------------------|----------------------------------------|----------------|
| 2045         | 1FDRF3B67MED21594 | Pickup2-Chevrolet-Silverado EV-Class 1-3-\$24900 | \$24,900 | 67                        | \$51,172                          | 6.8                                 | \$1,413                         | \$454                                  | 0039-H*        |
| 2042         | 1FTEX1EP7PKD71085 | Pickup2-Chevrolet-Silverado EV-Class 1-3-\$24900 | \$24,900 | 67                        | \$36,552                          | 0.1                                 | \$15                            | \$4                                    | NONE           |
| 2031         | 1FT7X2B60GEB06369 | Pickup2-Chevrolet-Silverado EV-Class 1-3-\$24900 | \$24,900 | 67                        | \$45,923                          | 2.6                                 | \$548                           | \$176                                  | 0022-W-2705    |
| 2037         | 1FTBF2B64LEE11283 | Pickup2-Chevrolet-Silverado EV-Class 1-3-\$24900 | \$24,900 | 67                        | \$45,366                          | 2.5                                 | \$516                           | \$166                                  | 0056-R*-2719   |
| 2043         | 1FT8X3B6XLEE11284 | Pickup2-Chevrolet-Silverado EV-Class 1-3-\$24900 | \$24,900 | 67                        | \$56,306                          | 6.9                                 | \$1,427                         | \$459                                  | 577            |
| 2041         | 1FDRF3B69KEG24910 | Pickup2-Chevrolet-Silverado EV-Class 1-3-\$24900 | \$24,900 | 67                        | \$49,682                          | 3.7                                 | \$763                           | \$245                                  | 0006-H*-2021   |
| 2027         | 1FTFX1CF5BKD05013 | Pickup2-Chevrolet-Silverado EV-Class 1-3-\$24900 | \$24,900 | 67                        | \$50,866                          | 3.2                                 | \$687                           | \$201                                  | 0701-B-1957    |
| 2042         | 1FDRF3B65KEE06754 | Pickup2-Chevrolet-Silverado EV-Class 1-3-\$24900 | \$24,900 | 67                        | \$61,764                          | 7.8                                 | \$1,615                         | \$519                                  | 0023-S*        |
| 2040         | 1FTEX1EB1MFA42570 | Pickup2-Chevrolet-Silverado EV-Class 1-3-\$24900 | \$24,900 | 67                        | \$51,371                          | 4.4                                 | \$945                           | \$276                                  | 0007-H*-2146   |
| 2028         | 1FTFX1EF8EKG08305 | Pickup2-Chevrolet-Silverado EV-Class 1-3-\$24900 | \$24,900 | 67                        | \$42,032                          | 1.6                                 | \$358                           | \$105                                  | A-1            |
| 2029         | 1FTBF2B69EEB47304 | Pickup2-Chevrolet-Silverado EV-Class 1-3-\$24900 | \$24,900 | 67                        | \$49,586                          | 3.7                                 | \$757                           | \$243                                  | NONE           |
| 2036         | 1FTBF2B61KEG49896 | Pickup2-Chevrolet-Silverado EV-Class 1-3-\$24900 | \$24,900 | 67                        | \$48,861                          | 3.5                                 | \$716                           | \$230                                  | 0057-H*-2720   |
| 2038         | 1FTEW1EP3LFC11193 | Pickup2-Chevrolet-Silverado EV-Class 1-3-\$24900 | \$24,900 | 67                        | \$46,909                          | 3.1                                 | \$664                           | \$194                                  | 0402-COA       |
| 2040         | 1FTEX1EB6MKF08680 | Pickup2-Chevrolet-Silverado EV-Class 1-3-\$24900 | \$24,900 | 67                        | \$44,972                          | 2.5                                 | \$543                           | \$159                                  | 0008-H*-1967   |
| 2033         | 1FTEW1EB6JKF16597 | Pickup2-Chevrolet-Silverado EV-Class 1-3-\$24900 | \$24,900 | 67                        | \$54,332                          | 4.0                                 | \$859                           | \$251                                  | DAS-453-A-2152 |
| 2027         | 1FTEX1CW7AFB10906 | Pickup2-Chevrolet-Silverado EV-Class 1-3-\$24900 | \$24,900 | 67                        | \$47,489                          | 0.9                                 | \$203                           | \$59                                   | 0001-A-2462    |
| 2027         | 1FDSF31P64ED45025 | Pickup2-Chevrolet-Silverado EV-Class 1-3-\$24900 | \$24,900 | 67                        | \$59,400                          | 6.2                                 | \$1,634                         | \$358                                  | 0038-F         |
| 2028         | 1FAHP2M81DG235553 | Sedan-Chevrolet-Bolt-Class 1-\$17122             | \$17,122 | 134                       | \$30,285                          | 1.4                                 | \$413                           | \$115                                  | 8455-A-2153    |

| Replace Year | VIN               | Electric Vehicle Description               | EV Price | EV Miles per Gallon) eMPG | Estimated Total Cost of Ownership | Estimated avoided GHG tons (annual) | Estimated Fuel Savings (annual) | Estimated Maintenance Savings (annual) | Unit Number  |
|--------------|-------------------|--------------------------------------------|----------|---------------------------|-----------------------------------|-------------------------------------|---------------------------------|----------------------------------------|--------------|
| 2029         | 3FA6P0H7XER318874 | Sedan-Chevrolet-Bolt-Class 1-\$17122       | \$17,122 | 134                       | \$31,188                          | 1.7                                 | \$500                           | \$139                                  | 0073-P*-2226 |
| 2029         | 3FA6P0H78ER318873 | Sedan-Chevrolet-Bolt-Class 1-\$17122       | \$17,122 | 134                       | \$30,464                          | 1.5                                 | \$430                           | \$120                                  | 0050-F*-2149 |
| 2029         | 1FAHP2H83EG111862 | Sedan-Chevrolet-Bolt-Class 1-\$17122       | \$17,122 | 134                       | \$35,109                          | 3.0                                 | \$877                           | \$244                                  | NONE         |
| 2033         | JTMRJREV7JD258457 | SUV-Chevrolet-Blazer 2LT-Class 1-3-\$33995 | \$33,995 | 97                        | \$51,090                          | 2.7                                 | \$580                           | \$241                                  | 0030-W*      |
| 2028         | 1FM5K8B81DGB16009 | SUV-Chevrolet-Blazer 2LT-Class 1-3-\$33995 | \$33,995 | 97                        | \$51,749                          | 3.7                                 | \$989                           | \$256                                  | 0003-G*1755  |
| 2032         | 1FM5K8D89HGC25806 | SUV-Chevrolet-Blazer 2LT-Class 1-3-\$33995 | \$33,995 | 97                        | \$48,352                          | 2.6                                 | \$691                           | \$179                                  | DAS-0011-S*  |
| 2033         | JTMRJREV5JD207443 | SUV-Chevrolet-Blazer 2LT-Class 1-3-\$33995 | \$33,995 | 97                        | \$48,176                          | 1.9                                 | \$421                           | \$175                                  | 0301-P-2490  |
| 2034         | JTMRJREVDJD258839 | SUV-Chevrolet-Blazer 2LT-Class 1-3-\$33995 | \$33,995 | 97                        | \$51,205                          | 2.7                                 | \$587                           | \$244                                  | 0028-S*-2630 |
| 2034         | JTMRJREV9JD259237 | SUV-Chevrolet-Blazer 2LT-Class 1-3-\$33995 | \$33,995 | 97                        | \$47,268                          | 1.7                                 | \$372                           | \$154                                  | 0048-H*-2618 |
| 2034         | JTMRJREV3JD207716 | SUV-Chevrolet-Blazer 2LT-Class 1-3-\$33995 | \$33,995 | 97                        | \$55,537                          | 3.8                                 | \$823                           | \$342                                  | 0055-H*-2626 |
| 2034         | 1FM5K8AR8JGC57066 | SUV-Chevrolet-Blazer 2LT-Class 1-3-\$33995 | \$33,995 | 97                        | \$67,293                          | 8.8                                 | \$2,352                         | \$609                                  | 0074-P*-2229 |
| 2032         | 1FM5K8AR2HGC87402 | SUV-Chevrolet-Blazer 2LT-Class 1-3-\$33995 | \$33,995 | 97                        | \$66,818                          | 8.6                                 | \$2,310                         | \$598                                  | 572          |
| 2037         | 5N1AT2MV7KC812549 | SUV-Chevrolet-Blazer 2LT-Class 1-3-\$33995 | \$33,995 | 97                        | \$47,261                          | 1.5                                 | \$304                           | \$154                                  | 586          |
| 2029         | 1FM5K8AR1EGA70953 | SUV-Chevrolet-Blazer 2LT-Class 1-3-\$33995 | \$33,995 | 97                        | \$45,641                          | 1.7                                 | \$453                           | \$117                                  | 0017-S*-1814 |
| 2034         | 1FM5K8AR6JGC56093 | SUV-Chevrolet-Blazer 2LT-Class 1-3-\$33995 | \$33,995 | 97                        | \$59,897                          | 6.4                                 | \$1,703                         | \$441                                  | 0075-P*-2227 |
| 2040         | 1FM5K8AW7MNA05833 | SUV-Chevrolet-Blazer 2LT-Class 1-3-\$33995 | \$33,995 | 97                        | \$124,552                         | 27.6                                | \$7,373                         | \$1,909                                | NONE         |
| 2039         | 1FM5K8AW9MNA05834 | SUV-Chevrolet-Blazer 2LT-Class 1-3-\$33995 | \$33,995 | 97                        | \$130,215                         | 29.4                                | \$7,869                         | \$2,038                                | 0042-R*-1971 |
| 2037         | 1FM5K8AW6NNA00625 | SUV-Chevrolet-Blazer 2LT-Class 1-3-\$33995 | \$33,995 | 97                        | \$97,616                          | 18.7                                | \$5,011                         | \$1,298                                | 587          |

| Replace Year | VIN               | Electric Vehicle Description               | EV Price | EV Miles per Gallon) eMPG | Estimated Total Cost of Ownership | Estimated avoided GHG tons (annual) | Estimated Fuel Savings (annual) | Estimated Maintenance Savings (annual) | Unit Number  |
|--------------|-------------------|--------------------------------------------|----------|---------------------------|-----------------------------------|-------------------------------------|---------------------------------|----------------------------------------|--------------|
| 2041         | 1FM5K8AW0MNA05835 | SUV-Chevrolet-Blazer 2LT-Class 1-3-\$33995 | \$33,995 | 97                        | \$103,915                         | 20.8                                | \$5,563                         | \$1,441                                | 0047-H*-2364 |
| 2041         | 1FM5K8DHXMGA72883 | SUV-Chevrolet-Blazer 2LT-Class 1-3-\$33995 | \$33,995 | 97                        | \$93,127                          | 17.3                                | \$4,617                         | \$1,196                                | NONE         |
| 2042         | 1FM5K8DH8NGA68686 | SUV-Chevrolet-Blazer 2LT-Class 1-3-\$33995 | \$33,995 | 97                        | \$46,620                          | 2.2                                 | \$599                           | \$155                                  | 0705-B-2721  |
| 2038         | 1GNSKDEC2LR150003 | SUV-Chevrolet-Blazer 2LT-Class 1-3-\$33995 | \$33,995 | 97                        | \$73,938                          | 14.9                                | \$4,607                         | \$760                                  | 590          |
| 2042         | 1FM5K8AW6NNA11723 | SUV-Chevrolet-Blazer 2LT-Class 1-3-\$33995 | \$33,995 | 97                        | \$70,481                          | 10.9                                | \$2,924                         | \$757                                  | 0015-A*-2360 |
| 2029         | 1FM5K8AR6EGC49800 | SUV-Chevrolet-Blazer 2LT-Class 1-3-\$33995 | \$33,995 | 97                        | \$48,053                          | 2.5                                 | \$665                           | \$172                                  | 0025-W-1770  |
| 2034         | 1FM5K8AR2JGC56091 | SUV-Chevrolet-Blazer 2LT-Class 1-3-\$33995 | \$33,995 | 97                        | \$62,858                          | 7.3                                 | \$1,963                         | \$508                                  | NONE         |
| 2032         | 1FM5K8D8XHGC79096 | SUV-Chevrolet-Blazer 2LT-Class 1-3-\$33995 | \$33,995 | 97                        | \$71,827                          | 10.3                                | \$2,750                         | \$712                                  | 579          |
| 2037         | 1FM5K8AR9KGB24818 | SUV-Chevrolet-Blazer 2LT-Class 1-3-\$33995 | \$33,995 | 97                        | \$81,960                          | 13.6                                | \$3,638                         | \$942                                  | 577          |
| 2028         | 2FMDK3GC2DBC59148 | SUV-Chevrolet-Blazer 2LT-Class 1-3-\$33995 | \$33,995 | 97                        | \$44,688                          | 1.4                                 | \$370                           | \$96                                   | NONE         |
| 2037         | 1FM5K8AR3KGB24815 | SUV-Chevrolet-Blazer 2LT-Class 1-3-\$33995 | \$33,995 | 97                        | \$77,627                          | 12.2                                | \$3,258                         | \$844                                  | 0070-P*-2362 |
| 2036         | 1FM5K8AR4JGC56092 | SUV-Chevrolet-Blazer 2LT-Class 1-3-\$33995 | \$33,995 | 97                        | \$58,097                          | 5.8                                 | \$1,546                         | \$400                                  | 0021-W*-2236 |
| 2031         | 1FM5K8AR8GGB89196 | SUV-Chevrolet-Blazer 2LT-Class 1-3-\$33995 | \$33,995 | 97                        | \$57,977                          | 5.7                                 | \$1,535                         | \$398                                  | 8002-G-1548  |
| 2039         | 1FM5K8AW7LGA19962 | SUV-Chevrolet-Blazer 2LT-Class 1-3-\$33995 | \$33,995 | 97                        | \$92,135                          | 16.9                                | \$4,530                         | \$1,173                                | 0440-W*      |
| 2041         | JTMCB3FVXND109108 | SUV-Chevrolet-Blazer 2LT-Class 1-3-\$33995 | \$33,995 | 97                        | \$41,051                          | 0.2                                 | \$32                            | \$13                                   | 578          |
| 2039         | 1GNSKFKCXL220413  | SUV-Chevrolet-Blazer 2LT-Class 1-3-\$33995 | \$33,995 | 97                        | \$76,667                          | 16.1                                | \$4,983                         | \$822                                  | 581          |
| 2041         | 1GNSKLED1MR285753 | SUV-Chevrolet-Blazer 2LT-Class 1-3-\$33995 | \$33,995 | 97                        | \$55,093                          | 6.5                                 | \$2,013                         | \$332                                  | NONE         |
| 2032         | 1FM5K8D88HGC90260 | SUV-Chevrolet-Blazer 2LT-Class 1-3-\$33995 | \$33,995 | 97                        | \$66,554                          | 8.6                                 | \$2,287                         | \$592                                  | 583          |

| Replace Year | VIN               | Electric Vehicle Description                           | EV Price  | EV Miles per Gallon) eMPG | Estimated Total Cost of Ownership | Estimated avoided GHG tons (annual) | Estimated Fuel Savings (annual) | Estimated Maintenance Savings (annual) | Unit Number  |
|--------------|-------------------|--------------------------------------------------------|-----------|---------------------------|-----------------------------------|-------------------------------------|---------------------------------|----------------------------------------|--------------|
| 2040         | 2FMPK3G95LBB11592 | SUV-Chevrolet-Blazer 2LT-Class 1-3-\$33995             | \$33,995  | 97                        | \$59,197                          | 6.1                                 | \$1,642                         | \$425                                  | 0004-G*-2629 |
| 2032         | 1FMCU9GD8HUD95043 | SUV-Chevrolet-Blazer 2LT-Class 1-3-\$33995             | \$33,995  | 97                        | \$61,746                          | 5.3                                 | \$1,163                         | \$483                                  | NONE         |
| 2031         | 1GNSKDKC9GR295114 | SUV-Chevrolet-Blazer 2LT-Class 1-3-\$33995             | \$33,995  | 97                        | \$56,230                          | 7.0                                 | \$2,170                         | \$358                                  | NONE         |
| 2033         | 4UZAC2DVIECFL2441 | Delivery_Van-Ford-E-Transit Cargo-Class 4-\$40095      | \$40,095  | 62                        | \$49,282                          | 0.7                                 | \$150                           | \$98                                   | 0040-W*-1815 |
| 2038         | 1HTWDAAR1BJ422361 | Heavy_Duty_Truck_8-Volvo-VNR Electric-Class 8-\$220000 | \$220,000 | 16                        | \$322,120                         | 6.5                                 | \$851                           | \$552                                  | 0065-P*-2625 |
| 2042         | 1HTWDAAR3FH600431 | Heavy_Duty_Truck_8-Volvo-VNR Electric-Class 8-\$220000 | \$220,000 | 16                        | \$340,230                         | 10.9                                | \$1,440                         | \$934                                  | 0704-B-2464  |
| 2043         | 3HAWDSTR3HL655753 | Heavy_Duty_Truck_8-Volvo-VNR Electric-Class 8-\$220000 | \$220,000 | 16                        | \$321,887                         | 8.0                                 | \$1,056                         | \$685                                  | 0094-S*      |
| 2041         | 1HTWDAAR2EH492382 | Heavy_Duty_Truck_8-Volvo-VNR Electric-Class 8-\$220000 | \$220,000 | 16                        | \$332,950                         | 8.5                                 | \$1,117                         | \$724                                  | 589          |
| 2039         | 1HTWDAARXCJ131505 | Heavy_Duty_Truck_8-Volvo-VNR Electric-Class 8-\$220000 | \$220,000 | 16                        | \$324,086                         | 6.8                                 | \$899                           | \$583                                  | 0049-H*-2228 |
| 2048         | 5KKABPFEXPLUJ4002 | Heavy_Duty_Truck_8-Volvo-VNR Electric-Class 8-\$220000 | \$220,000 | 16                        | \$293,852                         | 4.9                                 | \$643                           | \$417                                  | #N/A         |
| 2046         | 1HTEGTATXLH433782 | Heavy_Duty_Truck_8-Volvo-VNR Electric-Class 8-\$220000 | \$220,000 | 16                        | \$330,586                         | 16.1                                | \$2,118                         | \$1,373                                | NONE         |
| 2037         | 1HTWDAAR6AJ279566 | Heavy_Duty_Truck_8-Volvo-VNR Electric-Class 8-\$220000 | \$220,000 | 16                        | \$346,416                         | 11.0                                | \$1,448                         | \$939                                  | 0720-B       |
| 2049         | 5KKABPFE7PLUG1063 | Heavy_Duty_Truck_8-Volvo-VNR Electric-Class 8-\$220000 | \$220,000 | 16                        | \$297,038                         | 11.0                                | \$1,448                         | \$939                                  | 0706-B-2363  |
| 2047         | 3HAEEMMR3ML169850 | Heavy_Duty_Truck_8-Volvo-VNR Electric-Class 8-\$220000 | \$220,000 | 16                        | \$310,326                         | 11.0                                | \$1,448                         | \$939                                  | 0702-B-2619  |
| 2037         | 1HTWNAAT7AJ282159 | Heavy_Duty_Truck_8-Volvo-VNR Electric-Class 8-\$220000 | \$220,000 | 16                        | \$312,959                         | 4.8                                 | \$626                           | \$406                                  | NONE         |
| 2048         | 3HAEUTAR6NL448709 | Heavy_Duty_Truck_8-Volvo-VNR Electric-Class 8-\$220000 | \$220,000 | 16                        | \$303,682                         | 11.0                                | \$1,448                         | \$939                                  | 0020-W-2367  |
| 2041         | 1HTGSSNT9EH039124 | Heavy_Duty_Truck_8-Volvo-VNR Electric-Class 8-\$220000 | \$220,000 | 16                        | \$334,637                         | 8.8                                 | \$1,159                         | \$751                                  | 0457-BD      |
| 2044         | 1HTWDSTR8JH100714 | Heavy_Duty_Truck_8-Volvo-VNR Electric-Class 8-\$220000 | \$220,000 | 16                        | \$353,021                         | 17.5                                | \$2,301                         | \$1,492                                | 0707-B       |

| Replace Year | VIN               | Electric Vehicle Description                           | EV Price  | EV Miles per Gallon) eMPG | Estimated Total Cost of Ownership | Estimated avoided GHG tons (annual) | Estimated Fuel Savings (annual) | Estimated Maintenance Savings (annual) | Unit Number  |
|--------------|-------------------|--------------------------------------------------------|-----------|---------------------------|-----------------------------------|-------------------------------------|---------------------------------|----------------------------------------|--------------|
| 2044         | 1M2AX09C3HM033815 | Heavy_Duty_Truck_8-Volvo-VNR Electric-Class 8-\$220000 | \$220,000 | 16                        | \$338,514                         | 13.6                                | \$1,792                         | \$1,161                                | NONE         |
| 2040         | 1HTXHSHT7DJ361908 | Heavy_Duty_Truck_8-Volvo-VNR Electric-Class 8-\$220000 | \$220,000 | 16                        | \$353,718                         | 12.4                                | \$1,628                         | \$1,055                                | 0081-R*-1638 |
| 2045         | 1HTZZMMR0KH556152 | Heavy_Duty_Truck_8-Volvo-VNR Electric-Class 8-\$220000 | \$220,000 | 16                        | \$377,823                         | 28.1                                | \$3,702                         | \$2,400                                | 0071-P*-2361 |
| 2038         | 1HTWDAAR8AJ279567 | Heavy_Duty_Truck_8-Volvo-VNR Electric-Class 8-\$220000 | \$220,000 | 16                        | \$328,593                         | 6.9                                 | \$904                           | \$586                                  | NONE         |
| 2036         | 1HTWXAHT79J073743 | Heavy_Duty_Truck_8-Volvo-VNR Electric-Class 8-\$220000 | \$220,000 | 16                        | \$350,741                         | 11.0                                | \$1,448                         | \$939                                  | NONE         |
| 2036         | 1HTWDAAR98J680393 | Heavy_Duty_Truck_8-Volvo-VNR Electric-Class 8-\$220000 | \$220,000 | 16                        | \$333,074                         | 7.7                                 | \$1,014                         | \$657                                  | 584          |
| 2047         | 1M1PN4GYXMM007751 | Heavy_Duty_Truck_8-Volvo-VNR Electric-Class 8-\$220000 | \$220,000 | 16                        | \$303,259                         | 7.7                                 | \$1,014                         | \$657                                  | NONE         |
| 2038         | NM0GE9E21K1411268 | Transit_Van-Ford-E-Transit Cargo-Class 3-\$34459       | \$34,459  | 62                        | \$50,362                          | 2.2                                 | \$459                           | \$230                                  | NONE         |
| 2036         | 1FBVU4XM3KKA77029 | Transit_Van-Ford-E-Transit Cargo-Class 3-\$34459       | \$34,459  | 62                        | \$53,362                          | 1.9                                 | \$395                           | \$198                                  | 0401-COA     |
| 2039         | 1FDZK2Y81LKB30722 | Transit_Van-Ford-E-Transit Cargo-Class 3-\$34459       | \$34,459  | 62                        | \$68,763                          | 5.4                                 | \$1,139                         | \$571                                  | NONE         |
| 2035         | 1FDZK1ZMXJKA87887 | Transit_Van-Ford-E-Transit Cargo-Class 3-\$34459       | \$34,459  | 62                        | \$51,471                          | 2.4                                 | \$513                           | \$257                                  | 0044-E-2460  |
| 2038         | 1FDZK1ZM8JKA87886 | Transit_Van-Ford-E-Transit Cargo-Class 3-\$34459       | \$34,459  | 62                        | \$82,274                          | 9.5                                 | \$2,000                         | \$1,002                                | 0046-E-2461  |
| 2039         | 1FDZK2Y83LKB30723 | Transit_Van-Ford-E-Transit Cargo-Class 3-\$34459       | \$34,459  | 62                        | \$58,383                          | 4.0                                 | \$846                           | \$424                                  | 0012-P-2465  |
| 2035         | 1FMZK1ZM6KKB08459 | Transit_Van-Ford-E-Transit Cargo-Class 3-\$34459       | \$34,459  | 62                        | \$-                               | 6.4                                 | \$1,352                         | \$678                                  | 8049-G*-0849 |

## Emissions Projections

Table 7. MT CO2e projections, provided by MA EEA in the CECP 2050.

| CO2 Emissions per Unit (metric tons, MTe) | 2022    | 2025<br>(projected) | 2030<br>(projected) | 2040<br>(projected) | 2050<br>(projected) |
|-------------------------------------------|---------|---------------------|---------------------|---------------------|---------------------|
| Natural Gas (therms)                      | 0.00531 | 0.00531             | 0.00531             | 0.00531             | 0.00531             |
| Oil Savings (gallons)                     | 0.01015 | 0.01015             | 0.01015             | 0.01015             | 0.01015             |
| Gasoline (gallons)                        | 0.00886 | 0.00886             | 0.00886             | 0.00886             | 0.00886             |
| Diesel (gallons)                          | 0.01015 | 0.01015             | 0.01015             | 0.01015             | 0.01015             |
| Propane (gallons)                         | 0.00576 | 0.00576             | 0.00576             | 0.00576             | 0.00576             |

Source: MA EEA

Table 8. Electricity Emissions Factors present and projected, listed in Mass Energy Insight.

| Year Start | Year End | kilograms of<br>CO2e/kWh |
|------------|----------|--------------------------|
| Jan-21     | Dec-21   | 0.24350                  |
| Jan-22     | Dec-22   | 0.24160                  |
| Jan-23     | Dec-23   | 0.23970                  |
| Jan-24     | Dec-24   | 0.23780                  |
| Jan-25     | Dec-29   | 0.23590                  |
| Jan-30     | Dec-34   | 0.12770                  |
| Jan-35     | Dec-39   | 0.08760                  |
| Jan-40     | Dec-44   | 0.05310                  |
| Jan-45     | Dec-49   | 0.03170                  |
| Jan-50     | TBD      | 0.01630                  |



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## **Town of Needham Roadmap Timeline**

*Table 9. The Town of Needham's Roadmap Timeline outline, provided by the Town in May 2025.*

### **FY25**

- Broadmeadow: Construction – RTU replacement #1-5 and electrification of cooling system with ASHP for summer reheat

### **FY26**

- Broadmeadow Elementary School: Construction – Lighting upgrades to LEDs
- Center at the Heights: Design – Gas cooking range replaced with electric
- Cogswell Building: Construction – All-electric fleet maintenance building addition
- High School: Design – Roof replacement (1997 portions)
- High School: Design – RTU replacements #17 and #18 electrification
- Pollard Middle School: Feasibility assessment – MSBA Feasibility Study for phased additions and renovations with building electrification

### **FY27**

- Center at the Heights: Construction – Gas cooking range replaced with electric
- DPW Building: Design – Building renovations and electrification
- High Rock School: Construction – Lighting upgrades to LEDs
- High Rock School: Feasibility assessment - Building renovations and electrification
- High School: Construction – Roof replacement (1997 portions)
- High School: Construction – RTU replacements #17 and #18 electrification
- Pollard Middle School: Design – Detailed Design for phased additions and renovations with building electrification
- Hillside Elementary School: Design – Roof replacement and solar assessment

### **FY28**

- Broadmeadow Elementary School: Construction – Gas cooking range replaced with electric
- Claxton Field House: Construction – Lighting upgrades to LEDs
- Cogswell Building: Design – Gas unit heaters replaced with ASHPs for existing building
- DPW Building: Construction – Building renovation and electrification
- High School: Construction – Lighting upgrades to LEDs (Phase I)
- High School: Design – Gas HWHs replaced with HPHWHs or electric POU
- Hillside Elementary School: Construction – Roof replacement and solar assessment
- Newman Elementary School: Design – Energy recovery wheel replacement

### **FY29**

- Broadmeadow Elementary School: Design – Feasibility assessment for electrification of heating system

- 
- Claxton Field House: Construction – Gas HWH replaced with HPHWH or electric POU
  - Cogswell Building: Construction – Gas unit heaters replaced with ASHPs for existing building
  - High School: Construction – Gas HWHs replaced with HPHWHs or electric POU
  - High School: Construction – Lighting upgrades to LEDs (Phase II)
  - Hillside Elementary School: Design – Energy efficiency updates (air sealing, insulation, windows, doors)
  - Newman Elementary School: Construction – Energy recovery wheel replacement
  - Pollard Middle School: Construction – Construction for phased additions and renovations with building electrification

#### **FY30**

- Broadmeadow Elementary School: Design – Electrification of heating system
- Claxton Field House: Construction - Energy efficiency updates (air sealing, insulation, windows, doors)
- High Rock School: Design – HVAC system electrification
- High Rock School: Design – Building renovations and electrification
- Hillside Elementary School: Construction – Energy efficiency updates (air sealing, insulation, windows, doors)
- Mitchell Elementary School: Submit SOI to MSBA for phased additions and renovations with building electrification
- Newman Elementary School: Design - Solar PV addition
- Public Service Administration Building: Construction – Electric HWHs replaced with HPHWHs

#### **FY31**

- Broadmeadow Elementary School: Construction – Electrification of heating system
- Broadmeadow Elementary School: Design – Roof replacement and solar assessment
- Daley Building: Design – Building renovation and electrification
- High Rock School: Construction – HVAC system electrification
- High Rock School: Construction – Building renovations and electrification
- Hillside Elementary School: Design – Solar PV addition
- Newman Elementary School: Construction – Solar PV addition

#### **FY32**

- Broadmeadow Elementary School: Construction – Roof replacement and solar assessment
- Daley Building: Construction – Building renovation and electrification
- Hillside Elementary School: Construction – Solar PV addition
- Newman Elementary School: Construction – Gas HWH replaced with HP HWH and/or electric POU WHs
- Public Safety Complex: Design – Solar PV assessment and addition

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- Town Hall: Feasibility assessment – Electrification of heating

### **FY33**

- Eliot Elementary School: Construction – Gas cooking range replaced with electric
- Eliot Elementary School: Design – Roof replacement and solar assessment
- Fire Station 2: Design – Solar PV assessment and addition
- Mitchell Elementary School: Feasibility assessment - MSBA Feasibility Study for phased additions and renovations with building electrification
- Newman Elementary School: Feasibility assessment – Electrification of heating
- Public Safety Complex: Design – Solar PV assessment and addition
- Public Safety Complex: Construction – Solar PV assessment and addition
- Town Hall: Design – Electrification of heating

### **FY34**

- Broadmeadow Elementary School: Design – Solar PV added
- Center at the Heights: Construction – Electric HWH replaced with HPHWH
- Eliot Elementary School: Construction – Roof replacement and solar assessment
- Fire Station 2: Construction – Solar PV assessment and addition
- Newman Elementary School: Design – Electrification of heating
- Town Hall: Construction – Electrification of heating

### **FY35**

- Broadmeadow Elementary School: Construction – Solar PV added
- Mitchell Elementary School: Design - Detailed Design for phased additions and renovations with building electrification
- Newman Elementary School: Construction – Electrification of heating
- Recycling and Transfer Station: Design - Building renovation and electrification

### **FY36**

- Claxton Field House: Design – Electrification of heating
- High School: Construction – Gas cooking range replaced with electric
- Newman Elementary School: Construction – Gas cooking range replaced with electric
- Rosemary Recreation Center: Construction - Gas HWHs replaced with HP HWHs and/or POU WHs
- Recycling and Transfer Station: Construction - Building renovation and electrification

### **FY37**

- Claxton Field House: Construction – Electrification of heating

- 
- Eliot Elementary School: Construction – Gas HWHs Replaced with HP HWHs and/or electric POU WHs
  - High School: Design – Roof replacements and RTUs (2007 portion)
  - Library: Design – Roof replacement and solar assessment
  - Mitchell Elementary School: Construction - Phased additions and renovations with building electrification

#### **FY38**

- Broadmeadow Elementary School: Construction – Gas HWHs Replaced with HP HWHs and/or Electric POU WHs
- High School: Construction – Roof replacements and RTUs (2007 portion)
- High School: Design – Energy efficiency updates (air sealing, insulation, windows, doors)
- Library: Construction – Roof replacement and solar assessment

#### **FY39**

- Broadmeadow Elementary School: Feasibility Assessment - Energy efficiency updates (air sealing, insulation, windows, doors)
- Claxton Field House: Construction – Roof replacement
- High School: Construction – Energy efficiency updates (air sealing, insulation, windows, doors)

#### **FY40**

- Broadmeadow Elementary School: Design - Energy efficiency updates (air sealing, insulation, windows, doors)
- Eliot Elementary School: Design – Solar PV added
- High School: Feasibility assessment – Electrification of heating
- Library: Design – Solar PV added
- Public Safety Complex: Gas HWH replaced with HP HWH and/or Electric POU WHs
- Public Service and Administration Building: Design – Roof replacement
- Williams School: Construction – Gas HWHs replaced with HP HWHs and/or electric POU WHs

#### **FY41**

- Broadmeadow Elementary School: Construction - Energy efficiency updates (air sealing, insulation, windows, doors)
- Eliot Elementary School: Construction – Solar PV added
- High School: Design – Electrification of heating
- Library: Construction – Solar PV added
- Memorial Park Building: Construction - Electric HWH replaced with HP HWH
- Public Service and Administration Building: Construction – Roof replacement

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**FY42**

- High School: Construction – Electrification of heating
- Library: Feasibility assessment – Electrification of heating
- Town Hall: Design – Roof replacement

**FY43**

- Public Safety Complex: Construction – Gas HWHs Replaced with HP HWHs and/or Electric POU WHs
- Hillside Elementary School: Feasibility Assessment – Electrification of heating
- Library: Design – Electrification of heating
- Newman Elementary School: Design – Roof replacement
- Town Hall: Construction – Roof replacement

**FY44**

- Hillside Elementary School: Design – Electrification of heating
- Library: Construction - Electric HWH replaced with HP HWH
- Library: Construction – Electrification of heating
- Newman Elementary School: Construction – Roof replacement

**FY45**

- Center at the Heights: Design – Roof replacement and solar assessment
- Emery Grover Building: Construction – Electric HWH replaced with HP HWH
- Hillside Elementary School: Construction – Electrification of heating
- Williams School: Design – Roof replacement and solar PV replacement

**FY46**

- Center at the Heights: Construction – Roof replacement and solar assessment
- Town Hall: Construction – Replace HP HWH
- Williams School: Construction - Gas cooking range replaced with electric
- Williams School: Construction – Roof replacement and solar PV replacement

**FY47**

- Center at the Heights: Design – Solar PV added
- Eliot Elementary School: Feasibility assessment – Electrification of heating
- Memorial Park building: Construction - Gas cooking range replaced with electric
- Public Safety Complex: Construction – Gas cooking range replaced with electric
- Public Safety Complex: Feasibility assessment – Electrification of heating

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**FY48**

- Center at the Heights: Construction – Solar PV added
- Eliot Elementary School: Design – Electrification of heating
- Fire Station 2: Construction – Gas cooking range replaced with electric
- Memorial Park Building: Design – Roof replacement
- Public Safety Complex: Design – Electrification of heating
- Williams School: Feasibility assessment – Electrification of heating

**FY49**

- Eliot Elementary School: Construction – Electrification of heating
- Fire Station 2: Feasibility assessment – Electrification of heating
- Memorial Park Building: Construction – Roof replacement
- Memorial Park Building: Feasibility assessment – Electrification of heating
- Public Safety Complex: Construction – Electrification of heating
- Rosemary Recreation Center: Design – Roof replacement and solar assessment
- Williams School: Design – Electrification of heating

**FY50**

- Fire Station 2: Design – Electrification of heating
- Memorial Park Building: Design – Electrification of heating
- Public Safety Complex: Design – Roof replacement
- Rosemary Recreation Center: Construction– Roof replacement and solar assessment
- Rosemary Recreation Center: Design – Solar PV added
- Williams School: Construction – Electrification of heating

**FY51**

- Fire Station 2: Construction – Electrification of heating
- Memorial Park Building: Construction– Electrification of heating
- Public Safety Complex: Construction – Roof replacement
- Rosemary Recreation Center: Construction – Solar PV added



**Select Board  
TOWN OF NEEDHAM  
AGENDA FACT SHEET**

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**MEETING DATE: 5/27/2024**

|                     |                                                                                                                                                                                           |
|---------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Agenda Item</b>  | DeFazio Parking Lot Stormwater Bioretention Basin                                                                                                                                         |
| <b>Presenter(s)</b> | Gabby Queenan, Sustainability Manager<br>Justin Savignano, Assistant Town Engineer<br>Christopher Brainard, BETA<br>Phil Paradis, BETA<br>Julie Wood, Charles River Watershed Association |

|           |                                                                                                                                                                                                                                                                                                                                                                                                                                        |
|-----------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>1.</b> | <b>BRIEF DESCRIPTION OF TOPIC TO BE DISCUSSED</b>                                                                                                                                                                                                                                                                                                                                                                                      |
|           | In August 2024, the Town of Needham was awarded a \$125,425 grant by the Executive Office of Energy and Environmental Affairs' Office of Coastal Zone Management Coastal Habitat and Water Quality Grant program for its project proposal for the design of a bioretention basin to improve stormwater management along Alder Brook at the DeFazio Parking Lot. The project team will provide an update on the 50% engineering design. |
| <b>2.</b> | <b>VOTE REQUIRED BY SELECT BOARD</b>                                                                                                                                                                                                                                                                                                                                                                                                   |
|           | N/A – Discussion only                                                                                                                                                                                                                                                                                                                                                                                                                  |
| <b>3.</b> | <b>BACK UP INFORMATION ATTACHED</b>                                                                                                                                                                                                                                                                                                                                                                                                    |
|           | a. Alder Brook Phase 1 50% Engineering Design Set<br>b. Alder Brook Phase 1 50% Engineering Design Slide Presentation                                                                                                                                                                                                                                                                                                                  |



TOWN OF NEEDHAM, MA  
DEPARTMENT OF PUBLIC WORKS

DEFAZIO PARKING LOT BMP PROJECT

CONTRACT NO. 26DPW000X

MAY 2025  
50% SUBMITTAL



SELECT BOARD

HEIDI FRAIL, CHAIR  
CATHERINE REID DOWD, VICE CHAIR  
JOSHUA LEVY, CLERK  
MARIANNE COOLEY, MEMBER  
KEVIN KEANE, MEMBER

TOWN MANAGER

KATE FITZPATRICK

DEPARTMENT OF PUBLIC WORKS

CARYS LUSTIG, DIRECTOR  
THOMAS RYDER, TOWN ENGINEER  
MICHAEL RETZKY, WATER, SEWER, & DRAIN SUPERINTENDENT

PROJECT  
LOCATION



PROJECT LOCATION

LOCATION MAP  
NOT TO SCALE

AERIAL IMAGERY BY: [Nearmap](#)

PLAN INDEX

| SHEET NO. | DESCRIPTION                           |
|-----------|---------------------------------------|
| G-00      | COVER SHEET                           |
| G-01      | GENERAL LEGEND, ABBREVIATION, & NOTES |
| C-01      | EXISTING CONDITIONS                   |
| C-02      | PROPOSED CONDITIONS                   |
| C-03      | PLANTING PLAN                         |
| C-04      | PLANTING DETAILS                      |
| D-01      | SITE DETAILS I                        |
| D-02      | SITE DETAILS II                       |

PRELIMINARY  
NOT FOR  
CONSTRUCTION

PREPARED BY:





| LEGEND                                                                              |  |                                                                                     |  |  | ABBREVIATIONS                                                                     |  |  |  |  | NOTES                                                                                                                                                                                                                                                                                                                                                                                                                                                 |  |  |  |  |
|-------------------------------------------------------------------------------------|--|-------------------------------------------------------------------------------------|--|--|-----------------------------------------------------------------------------------|--|--|--|--|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--|--|--|--|
| GENERAL SYMBOLS                                                                     |  |                                                                                     |  |  |                                                                                   |  |  |  |  |                                                                                                                                                                                                                                                                                                                                                                                                                                                       |  |  |  |  |
| EXISTING                                                                            |  | PROPOSED                                                                            |  |  | GENERAL                                                                           |  |  |  |  | UTILITIES                                                                                                                                                                                                                                                                                                                                                                                                                                             |  |  |  |  |
|    |  |    |  |  | CURB OR BERM (TYPE AS NOTED)                                                      |  |  |  |  | GENERAL NOTES                                                                                                                                                                                                                                                                                                                                                                                                                                         |  |  |  |  |
|    |  |    |  |  | EDGE OF PAVEMENT                                                                  |  |  |  |  | 1. CONTRACTOR SHALL REFER TO AND COORDINATE THE PROJECT REQUIREMENTS AS INDICATED ON THE GENERAL, CIVIL, AND STANDARD DETAIL DRAWINGS AND SPECIFICATIONS.                                                                                                                                                                                                                                                                                             |  |  |  |  |
|    |  |    |  |  | CATCH BASIN (OR GUTTER INLET, LEACHING BASIN, DROP INLET, CATCH BASIN CURB INLET) |  |  |  |  | 2. THE CONTRACTOR IS RESPONSIBLE FOR THE PROTECTION OF ALL STRUCTURES AND PIPING AGAINST FLOODING, FLOTATION AND OTHER DAMAGE DURING CONSTRUCTION.                                                                                                                                                                                                                                                                                                    |  |  |  |  |
|    |  |    |  |  | YARD DRAIN                                                                        |  |  |  |  | 3. THE CONTRACTOR SHALL TAKE ALL NECESSARY MEASURES TO PREVENT DAMAGE TO ADJACENT AND NEARBY STRUCTURES DURING CONSTRUCTION. ALL DAMAGE SHALL BE REPAIRED AT THE CONTRACTOR'S EXPENSE AND APPROVED BY THE ENGINEER.                                                                                                                                                                                                                                   |  |  |  |  |
|    |  |    |  |  | DRAINAGE MANHOLE                                                                  |  |  |  |  | 4. CONTRACTOR SHALL CALL "DIG SAFE" AT 1(888)-DIG-SAFE, AT LEAST 72 HOURS (EXCLUDING SATURDAYS, SUNDAYS AND HOLIDAYS) PRIOR TO ANY EXCAVATION TO OBTAIN ACCURATE UTILITY LOCATIONS.                                                                                                                                                                                                                                                                   |  |  |  |  |
|    |  |    |  |  | FLARED END SECTION                                                                |  |  |  |  | 5. ALL AREAS AND UTILITIES DISTURBED BY THE CONTRACTOR BEYOND LIMITS OF WORK SHOWN SHALL REQUIRE PRIOR AUTHORIZATION FROM THE ENGINEER AND SHALL BE RESTORED AT NO ADDITIONAL COST TO THE OWNER.                                                                                                                                                                                                                                                      |  |  |  |  |
|    |  |    |  |  | FLUSH CONDITION                                                                   |  |  |  |  | 6. SEWER, WATER AND OTHER UTILITIES HAVE BEEN SHOWN ON THE SITE PLANS WHERE INFORMATION IS AVAILABLE.                                                                                                                                                                                                                                                                                                                                                 |  |  |  |  |
|    |  |    |  |  | ELECTRIC HANDHOLE (NUMBER AS NOTED)                                               |  |  |  |  | 7. CONTRACTOR SHALL FIELD VERIFY EXISTING STRUCTURE ELEVATIONS AND LOCATIONS.                                                                                                                                                                                                                                                                                                                                                                         |  |  |  |  |
|    |  |    |  |  | ELECTRIC MANHOLE                                                                  |  |  |  |  | 8. CONTRACTOR SHALL VERIFY EXISTING GRADE ELEVATIONS. IF ANY ADJUSTMENT IS REQUIRED DUE TO DIFFERENT EXISTING GRADES FOUND IN THE FIELD, THE CONTRACTOR SHALL NOTIFY AND OBTAIN THE APPROVAL OF THE ENGINEER PRIOR TO PERFORMING THE WORK.                                                                                                                                                                                                            |  |  |  |  |
|    |  |    |  |  | TELEPHONE MANHOLE                                                                 |  |  |  |  | 11. THESE GENERAL NOTES ARE NOT INTENDED TO REPLACE THE SPECIFICATIONS FOR THIS CONTRACT. SEE SPECIFICATIONS FOR OTHER REQUIREMENTS IN ADDITION TO THE GENERAL NOTES.                                                                                                                                                                                                                                                                                 |  |  |  |  |
|    |  |    |  |  | WATER MANHOLE                                                                     |  |  |  |  | 12. THE CONTRACTOR SHALL CONFINE ALL ACTIVITIES FOR CONSTRUCTION PURPOSES WITHIN THE PROJECT LIMITS AS SHOWN IN THE CONTRACT DRAWINGS. ALL SURFACES DAMAGED OUTSIDE THE PROJECT LIMITS AND/OR PRIVATE PROPERTY SHALL BE REPLACED IN KIND AT CONTRACTOR'S EXPENSE.                                                                                                                                                                                     |  |  |  |  |
|    |  |    |  |  | SEWER MANHOLE                                                                     |  |  |  |  | 13. STREETS AND PREMISES ARE TO BE KEPT FREE FROM UNNECESSARY OBSTRUCTIONS, DEBRIS AND ALL OTHER MATERIALS.                                                                                                                                                                                                                                                                                                                                           |  |  |  |  |
|    |  |    |  |  | GAS GATE                                                                          |  |  |  |  | MAPPING                                                                                                                                                                                                                                                                                                                                                                                                                                               |  |  |  |  |
|    |  |    |  |  | WATER GATE                                                                        |  |  |  |  | 1. COORDINATE VALUES REFER TO NORTH AMERICAN DATUM OF 1983 (NAD 83), MASSACHUSETTS STATE PLANE COORDINATE SYSTEM.                                                                                                                                                                                                                                                                                                                                     |  |  |  |  |
|    |  |    |  |  | CURB STOP                                                                         |  |  |  |  | 2. ELEVATIONS ARE REFERENCED TO THE NORTH AMERICAN VERTICAL DATUM OF 1988 (NAVD 88).                                                                                                                                                                                                                                                                                                                                                                  |  |  |  |  |
|    |  |    |  |  | HYDRANT                                                                           |  |  |  |  | 3. CIVIL SITE PLAN BASE MAPPING IS BASED ON GEOGRAPHIC INFORMATION SYSTEMS (GIS) DATA, DATA DIGITIZED FROM AERIAL, AND DATA COLLECTED VIA GPS BY THE TOWN OF NEEDHAM.                                                                                                                                                                                                                                                                                 |  |  |  |  |
|    |  |    |  |  | FIRE ALARM BOX                                                                    |  |  |  |  | 4. THE LOCATION, SIZE, AND MATERIAL OF EXISTING PIPES, DUCTS, CONDUITS AND OTHER UNDERGROUND STRUCTURES AND/OR UTILITIES SHOWN ON THESE PLANS ARE FROM THE BEST SOURCES AVAILABLE AT PRESENT AND ARE NOT WARRANTED TO BE EXACT, NOR IS IT WARRANTED THAT ALL UNDERGROUND PIPES, UTILITIES OR STRUCTURES ARE SHOWN. EXACT LOCATION TO BE DETERMINED BY CONTRACTOR IN FIELD AND THE CONTRACTOR SHALL NOTIFY ALL UTILITY COMPANIES (PUBLIC AND PRIVATE). |  |  |  |  |
|    |  |    |  |  | STREET LIGHT POLE                                                                 |  |  |  |  | 5. THE LOCATIONS OF DEPICTED PROPERTY LINES ARE APPROXIMATE, AND ARE NOT GUARANTEED TO BE COMPLETE OR ACCURATE. WHERE PROPOSED WORK MAY ENCROACH ONTO PRIVATE PROPERTY, REFER TO REQUIREMENTS UNDER "WORK ON OR NEAR PRIVATE PROPERTY" NOTE SECTION (THIS SHEET).                                                                                                                                                                                     |  |  |  |  |
|    |  |    |  |  | UTILITY POLE                                                                      |  |  |  |  | REMOVAL AND DISPOSAL                                                                                                                                                                                                                                                                                                                                                                                                                                  |  |  |  |  |
|    |  |    |  |  | UTILITY POLE w/ LIGHT                                                             |  |  |  |  | 1. THE CONTRACTOR SHALL BE RESPONSIBLE FOR REMOVING AND LEGALLY DISPOSING (R&D) ALL MATERIALS INDICATED ON THE PLANS TO BE DISPOSED, INCLUDING BUT NOT LIMITED TO, PIPING, COATING SYSTEM REMOVAL WASTE, CONCRETE AND BITUMINOUS PAVEMENT, COBBLES, ROCK, TREES AND STUMPS, ETC. ALL DEMOLITION MATERIAL INCLUDING CONCRETE, PIPE, AND BRICK SHALL BE DISPOSED OF IN ACCORDANCE WITH MASSDEP REQUIREMENTS.                                            |  |  |  |  |
|   |  |  |  |  | SIGN                                                                              |  |  |  |  |                                                                                                                                                                                                                                                                                                                                                                                                                                                       |  |  |  |  |
|  |  |  |  |  | GUY POLE                                                                          |  |  |  |  |                                                                                                                                                                                                                                                                                                                                                                                                                                                       |  |  |  |  |
|  |  |  |  |  | DRAIN PIPE (SIZE AS NOTED)                                                        |  |  |  |  |                                                                                                                                                                                                                                                                                                                                                                                                                                                       |  |  |  |  |
|  |  |  |  |  | SEWER MAIN (SIZE AS NOTED)                                                        |  |  |  |  |                                                                                                                                                                                                                                                                                                                                                                                                                                                       |  |  |  |  |
|  |  |  |  |  | ELECTRIC DUCT                                                                     |  |  |  |  |                                                                                                                                                                                                                                                                                                                                                                                                                                                       |  |  |  |  |
|  |  |  |  |  | GAS MAIN (SIZE AS NOTED)                                                          |  |  |  |  |                                                                                                                                                                                                                                                                                                                                                                                                                                                       |  |  |  |  |
|  |  |  |  |  | WATER MAIN (SIZE AS NOTED)                                                        |  |  |  |  |                                                                                                                                                                                                                                                                                                                                                                                                                                                       |  |  |  |  |
|  |  |  |  |  | TELEPHONE DUCT (SIZE AS NOTED)                                                    |  |  |  |  |                                                                                                                                                                                                                                                                                                                                                                                                                                                       |  |  |  |  |
|  |  |  |  |  | OVERHEAD WIRE                                                                     |  |  |  |  |                                                                                                                                                                                                                                                                                                                                                                                                                                                       |  |  |  |  |
|  |  |  |  |  | WOOD GUARD RAIL STEEL BEAM GUARD, WOOD OR STEEL POSTS (TYPE AS NOTED)             |  |  |  |  |                                                                                                                                                                                                                                                                                                                                                                                                                                                       |  |  |  |  |
|  |  |  |  |  | STEEL GUARD RAIL, STEEL POSTS (TYPE NOTED)                                        |  |  |  |  |                                                                                                                                                                                                                                                                                                                                                                                                                                                       |  |  |  |  |
|  |  |  |  |  | STONE WALL                                                                        |  |  |  |  |                                                                                                                                                                                                                                                                                                                                                                                                                                                       |  |  |  |  |
|  |  |  |  |  | RETAINING WALL (TYPE NOTED)                                                       |  |  |  |  |                                                                                                                                                                                                                                                                                                                                                                                                                                                       |  |  |  |  |
|  |  |  |  |  | PROPERTY LINE                                                                     |  |  |  |  |                                                                                                                                                                                                                                                                                                                                                                                                                                                       |  |  |  |  |
|  |  |  |  |  | EASEMENT LINE (TYPE NOTED)                                                        |  |  |  |  |                                                                                                                                                                                                                                                                                                                                                                                                                                                       |  |  |  |  |
|  |  |  |  |  | CONSTRUCTION BASELINE                                                             |  |  |  |  |                                                                                                                                                                                                                                                                                                                                                                                                                                                       |  |  |  |  |
|  |  |  |  |  | SURVEY LINE                                                                       |  |  |  |  |                                                                                                                                                                                                                                                                                                                                                                                                                                                       |  |  |  |  |
|  |  |  |  |  | WHEELCHAIR RAMP                                                                   |  |  |  |  |                                                                                                                                                                                                                                                                                                                                                                                                                                                       |  |  |  |  |
|  |  |  |  |  | HEDGE/SHRUBS                                                                      |  |  |  |  |                                                                                                                                                                                                                                                                                                                                                                                                                                                       |  |  |  |  |
|  |  |  |  |  | FENCE (SIZE AND TYPE AS NOTED)                                                    |  |  |  |  |                                                                                                                                                                                                                                                                                                                                                                                                                                                       |  |  |  |  |
|  |  |  |  |  | EDGE OF WETLAND W/ FLAGGED NUMBER                                                 |  |  |  |  |                                                                                                                                                                                                                                                                                                                                                                                                                                                       |  |  |  |  |
|  |  |  |  |  | EDGE OF RIVER/STREAM LINE                                                         |  |  |  |  |                                                                                                                                                                                                                                                                                                                                                                                                                                                       |  |  |  |  |
|  |  |  |  |  | 100-FT. WETLAND BUFFER LIMIT                                                      |  |  |  |  |                                                                                                                                                                                                                                                                                                                                                                                                                                                       |  |  |  |  |
|  |  |  |  |  | 100-FT. RIVER FRONT LIMIT                                                         |  |  |  |  |                                                                                                                                                                                                                                                                                                                                                                                                                                                       |  |  |  |  |
|  |  |  |  |  | 200-FT. RIVER FRONT LIMIT                                                         |  |  |  |  |                                                                                                                                                                                                                                                                                                                                                                                                                                                       |  |  |  |  |
|  |  |  |  |  | WOODED AREA / LIMIT OF CLEARING                                                   |  |  |  |  |                                                                                                                                                                                                                                                                                                                                                                                                                                                       |  |  |  |  |
|  |  |  |  |  | SPOT GRADE                                                                        |  |  |  |  |                                                                                                                                                                                                                                                                                                                                                                                                                                                       |  |  |  |  |
|  |  |  |  |  | SAW CUT LINE                                                                      |  |  |  |  |                                                                                                                                                                                                                                                                                                                                                                                                                                                       |  |  |  |  |
|  |  |  |  |  | TEST PIT                                                                          |  |  |  |  |                                                                                                                                                                                                                                                                                                                                                                                                                                                       |  |  |  |  |
|  |  |  |  |  | BORING                                                                            |  |  |  |  |                                                                                                                                                                                                                                                                                                                                                                                                                                                       |  |  |  |  |
|  |  |  |  |  | EROSION CONTROL BARRIER/COMPOST FILTER TUBES                                      |  |  |  |  |                                                                                                                                                                                                                                                                                                                                                                                                                                                       |  |  |  |  |
|  |  |  |  |  | CONTOUR - MAJOR                                                                   |  |  |  |  |                                                                                                                                                                                                                                                                                                                                                                                                                                                       |  |  |  |  |
|  |  |  |  |  | CONTOUR - MINOR                                                                   |  |  |  |  |                                                                                                                                                                                                                                                                                                                                                                                                                                                       |  |  |  |  |

| GENERAL SYMBOLS                                                                     |  |  |  |  | GENERAL                                                                             |  |  |  |  | UTILITIES                                                                         |  |  |  |  | GENERAL NOTES                                                                                                                                                                                                                                                                                                                                                                                                                                         |  |  |  |  | SOIL EROSION AND SEDIMENTATION CONTROL                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |  |  |  |  |
|-------------------------------------------------------------------------------------|--|--|--|--|-------------------------------------------------------------------------------------|--|--|--|--|-----------------------------------------------------------------------------------|--|--|--|--|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--|--|--|--|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--|--|--|--|
| EXISTING                                                                            |  |  |  |  | PROPOSED                                                                            |  |  |  |  |                                                                                   |  |  |  |  |                                                                                                                                                                                                                                                                                                                                                                                                                                                       |  |  |  |  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |  |  |  |  |
|    |  |  |  |  |    |  |  |  |  | CURB OR BERM (TYPE AS NOTED)                                                      |  |  |  |  | GENERAL NOTES                                                                                                                                                                                                                                                                                                                                                                                                                                         |  |  |  |  | 1. IT SHALL BE THE RESPONSIBILITY OF THE CONTRACTOR TO FURNISH AND MAINTAIN ALL SOIL EROSION AND SEDIMENT CONTROLS ON THE PROJECT SITE FOR THE ENTIRE DURATION OF CONSTRUCTION. THE CONTRACTOR SHALL FOLLOW THE DIRECTION OF THE ENGINEER WITH REGARD TO INSTALLATION, MAINTENANCE, AND REPAIR OF ALL SOIL EROSION AND SEDIMENTATION CONTROLS ON THE PROJECT SITE. TEMPORARY SOIL EROSION AND SEDIMENTATION CONTROLS (STRAW WATTLES, SILT FENCE, ETC.) SHALL BE MAINTAINED UNTIL ALL EXPOSED SOILS ARE SATISFACTORILY STABILIZED, AS DETERMINED BY THE OWNER AND ENGINEER.                                                                                                                                                                                              |  |  |  |  |
|    |  |  |  |  |    |  |  |  |  | EDGE OF PAVEMENT                                                                  |  |  |  |  | 2. THE CONTRACTOR IS RESPONSIBLE FOR THE PROTECTION OF ALL STRUCTURES AND PIPING AGAINST FLOODING, FLOTATION AND OTHER DAMAGE DURING CONSTRUCTION.                                                                                                                                                                                                                                                                                                    |  |  |  |  | 2. ALL EROSION AND SEDIMENTATION (E&S) CONTROL MEASURES WILL BE INSTALLED BY THE CONTRACTOR AND INSPECTED BY THE ENGINEER PRIOR TO THE START OF CONSTRUCTION. THE E&S CONTROLS SHALL BE CLEANED AND MAINTAINED THROUGHOUT THE DURATION OF CONSTRUCTION OPERATIONS AND UNTIL ALL DISTURBED AREAS ARE STABILIZED AFTER CONSTRUCTION IS COMPLETE. E&S CONTROLS SHALL BE INSPECTED AND CLEANED AFTER ALL STORM EVENTS AND UPON THE REQUEST OF THE OWNER OR ENGINEER. CONTRACTOR WILL MAINTAIN AN ADEQUATE SUPPLY OF EROSION AND SEDIMENTATION CONTROL DEVICES TO BE INSTALLED IN AREAS WHERE EXISTING E&S CONTROLS HAVE FAILED OR AS DETERMINED NECESSARY BY THE ENGINEER. NO WORK OR STORAGE OF CONSTRUCTION EQUIPMENT WILL BE PERMITTED OUTSIDE THE LIMIT OF DISTURBANCE. |  |  |  |  |
|    |  |  |  |  |    |  |  |  |  | CATCH BASIN (OR GUTTER INLET, LEACHING BASIN, DROP INLET, CATCH BASIN CURB INLET) |  |  |  |  | 3. THE CONTRACTOR SHALL TAKE ALL NECESSARY MEASURES TO PREVENT DAMAGE TO ADJACENT AND NEARBY STRUCTURES DURING CONSTRUCTION. ALL DAMAGE SHALL BE REPAIRED AT THE CONTRACTOR'S EXPENSE AND APPROVED BY THE ENGINEER.                                                                                                                                                                                                                                   |  |  |  |  | 3. DUST CONTROL, USING CALCIUM CHLORIDE, SHALL BE PROVIDED FOR ALL SURFACES OF BACKFILLED AREAS, ALL EQUIPMENT ACCESS ROADWAYS AND/OR AS OTHERWISE DIRECTED BY THE OWNER/ENGINEER.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |  |  |  |  |
|    |  |  |  |  |    |  |  |  |  | YARD DRAIN                                                                        |  |  |  |  | 4. CONTRACTOR SHALL CALL "DIG SAFE" AT 1(888)-DIG-SAFE, AT LEAST 72 HOURS (EXCLUDING SATURDAYS, SUNDAYS AND HOLIDAYS) PRIOR TO ANY EXCAVATION TO OBTAIN ACCURATE UTILITY LOCATIONS.                                                                                                                                                                                                                                                                   |  |  |  |  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |  |  |  |  |
|    |  |  |  |  |    |  |  |  |  | DRAINAGE MANHOLE                                                                  |  |  |  |  | 5. ALL AREAS AND UTILITIES DISTURBED BY THE CONTRACTOR BEYOND LIMITS OF WORK SHOWN SHALL REQUIRE PRIOR AUTHORIZATION FROM THE ENGINEER AND SHALL BE RESTORED AT NO ADDITIONAL COST TO THE OWNER.                                                                                                                                                                                                                                                      |  |  |  |  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |  |  |  |  |
|    |  |  |  |  |    |  |  |  |  | FLARED END SECTION                                                                |  |  |  |  | 6. SEWER, WATER AND OTHER UTILITIES HAVE BEEN SHOWN ON THE SITE PLANS WHERE INFORMATION IS AVAILABLE.                                                                                                                                                                                                                                                                                                                                                 |  |  |  |  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |  |  |  |  |
|    |  |  |  |  |    |  |  |  |  | FLUSH CONDITION                                                                   |  |  |  |  | 7. CONTRACTOR SHALL FIELD VERIFY EXISTING STRUCTURE ELEVATIONS AND LOCATIONS.                                                                                                                                                                                                                                                                                                                                                                         |  |  |  |  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |  |  |  |  |
|    |  |  |  |  |    |  |  |  |  | ELECTRIC HANDHOLE (NUMBER AS NOTED)                                               |  |  |  |  | 8. CONTRACTOR SHALL VERIFY EXISTING GRADE ELEVATIONS. IF ANY ADJUSTMENT IS REQUIRED DUE TO DIFFERENT EXISTING GRADES FOUND IN THE FIELD, THE CONTRACTOR SHALL NOTIFY AND OBTAIN THE APPROVAL OF THE ENGINEER PRIOR TO PERFORMING THE WORK.                                                                                                                                                                                                            |  |  |  |  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |  |  |  |  |
|    |  |  |  |  |    |  |  |  |  | ELECTRIC MANHOLE                                                                  |  |  |  |  | 11. THESE GENERAL NOTES ARE NOT INTENDED TO REPLACE THE SPECIFICATIONS FOR THIS CONTRACT. SEE SPECIFICATIONS FOR OTHER REQUIREMENTS IN ADDITION TO THE GENERAL NOTES.                                                                                                                                                                                                                                                                                 |  |  |  |  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |  |  |  |  |
|    |  |  |  |  |    |  |  |  |  | TELEPHONE MANHOLE                                                                 |  |  |  |  | 12. THE CONTRACTOR SHALL CONFINE ALL ACTIVITIES FOR CONSTRUCTION PURPOSES WITHIN THE PROJECT LIMITS AS SHOWN IN THE CONTRACT DRAWINGS. ALL SURFACES DAMAGED OUTSIDE THE PROJECT LIMITS AND/OR PRIVATE PROPERTY SHALL BE REPLACED IN KIND AT CONTRACTOR'S EXPENSE.                                                                                                                                                                                     |  |  |  |  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |  |  |  |  |
|    |  |  |  |  |    |  |  |  |  | WATER MANHOLE                                                                     |  |  |  |  | 13. STREETS AND PREMISES ARE TO BE KEPT FREE FROM UNNECESSARY OBSTRUCTIONS, DEBRIS AND ALL OTHER MATERIALS.                                                                                                                                                                                                                                                                                                                                           |  |  |  |  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |  |  |  |  |
|    |  |  |  |  |    |  |  |  |  | SEWER MANHOLE                                                                     |  |  |  |  | MAPPING                                                                                                                                                                                                                                                                                                                                                                                                                                               |  |  |  |  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |  |  |  |  |
|    |  |  |  |  |    |  |  |  |  | GAS GATE                                                                          |  |  |  |  | 1. COORDINATE VALUES REFER TO NORTH AMERICAN DATUM OF 1983 (NAD 83), MASSACHUSETTS STATE PLANE COORDINATE SYSTEM.                                                                                                                                                                                                                                                                                                                                     |  |  |  |  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |  |  |  |  |
|    |  |  |  |  |    |  |  |  |  | WATER GATE                                                                        |  |  |  |  | 2. ELEVATIONS ARE REFERENCED TO THE NORTH AMERICAN VERTICAL DATUM OF 1988 (NAVD 88).                                                                                                                                                                                                                                                                                                                                                                  |  |  |  |  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |  |  |  |  |
|    |  |  |  |  |    |  |  |  |  | CURB STOP                                                                         |  |  |  |  | 3. CIVIL SITE PLAN BASE MAPPING IS BASED ON GEOGRAPHIC INFORMATION SYSTEMS (GIS) DATA, DATA DIGITIZED FROM AERIAL, AND DATA COLLECTED VIA GPS BY THE TOWN OF NEEDHAM.                                                                                                                                                                                                                                                                                 |  |  |  |  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |  |  |  |  |
|    |  |  |  |  |    |  |  |  |  | HYDRANT                                                                           |  |  |  |  | 4. THE LOCATION, SIZE, AND MATERIAL OF EXISTING PIPES, DUCTS, CONDUITS AND OTHER UNDERGROUND STRUCTURES AND/OR UTILITIES SHOWN ON THESE PLANS ARE FROM THE BEST SOURCES AVAILABLE AT PRESENT AND ARE NOT WARRANTED TO BE EXACT, NOR IS IT WARRANTED THAT ALL UNDERGROUND PIPES, UTILITIES OR STRUCTURES ARE SHOWN. EXACT LOCATION TO BE DETERMINED BY CONTRACTOR IN FIELD AND THE CONTRACTOR SHALL NOTIFY ALL UTILITY COMPANIES (PUBLIC AND PRIVATE). |  |  |  |  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |  |  |  |  |
|    |  |  |  |  |    |  |  |  |  | FIRE ALARM BOX                                                                    |  |  |  |  | 5. THE LOCATIONS OF DEPICTED PROPERTY LINES ARE APPROXIMATE, AND ARE NOT GUARANTEED TO BE COMPLETE OR ACCURATE. WHERE PROPOSED WORK MAY ENCROACH ONTO PRIVATE PROPERTY, REFER TO REQUIREMENTS UNDER "WORK ON OR NEAR PRIVATE PROPERTY" NOTE SECTION (THIS SHEET).                                                                                                                                                                                     |  |  |  |  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |  |  |  |  |
|    |  |  |  |  |    |  |  |  |  | STREET LIGHT POLE                                                                 |  |  |  |  | REMOVAL AND DISPOSAL                                                                                                                                                                                                                                                                                                                                                                                                                                  |  |  |  |  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |  |  |  |  |
|    |  |  |  |  |    |  |  |  |  | UTILITY POLE                                                                      |  |  |  |  | 1. THE CONTRACTOR SHALL BE RESPONSIBLE FOR REMOVING AND LEGALLY DISPOSING (R&D) ALL MATERIALS INDICATED ON THE PLANS TO BE DISPOSED, INCLUDING BUT NOT LIMITED TO, PIPING, COATING SYSTEM REMOVAL WASTE, CONCRETE AND BITUMINOUS PAVEMENT, COBBLES, ROCK, TREES AND STUMPS, ETC. ALL DEMOLITION MATERIAL INCLUDING CONCRETE, PIPE, AND BRICK SHALL BE DISPOSED OF IN ACCORDANCE WITH MASSDEP REQUIREMENTS.                                            |  |  |  |  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |  |  |  |  |
|    |  |  |  |  |    |  |  |  |  | UTILITY POLE w/ LIGHT                                                             |  |  |  |  |                                                                                                                                                                                                                                                                                                                                                                                                                                                       |  |  |  |  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |  |  |  |  |
|   |  |  |  |  |  |  |  |  |  | SIGN                                                                              |  |  |  |  |                                                                                                                                                                                                                                                                                                                                                                                                                                                       |  |  |  |  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |  |  |  |  |
|  |  |  |  |  |  |  |  |  |  | GUY POLE                                                                          |  |  |  |  |                                                                                                                                                                                                                                                                                                                                                                                                                                                       |  |  |  |  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |  |  |  |  |
|  |  |  |  |  |  |  |  |  |  | DRAIN PIPE (SIZE AS NOTED)                                                        |  |  |  |  |                                                                                                                                                                                                                                                                                                                                                                                                                                                       |  |  |  |  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |  |  |  |  |
|  |  |  |  |  |  |  |  |  |  | SEWER MAIN (SIZE AS NOTED)                                                        |  |  |  |  |                                                                                                                                                                                                                                                                                                                                                                                                                                                       |  |  |  |  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |  |  |  |  |
|  |  |  |  |  |  |  |  |  |  | ELECTRIC DUCT                                                                     |  |  |  |  |                                                                                                                                                                                                                                                                                                                                                                                                                                                       |  |  |  |  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |  |  |  |  |
|  |  |  |  |  |  |  |  |  |  | GAS MAIN (SIZE AS NOTED)                                                          |  |  |  |  |                                                                                                                                                                                                                                                                                                                                                                                                                                                       |  |  |  |  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |  |  |  |  |
|  |  |  |  |  |  |  |  |  |  | WATER MAIN (SIZE AS NOTED)                                                        |  |  |  |  |                                                                                                                                                                                                                                                                                                                                                                                                                                                       |  |  |  |  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |  |  |  |  |
|  |  |  |  |  |  |  |  |  |  | TELEPHONE DUCT (SIZE AS NOTED)                                                    |  |  |  |  |                                                                                                                                                                                                                                                                                                                                                                                                                                                       |  |  |  |  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |  |  |  |  |
|  |  |  |  |  |  |  |  |  |  | OVERHEAD WIRE                                                                     |  |  |  |  |                                                                                                                                                                                                                                                                                                                                                                                                                                                       |  |  |  |  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |  |  |  |  |
|  |  |  |  |  |  |  |  |  |  | WOOD GUARD RAIL STEEL BEAM GUARD, WOOD OR STEEL POSTS (TYPE AS NOTED)             |  |  |  |  |                                                                                                                                                                                                                                                                                                                                                                                                                                                       |  |  |  |  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |  |  |  |  |
|  |  |  |  |  |  |  |  |  |  | STEEL GUARD RAIL, STEEL POSTS (TYPE NOTED)                                        |  |  |  |  |                                                                                                                                                                                                                                                                                                                                                                                                                                                       |  |  |  |  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |  |  |  |  |
|  |  |  |  |  |  |  |  |  |  | STONE WALL                                                                        |  |  |  |  |                                                                                                                                                                                                                                                                                                                                                                                                                                                       |  |  |  |  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |  |  |  |  |
|  |  |  |  |  |  |  |  |  |  | RETAINING WALL (TYPE NOTED)                                                       |  |  |  |  |                                                                                                                                                                                                                                                                                                                                                                                                                                                       |  |  |  |  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |  |  |  |  |
|  |  |  |  |  |  |  |  |  |  | PROPERTY LINE                                                                     |  |  |  |  |                                                                                                                                                                                                                                                                                                                                                                                                                                                       |  |  |  |  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |  |  |  |  |
|  |  |  |  |  |  |  |  |  |  | EASEMENT LINE (TYPE NOTED)                                                        |  |  |  |  |                                                                                                                                                                                                                                                                                                                                                                                                                                                       |  |  |  |  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |  |  |  |  |
|  |  |  |  |  |  |  |  |  |  | CONSTRUCTION BASELINE                                                             |  |  |  |  |                                                                                                                                                                                                                                                                                                                                                                                                                                                       |  |  |  |  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |  |  |  |  |
|  |  |  |  |  |  |  |  |  |  | SURVEY LINE                                                                       |  |  |  |  |                                                                                                                                                                                                                                                                                                                                                                                                                                                       |  |  |  |  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |  |  |  |  |
|  |  |  |  |  |  |  |  |  |  | WHEELCHAIR RAMP                                                                   |  |  |  |  |                                                                                                                                                                                                                                                                                                                                                                                                                                                       |  |  |  |  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |  |  |  |  |
|  |  |  |  |  |  |  |  |  |  | HEDGE/SHRUBS                                                                      |  |  |  |  |                                                                                                                                                                                                                                                                                                                                                                                                                                                       |  |  |  |  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |  |  |  |  |
|  |  |  |  |  |  |  |  |  |  | FENCE (SIZE AND TYPE AS NOTED)                                                    |  |  |  |  |                                                                                                                                                                                                                                                                                                                                                                                                                                                       |  |  |  |  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |  |  |  |  |
|  |  |  |  |  |  |  |  |  |  | EDGE OF WETLAND W/ FLAGGED NUMBER                                                 |  |  |  |  |                                                                                                                                                                                                                                                                                                                                                                                                                                                       |  |  |  |  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |  |  |  |  |
|  |  |  |  |  |  |  |  |  |  | EDGE OF RIVER/STREAM LINE                                                         |  |  |  |  |                                                                                                                                                                                                                                                                                                                                                                                                                                                       |  |  |  |  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |  |  |  |  |
|  |  |  |  |  |  |  |  |  |  | 100-FT. WETLAND BUFFER LIMIT                                                      |  |  |  |  |                                                                                                                                                                                                                                                                                                                                                                                                                                                       |  |  |  |  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |  |  |  |  |
|  |  |  |  |  |  |  |  |  |  | 100-FT. RIVER FRONT LIMIT                                                         |  |  |  |  |                                                                                                                                                                                                                                                                                                                                                                                                                                                       |  |  |  |  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |  |  |  |  |
|  |  |  |  |  |  |  |  |  |  | 200-FT. RIVER FRONT LIMIT                                                         |  |  |  |  |                                                                                                                                                                                                                                                                                                                                                                                                                                                       |  |  |  |  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |  |  |  |  |
|  |  |  |  |  |  |  |  |  |  | WOODED AREA / LIMIT OF CLEARING                                                   |  |  |  |  |                                                                                                                                                                                                                                                                                                                                                                                                                                                       |  |  |  |  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |  |  |  |  |
|  |  |  |  |  |  |  |  |  |  | SPOT GRADE                                                                        |  |  |  |  |                                                                                                                                                                                                                                                                                                                                                                                                                                                       |  |  |  |  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |  |  |  |  |
|  |  |  |  |  |  |  |  |  |  | SAW CUT LINE                                                                      |  |  |  |  |                                                                                                                                                                                                                                                                                                                                                                                                                                                       |  |  |  |  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |  |  |  |  |
|  |  |  |  |  |  |  |  |  |  | TEST PIT                                                                          |  |  |  |  |                                                                                                                                                                                                                                                                                                                                                                                                                                                       |  |  |  |  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |  |  |  |  |
|  |  |  |  |  |  |  |  |  |  | BORING                                                                            |  |  |  |  |                                                                                                                                                                                                                                                                                                                                                                                                                                                       |  |  |  |  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |  |  |  |  |
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NOTE:  
SURVEY PROVIDED BY THE TOWN OF NEEDHAM

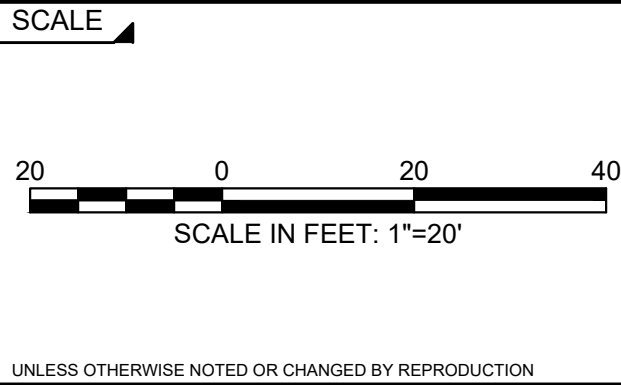
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| DRAWN BY:    | CAB |
| DESIGNED BY: | CAB |
| CHECKED BY:  | PFP |

REGISTERED PROFESSIONAL  
**For Review Only**



SUBCONSULTANT



Town of Needham, MA  
DeFazio Parking Lot BMP Project  
**EXISTING CONDITIONS**

|              |                    |
|--------------|--------------------|
| BETA JOB NO. | 10610.11           |
| ISSUE DATE   | 4/30/2025 10:51 AM |
| SHEET NO.    | <b>C-01</b>        |



SITE CALCULATIONS:

| DESCRIPTION                                                               | EXISTING                    | PROPOSED                    |
|---------------------------------------------------------------------------|-----------------------------|-----------------------------|
| Watershed Area                                                            | 35,808.7 SF<br>(0.82 Acres) | 39,946.6 SF<br>(0.92 Acres) |
| Impervious Area<br>(Gravel Lot)                                           | 98,390 SF                   | 97,010.5 SF                 |
| Bioretention Required Storage<br>Volume for 0.5" Depth from<br>Impervious | ---                         | 1,664.4 CFT                 |
| Lot Coverage                                                              | 778,873.5 SF                | 778,873.5 SF                |

SOIL CHARACTERISTICS:

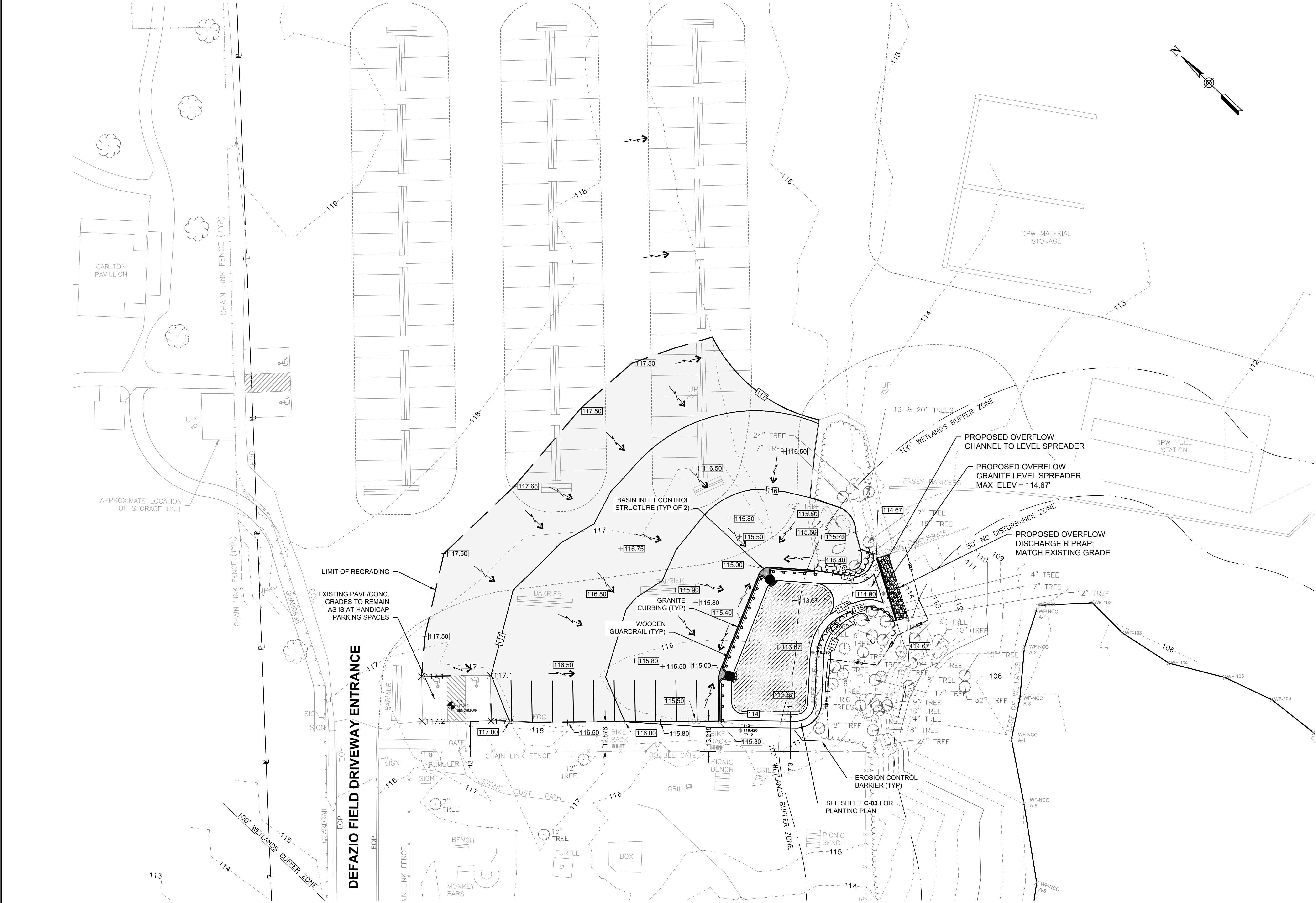
- Primarily Udorthents, Loamy (260B) and Sudbury Fine Sandy Loam (654)
- HSG A - Ideal Soil Type for Infiltration Stormwater Control Measures

BIORETENTION AREA:

- Soil Media:
  - Void Space = 40%
  - Depth = Min of 30"
  - Mixture of Sand Compost and Soil:
    - 40% Sand,
    - 20-30% Topsoil, and
    - 30-40% Compost
- Planting Options:
  - Native Wildflowers
    - Coneflower, Lowbush Blueberry, Inkberry, Nannyberry,
  - Ornamental Grasses
    - Little Bluestem, Virginia Wild Rye, and Switchgrass
  - Groundcover
    - Japanese Spurge (Pachysandra)
- During Construction, Avoid Excessively Compacting Soils Around the Bioretention Area and Accumulating Silt Around the Drain Field. To Minimize Sediment Loading in the Treatment Area, Direct Runoff to the Bioretention Area Only From Areas That Are Stabilized; Always Divert Construction Runoff Elsewhere.

PARKING

|                | REQUIRED | EXISTING | PROPOSED |
|----------------|----------|----------|----------|
| PARKING SPACES | N/A      | 20       | 11       |
| ADA PARKING    | 1        | 2        | 2        |
| TOTAL          | 1        | 22       | 13       |



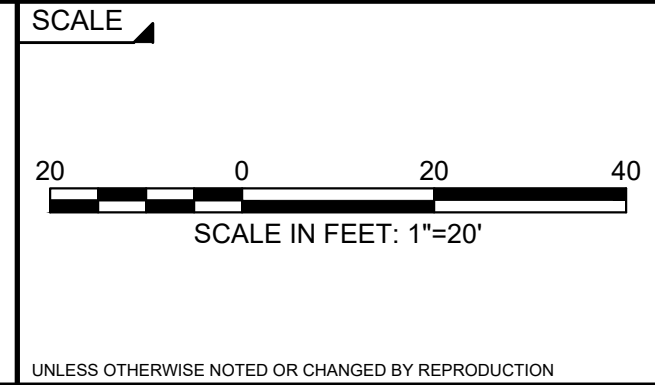
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| DRAWN BY:    | CAB |
| DESIGNED BY: | CAB |
| CHECKED BY:  | PFP |

REGISTERED PROFESSIONAL  
**For Review Only**



SUBCONSULTANT



Town of Needham, MA  
DeFazio Parking Lot BMP Project  
**PROPOSED WORK**

|              |                    |
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| BETA JOB NO. | 10610.11           |
| ISSUE DATE   | 4/30/2025 10:51 AM |
| SHEET NO.    | <b>C-02</b>        |







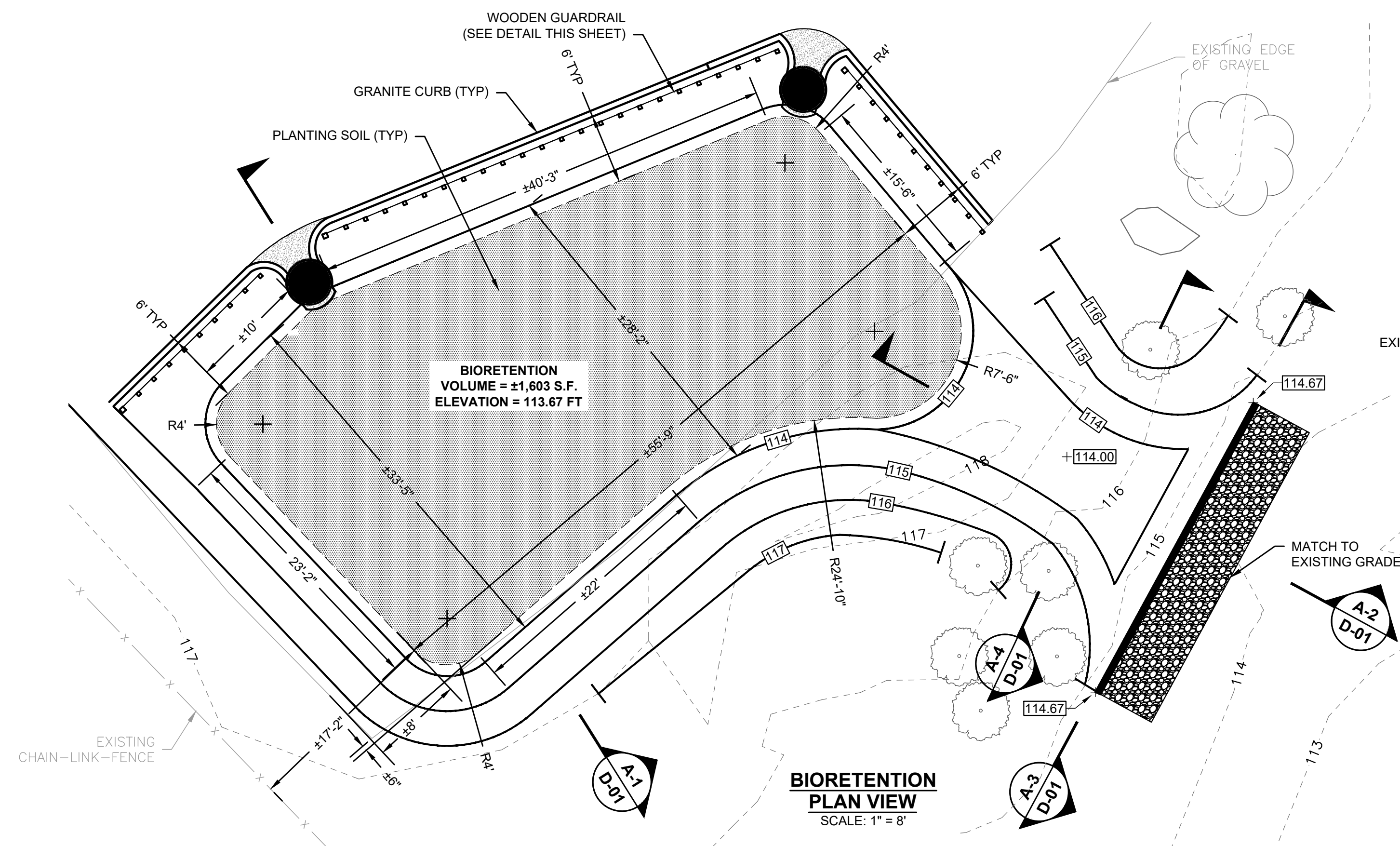
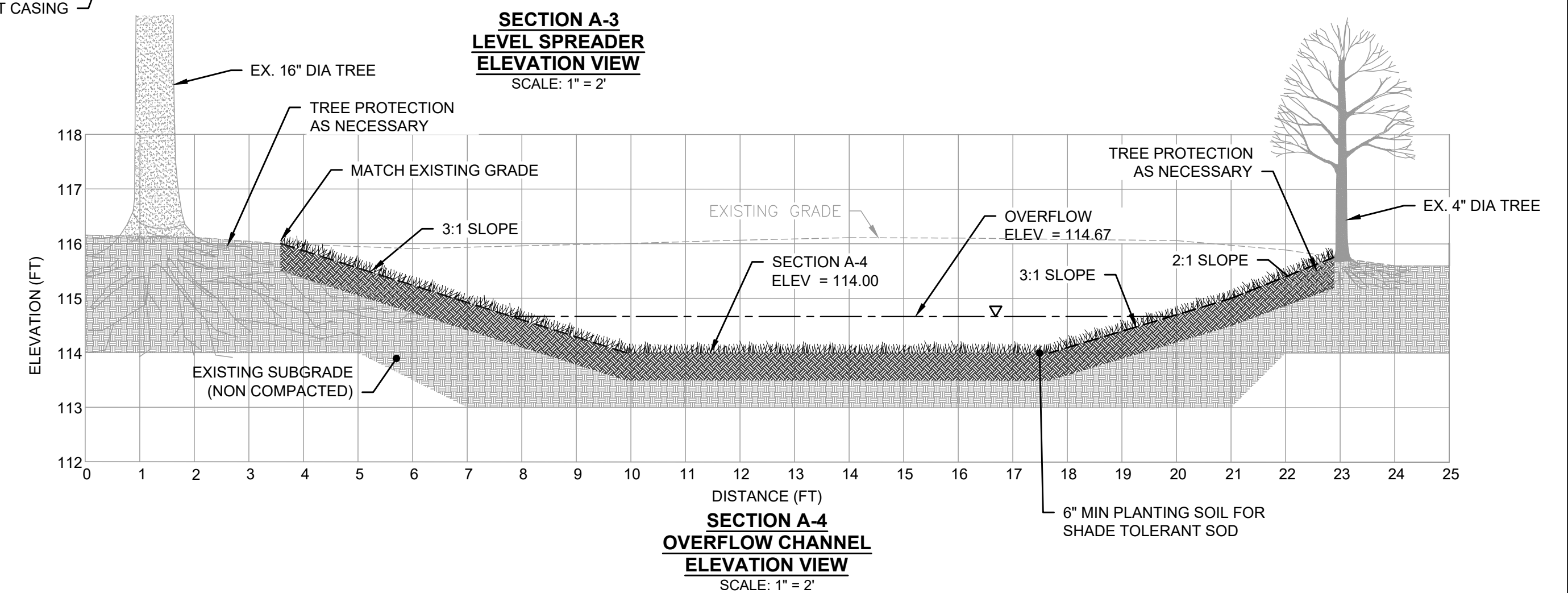
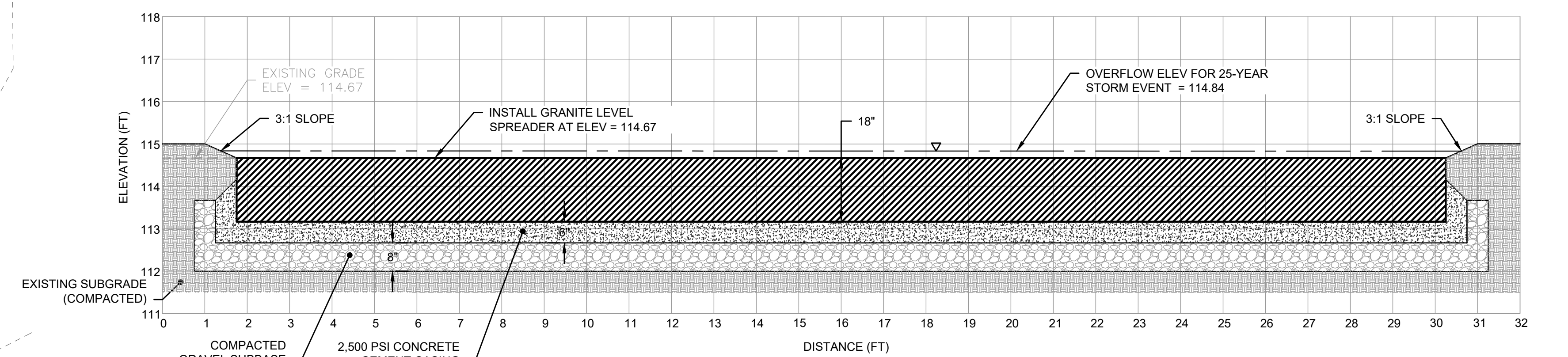
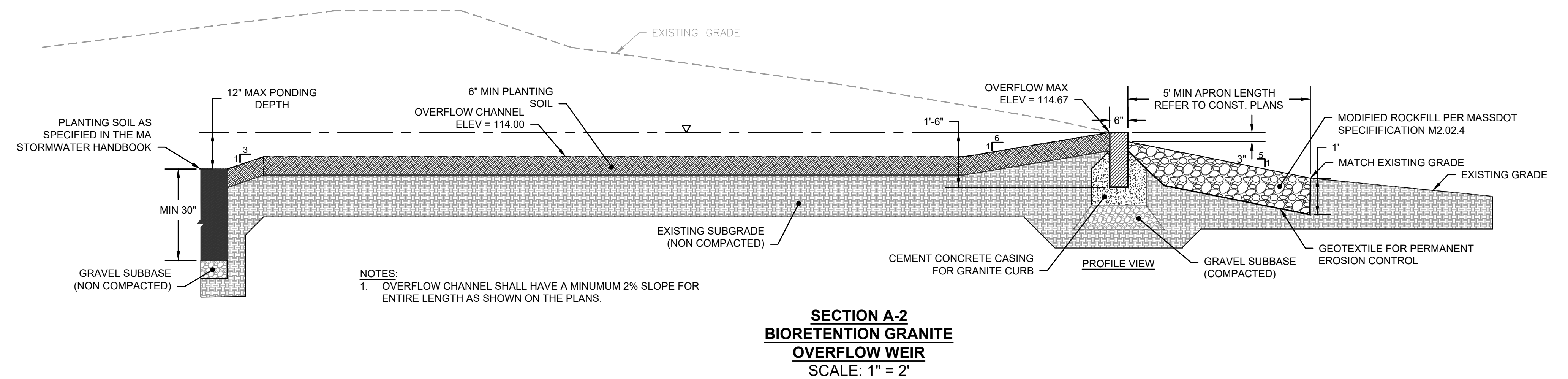
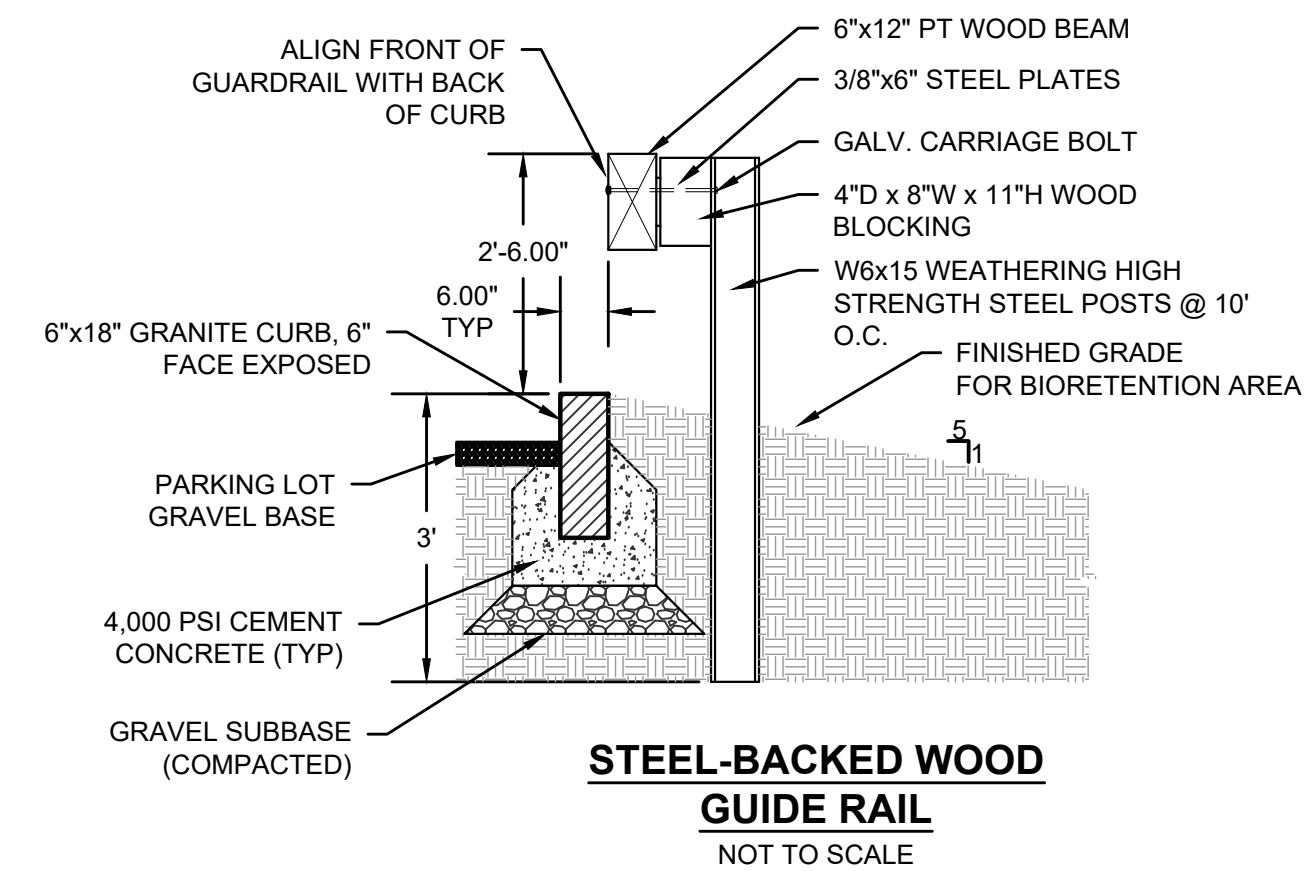
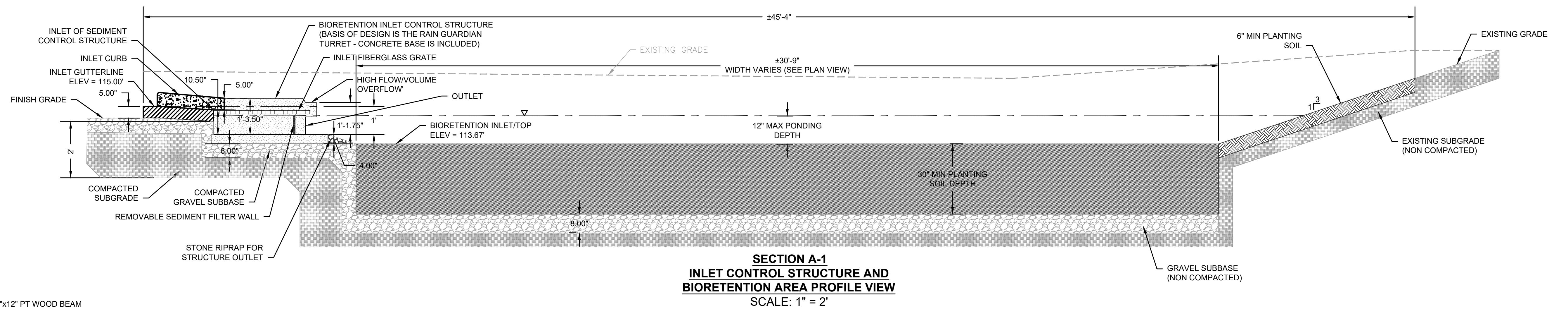


PERENNIAL SEED MIX: NEW ENGLAND WETLAND PLANTS: NEW ENGLAND WILDFLOWER MIX ( LITTLE BLUE STEM (SCHIZACHYRIUM SCOPARIUM), RED FESCUE (FESTUCA RUBRA), INDIAN GRASS (SORGHASTRUM NATANS), PARTRIDGE PEA (CHAMAECRISTA FASCICULATA), CANAFA WILD RYE (ELYMUS CANADENSIS), VIRGINIA WILD RYE (ELYMUS VIRGINICUS), BLUE Vervain (Verbena hastata), BUTTERFLY MILKWEED (ASCLEPIAS TUBEROSA), NARROWLEAFED BLUE EYED GRASS (SISYRINCHUM ANGUSTIFOLIUM), BLACK EYED SUSAN (RUDBECKIA HIRTA), NEW ENGLAND ASTER (SYMPHYOTRICHUM NOVAE-ANGLIAE), SPIKE GAYFEATHER MARSH BLAZING STAR (LIATRIS SPICATA), STARVED/ CALICO ASTER (ASTER LATERIFLORUS/SYMPHYOTRICHUM LATERIFLORUM), EARLY GOLDENROD (SOLIDAGO JUNCEA), HOLLOW-STEM JOE PYE WEED (EUPATORIUM FISTULOSUM/EUTROCHUM FISTULOSUM)



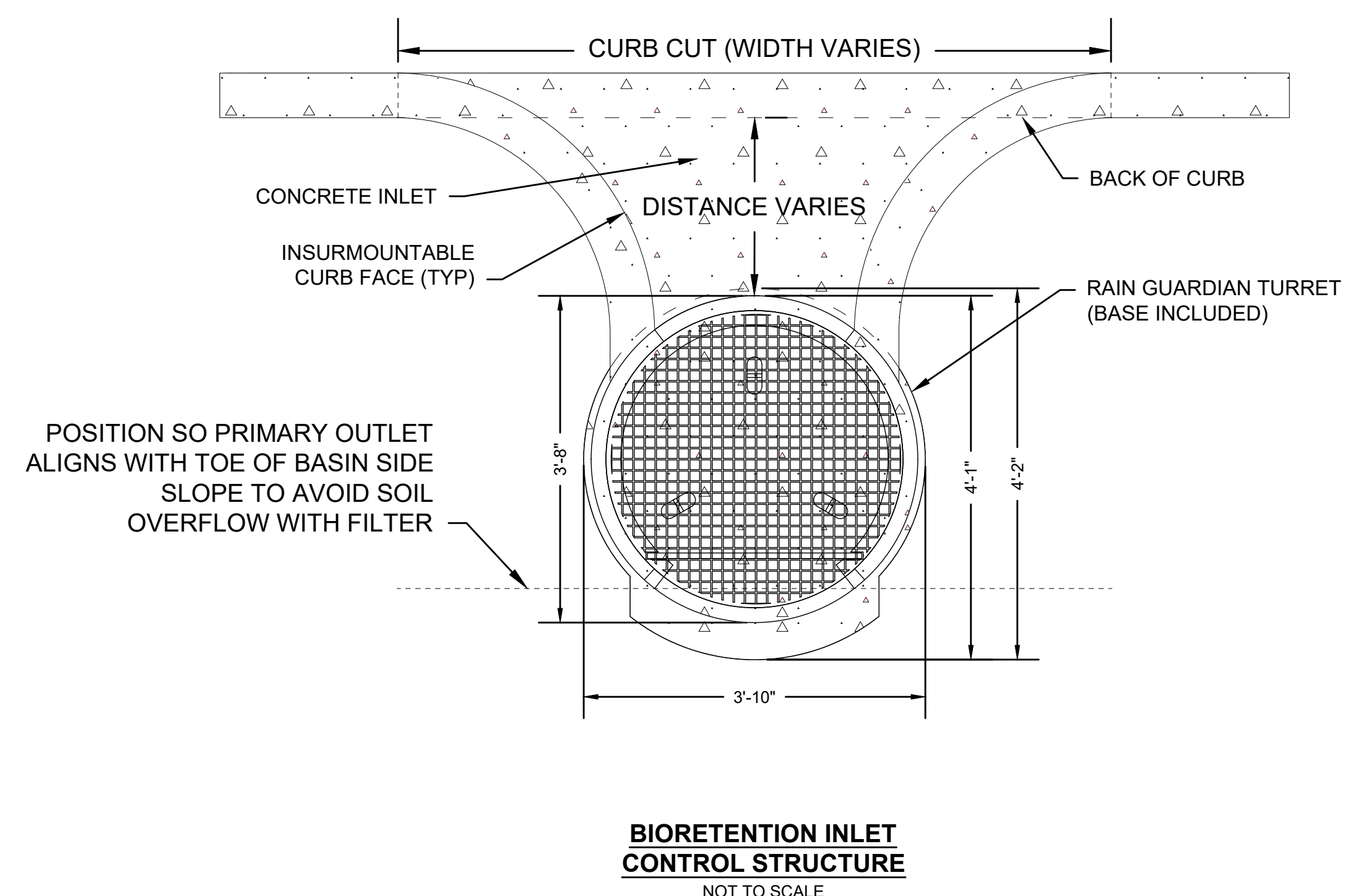
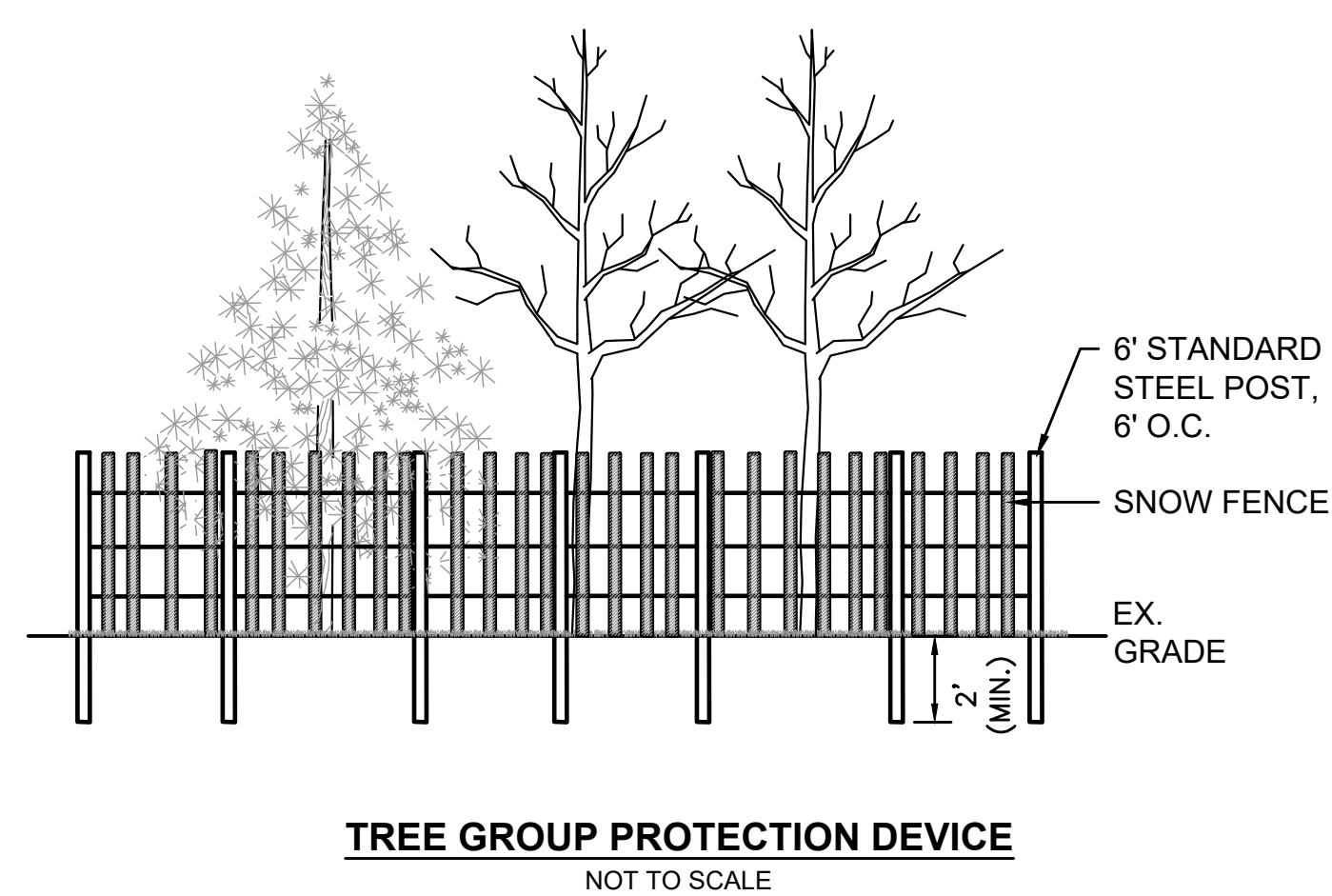
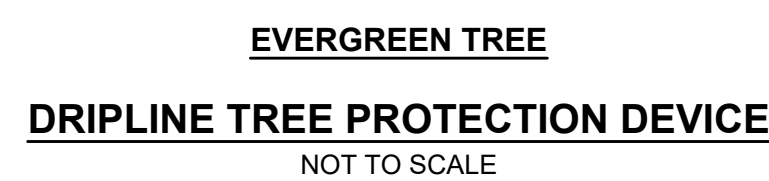
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|        |      |         |            |  | DRAWN BY:    | REGISTERED PROFESSIONAL | PREPARED BY:                                                                                              | SUBCONSULTANT | SCALE                                             | TITLE                                                                                 | BETA JOB NO. 10610.11         |             |  |  |  |
|        |      |         |            |  | MH           | For Review Only         | <br>www.BETA-Inc.com |               | AS SHOWN                                          | Town of Needham, MA<br>DeFazio Parking Lot BMP Project<br><br><b>PLANTING DETAILS</b> | ISSUE DATE 4/30/2025 10:55 AM |             |  |  |  |
|        |      |         |            |  | DESIGNED BY: |                         |                                                                                                           |               |                                                   |                                                                                       | MH                            | CHECKED BY: |  |  |  |
|        |      |         |            |  |              |                         |                                                                                                           |               |                                                   |                                                                                       | DM                            |             |  |  |  |
| NUMBER | DATE | MADE BY | CHECKED BY |  | REVISIONS    |                         |                                                                                                           |               | UNLESS OTHERWISE NOTED OR CHANGED BY REPRODUCTION |                                                                                       | SHEET NO. C-04                |             |  |  |  |





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# Alder Brook Phase 1 50% Engineering Design

May 27, 2025



**BETA**

The logo for the Charles River Watershed Association, featuring a stylized white wave above the text "Charles River Watershed Association".  
**Charles River**  
Watershed Association



# Background

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# HOW DID THE PROJECT START?

- Needham is member of the Charles River Climate Compact
- Regional partnership of 28 watershed towns and cities focused on climate resilience founded in 2019
- In 2020, developed the Charles River Flood model to address stormwater flooding at a regional scale
- Project identified site specific solutions to address local and regional flooding

**Mission Statement:** work collaboratively to increase climate resilience for people, and the natural ecosystems in the Charles River watershed by taking a regional approach to implementing climate adaptation and mitigation solutions.



# CHARLES RIVER FLOOD MODEL

## WHAT

Watershed-scale approach to **identifying where and when flooding** will occur in the future



## WHAT

Watershed-scale approach to **modeling strategies to mitigate flooding** using Nature-Based Solutions

## WHO



**PROJECT  
TEAM**

Arlington  
Belmont  
Boston  
Brookline  
Cambridge  
Dedham  
Dover  
Franklin  
Medfield  
Medway  
Millis  
Natick  
Needham  
Newton  
Sherborn  
Waltham  
Watertown  
Wellesley  
Weston  
Wrentham

# IDENTIFY & PRIORITIZE SITES

## *Step 1: Develop Prioritization Method*

*Developed criteria with  
public input*



## *Step 2: Collect Project Ideas*

*Collect site selections  
from town partners &  
residents*



## *Step 3: Apply Methodology*

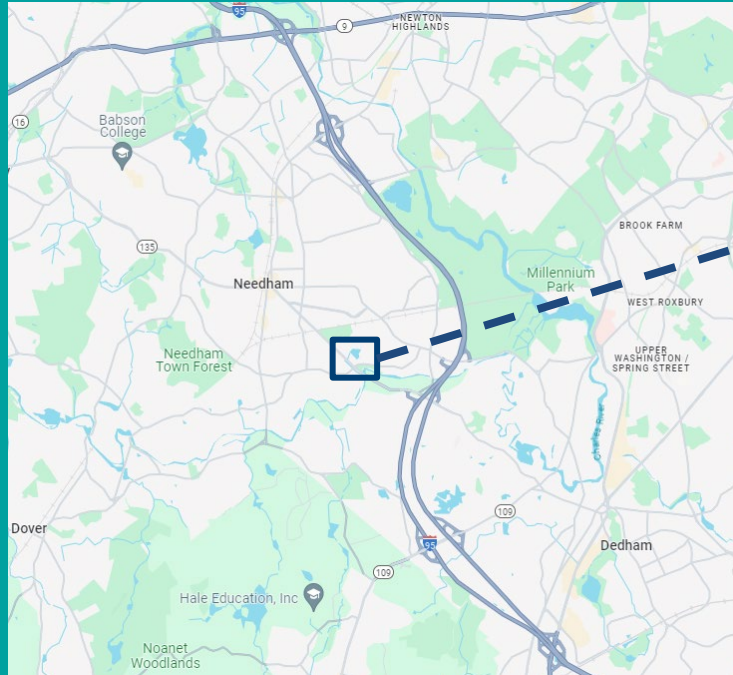
*Identify priority  
projects*





# ALDER BROOK AREA

Seeking to reduce flooding at **Alder Brook and Charles River Junction area, Needham, MA.**



# ALDER BROOK AREA



- Up to 70% reduction in total runoff volume in one subcatchment during the Baseline 2-year, 2-hour event
- By late century (2070), that reduction is 63% for the same event
- During the Baseline 10-year, 2-hour event, the subcatchment experienced a 61% reduction in total runoff volume
- By late century (2070), that reduction is decreased to 56% for the 2070 10-year, 2-hour event



# DeFazio Parking Lot

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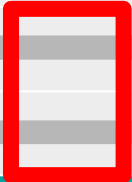
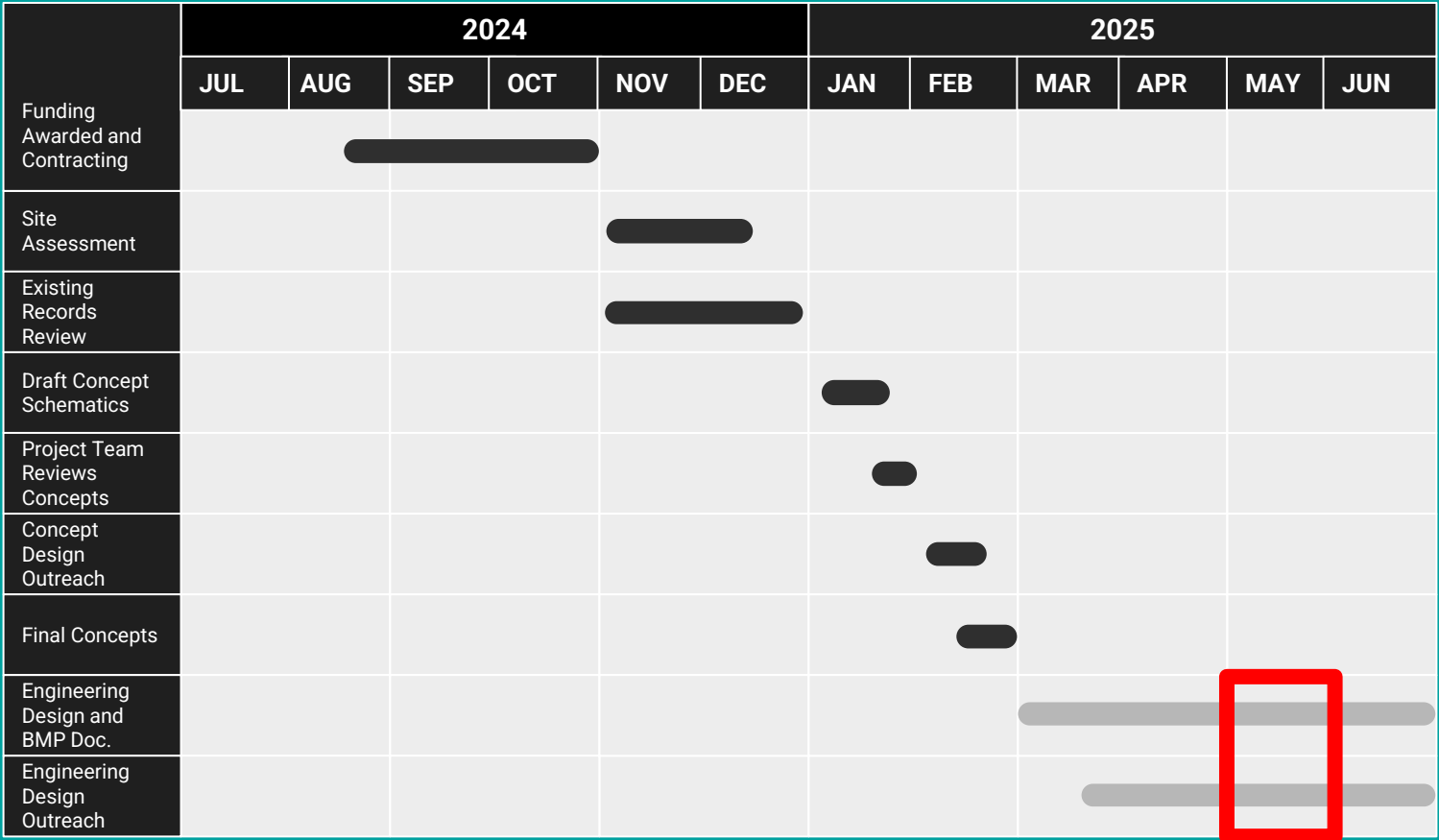
# GOALS OF THE PROJECT



- Develop **designs** for DeFazio parking lot green stormwater infrastructure Best Management Practices (BMPs) that will improve the Alder Brook watershed by:
  - Reducing phosphorus load
  - Improving water quality
  - Reducing localized flooding



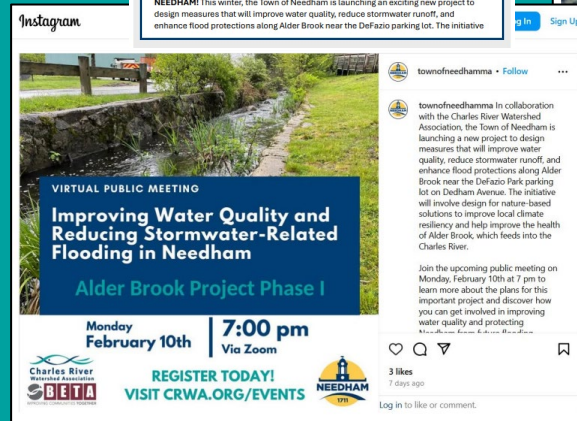
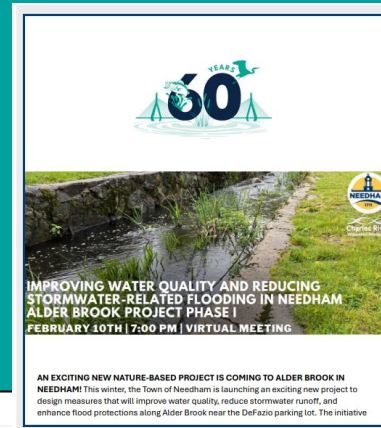
# PROJECT TIMELINE



# OUTREACH AND ENGAGEMENT



- Stormwater Bylaw Working Group presentation (February 2)
- Draft Concepts Public Presentation (February 10)
- Community Survey (May 5-20)
- News You Need(ham)
- Town and CRWA social media accounts



## Community Feedback Sought on Alder Brook Bioretention Basin Project



In collaboration with the Charles River Watershed Association and BETA Group, the Town of Needham is designing a retention basin that will improve water quality, reduce stormwater runoff, and provide flood protections along Alder Brook near the DeFazio parking lot on Alder Avenue. The project will help to improve local climate resiliency and the health of Alder Brook, which feeds into the Charles River.

The project team held a virtual meeting in February 2025 to gather public input on the original concept design for the bioretention basin. The community is now invited to take a short survey to provide input on the next round of engineering design for the DeFazio project as well as other stormwater solutions that the Town may consider for future projects. The survey will only take a few minutes to complete and will close on May 20th.

For questions on this project, please contact Sustainability Manager Gabby Queenan at [gqueenan@needhamma.gov](mailto:gqueenan@needhamma.gov).

[Take the Survey](#)



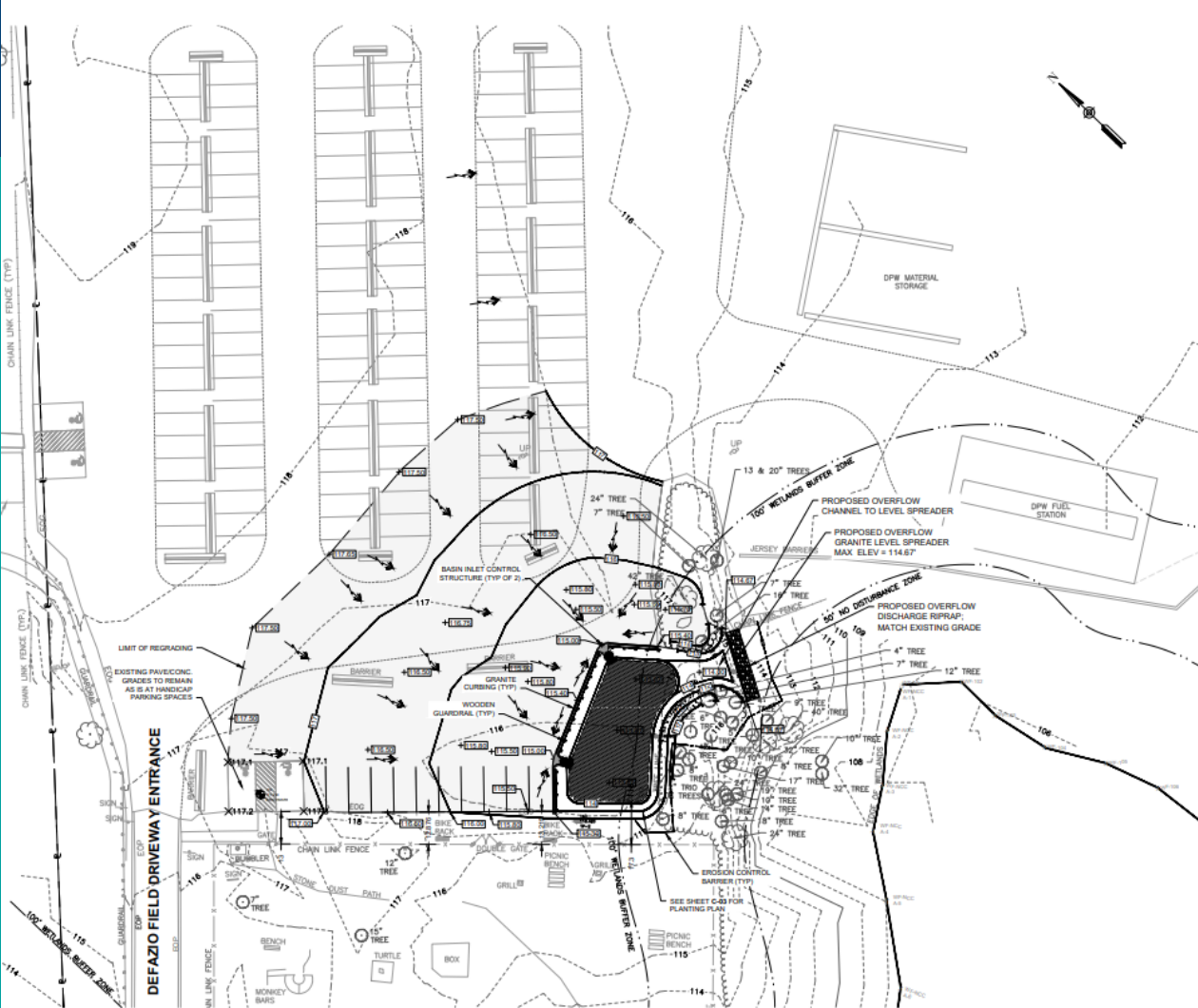


50%

Engineering  
Design

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## SITE CALCULATIONS:

| DESCRIPTION                              | EXISTING                    | PROPOSED                    |
|------------------------------------------|-----------------------------|-----------------------------|
| Watershed Area                           | 35,888.7 SF<br>(0.82 Acres) | 35,940.6 SF<br>(0.82 Acres) |
| Impervious Area<br>(Gravel Lot)          | 98,300 SF                   | 97,010.5 SF                 |
| Bioretention Required Storage            | —                           | 1,664.4 CFT                 |
| Volume for 0.5' Depth from<br>Impervious | —                           | —                           |
| Lot Coverage                             | 778,873.5 SF                | 778,873.5 SF                |

## SOIL CHARACTERISTICS:

- Primarily Ustorthents, Loamy (2006) and Subdry Fine Sandy Loam (SS4)
- HSG A - Ideal Soil Type for Infiltration Stormwater Control Measures

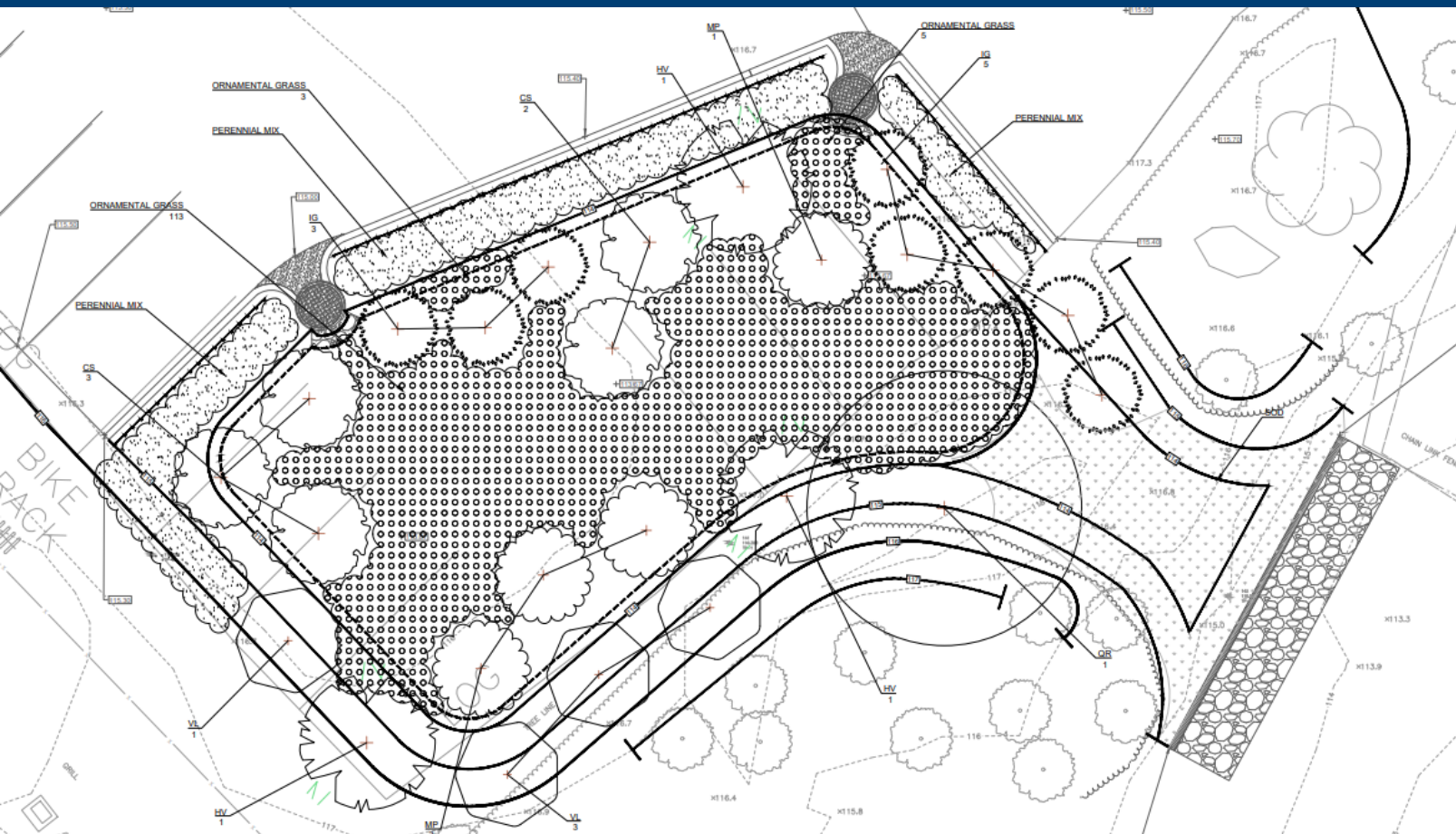
## BIORETENTION AREA:

- Soil Media:
  - Void Space = 40%
  - Depth = Min of 30"
  - Mixture of Sand/Compost and Soil:
    - 40% Sand
    - 20-30% Topsoil, and
    - 30-40% Compost
- Planting Options:
  - Native Wetland:
    - Candleberry, Livebush, Blueberry, Inlandberry, Hairyberry
  - Ornamental Grasses:
    - Little Bluestem, Virginia Wild Rye, and Switchgrass
  - Groundcover:
    - Japanese Spurge (Pachysandra)
- During Construction, Avoid Excessively Compacting Soils Around the Bioretention Area and Accumulating Sediment Around the Drain Field. To Minimize Sediment Loading in the Treatment Area, Direct Runoff to the Bioretention Area Only From Areas That Are Stabilized. Always Direct Construction Runoff Elsewhere.

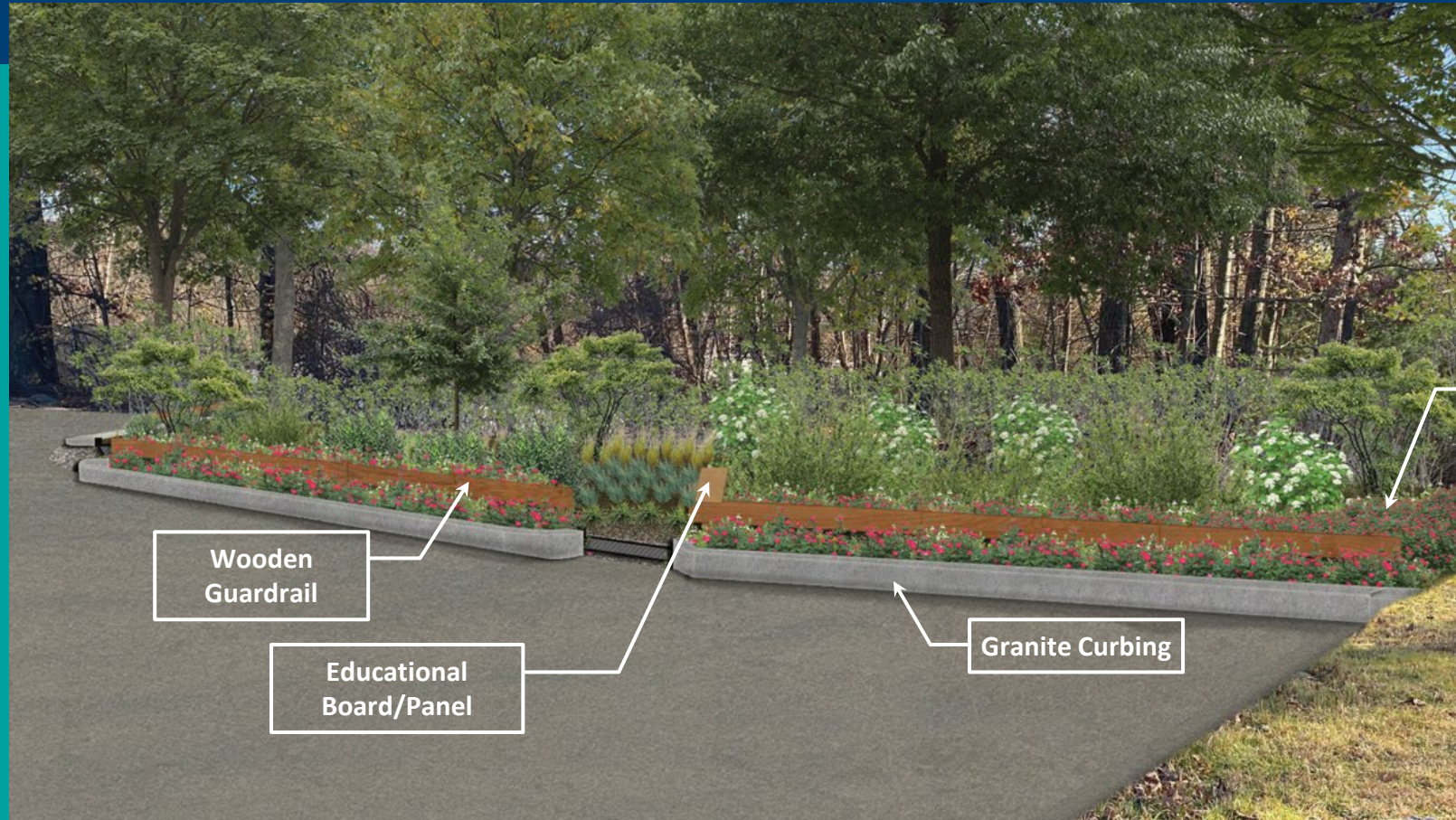
## PARKING

|                | REQUIRED | EXISTING | PROPOSED |
|----------------|----------|----------|----------|
| PARKING SPACES | N/A      | 20       | 11       |
| ADA PARKING    | 1        | 2        | 2        |
| TOTAL          | 1        | 22       | 13       |









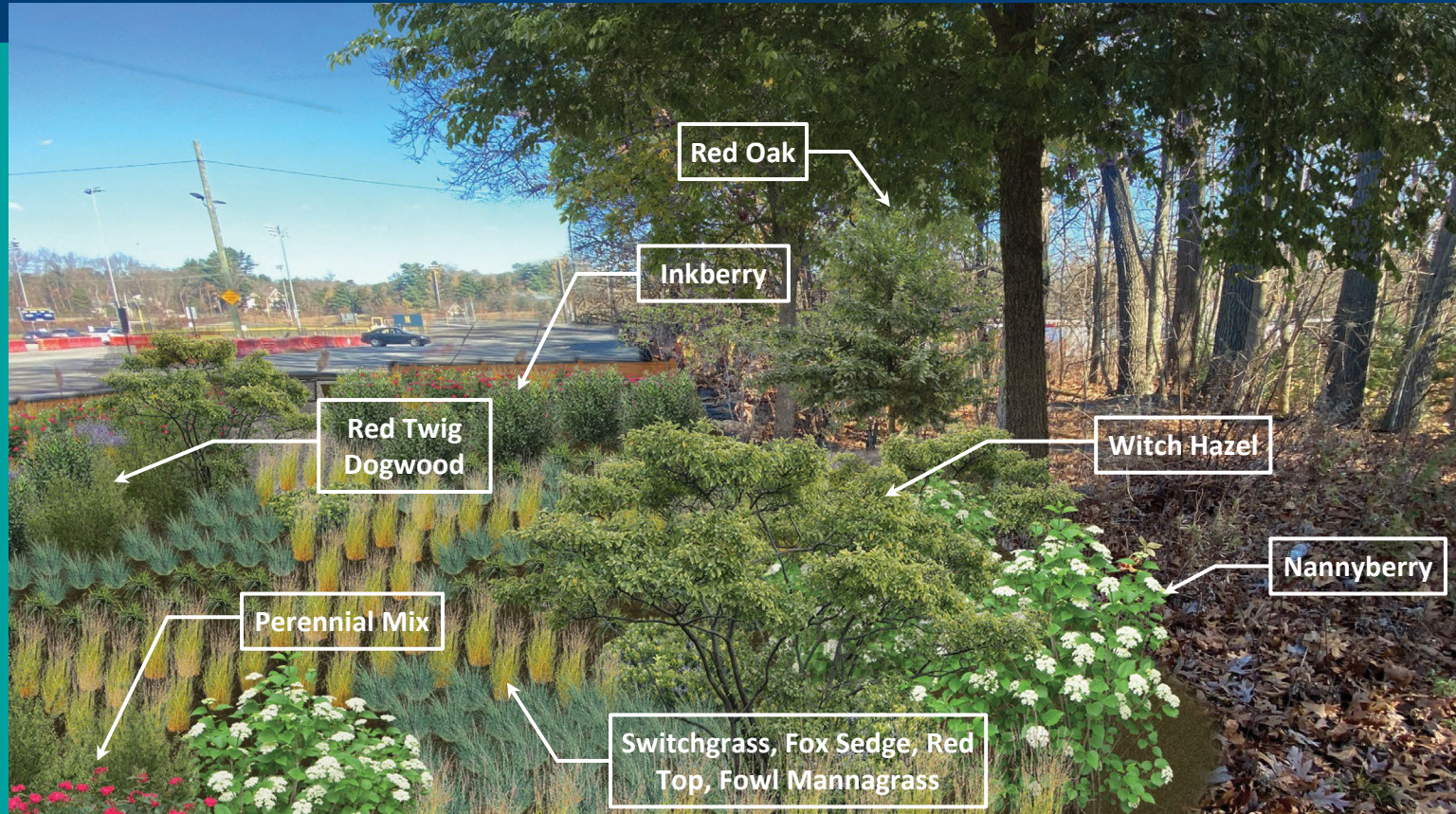
Wooden  
Guardrail

Educational  
Board/Panel

Granite Curbing

New England  
Perennial  
Wildflower Mix





### Native Plantings:

- Trees
  - Red Oak
- Shrubs
  - Red Twig Dogwood
  - Inkberry
  - Nannyberry
  - Witch Hazel
  - Bayberry
- Ornamental Grasses
  - Switchgrass
  - Red Top
  - Fowl Mannagrass
  - Fox Sedge
- Perennial Mix
  - NE Wildflowers

*\*Considerations made for partial shade and wet/dry soils*





# Questions?

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## THANK YOU!

*Project funding provided by the Massachusetts Office of Coastal Zone Management  
Coastal Habitat and Water Quality Grant Program*





**Select Board  
TOWN OF NEEDHAM  
AGENDA FACT SHEET**

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**MEETING DATE: 5/27/2025**

|                     |                                                                                                  |
|---------------------|--------------------------------------------------------------------------------------------------|
| <b>Agenda Item</b>  | Notice of Traffic Regulation: Mayo Avenue, Pinewood Road, Harris Avenue                          |
| <b>Presenter(s)</b> | Carys Lustig, Director of Public Works<br>Justin McCullen, Transportation Safety Committee Chair |

|           |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |
|-----------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>1.</b> | <b>BRIEF DESCRIPTION OF TOPIC TO BE DISCUSSED</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |
|           | The Transportation Safety Committee requests turn prohibitions be instituted on Mayo Avenue, Pinewood Road, and Harris Avenue during Pollard Middle School student drop-off and pick-up times.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |
| <b>2.</b> | <b>VOTE REQUIRED BY SELECT BOARD</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |
|           | Suggested Motion: That the Board vote to approve and sign the Notice of Traffic Regulation Permit #R25-05-27 requiring that left turns be prohibited on Mayo Avenue southbound at Harris Avenue westbound between 7-8 AM and 2-3 PM; left turns be prohibited on Pinewood Road southbound at Harris Avenue westbound between 7-8 AM and 2-3 PM; left turns and U-turns be prohibited on Harris Avenue eastbound at Pinewood Road between 7-8 AM and 2-3 PM, except buses; U-turns be prohibited on Harris Avenue westbound at Pinewood Road between 7-8 AM and 2-3 PM, left turns be prohibited on Harris Avenue eastbound at Mayo Avenue northbound between 7-8 AM and 2-3 PM. |
| <b>3.</b> | <b>BACK UP INFORMATION ATTACHED</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |
|           | a. Copy of Traffic Regulation R25-05-27<br>b. Diagram of Sign Locations                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |

TOWN OF NEEDHAM  
SELECT BOARD

NOTICE OF TRAFFIC REGULATION

By virtue of the authority vested in the Select Board of the Town of Needham, it is hereby

VOTED: That the Town of Needham Traffic Rules and Regulations adopted by the Board of Selectmen February 14, 1989, and subsequent amendments thereto be and are hereby further amended as follows:

That Article VII Section 7-7 relative to PROHIBITED AND MANDATORY TURNING MOVEMENTS changes be made by adding to Schedule X – PROHIBITED TURNING MOVEMENTS, the following:

MAYO AVENUE – No Left Turn Southbound at Harris Avenue Westbound, 7:00-8:00 AM and 2:00-3:00 PM, Permit R25-05-27.

PINEWOOD ROAD – No Left Turn Southbound at Harris Avenue Westbound, 7:00-9:00 AM and 2:00-3:00 PM, Permit R25-05-27.

HARRIS AVENUE – No U-Turn Westbound at Mayo Avenue, 7:00-8:00 AM and 2:00-3:00 PM, Permit #R25-05-27

HARRIS AVENUE – No U-Turn and No Left Turn Eastbound at Pinewood Road, 7:00-8:00 AM and 2:00-3:00 PM, except buses, Permit #R25-05-27

HARRIS AVENUE – No U-Turn Westbound at Pinewood Road, 7:00-8:00 AM and 2:00-3:00 PM, Permit #R25-05-27

HARRIS AVENUE – No Left Turn Eastbound at Mayo Avenue Northbound, 7:00-8:00 AM and 2:00-3:00 PM, Permit #R25-05-27

VOTED:       by the Select Board at a meeting held on Tuesday, May 27, 2025

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

SELECT BOARD

Permit No. R25-05-27

Date of Passage \_\_\_\_\_

Attest of Town Clerk \_\_\_\_\_



Mayo Ave

Stevens Rd

Pinewood Rd

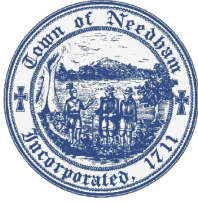
Harris Ave

Harris Ave

Harris Ave





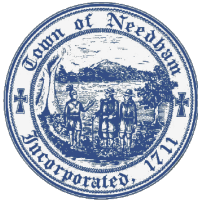


**Select Board  
TOWN OF NEEDHAM  
AGENDA FACT SHEET**

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**MEETING DATE: 05/27/2025**

|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |                                                                                                                                                       |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Agenda Item</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     | Approve Sale of Bond Anticipation Note                                                                                                                |
| <b>Presenter(s)</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    | David Davison, Deputy Town Manager/Director of Finance<br>Ellyse Glushkov, Town Treasurer/Collector<br>Cecilia Simchak, Assistant Director of Finance |
| <b>1.</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              | <b>BRIEF DESCRIPTION OF TOPIC TO BE DISCUSSED</b>                                                                                                     |
| <p>We will review the updated credit rating report by Standard &amp; Poor Global, the results of the Bond Anticipation Note (BAN) sale and discuss future borrowings with the Board.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |                                                                                                                                                       |
| <b>2.</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              | <b>VOTE REQUIRED BY SELECT BOARD</b>                                                                                                                  |
| <p>Suggested Motions: (please note there are six (6) motions to be acted upon by the Board)</p> <p><b>Motion A</b><br/>Move to approve the sale of \$11,126,235 3.50 percent General Obligation Bond Anticipation Notes (the “Notes”) of the Town dated June 2, 2025, and payable October 30, 2025, to Jefferies LLC at par and accrued interest, if any, plus a premium of \$22,586.25.</p> <p><b>Motion B</b><br/>Move that in connection with the marketing and sale of the Notes, the preparation and distribution of a Notice of Sale and Preliminary Official Statement dated May 14, 2025, and a final Official Statement dated May 21, 2025, each in such form as may be approved by the Town Treasurer, be and hereby are ratified, confirmed, approved and adopted.</p> <p><b>Motion C</b><br/>Move that the Town Treasurer and the Select Board be, and hereby are, authorized to execute and deliver a significant events disclosure undertaking in compliance with SEC Rule 15c2-12 in such form as may be approved by bond counsel to the Town, which undertaking shall be incorporated by reference in the Notes for the benefit of the holders of the Notes from time to time.</p> <p><b>Motion D</b><br/>Move that we authorize and direct the Town Treasurer to establish post issuance federal tax compliance procedures and continuing disclosure procedures in such forms as the Town Treasurer and bond counsel deem sufficient, or if such procedures are currently in place, to review and update said procedures, in order to monitor and maintain the tax-exempt status of the Notes and to comply with relevant securities laws.</p> <p><b>Motion E</b><br/>Move that any certificates or documents relating to the Notes (collectively, the “Documents”), may be executed in several counterparts, each of which shall be regarded as an original and all of which shall constitute one and the same document; delivery of an executed counterpart of a signature page</p> |                                                                                                                                                       |



**Select Board  
TOWN OF NEEDHAM  
AGENDA FACT SHEET**

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to a Document by electronic mail in a “.pdf” file or by other electronic transmission shall be as effective as delivery of a manually executed counterpart signature page to such Document; and electronic signatures on any of the Documents shall be deemed original signatures for the purposes of the Documents and all matters relating thereto, having the same legal effect as original signatures.

**Motion F**

Move that each member of the Select Board, the Town Clerk and the Town Treasurer be and hereby are, authorized to take any and all such actions, and execute and deliver such certificates, receipts or other documents as may be determined by them, or any of them, to be necessary or convenient to carry into effect the provisions of the foregoing votes.

|  |                                     |
|--|-------------------------------------|
|  | <b>BACK UP INFORMATION ATTACHED</b> |
|--|-------------------------------------|

- |  |                                                                                                                                                                                                                                                                                              |
|--|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|  | <ul style="list-style-type: none"><li>a. Memo from Deputy Town Manager/Director of Finance Dated May 23, 2025</li><li>b. S&amp;P Global Rating Dated May 14, 2025</li><li>c. Signed Certificate of Award \$11,126,235</li><li>d. Preliminary Official Statement Dated May 14, 2025</li></ul> |
|--|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|

# Memorandum

To: Select Board

From: David Davison, Deputy Town Manager/Director of Finance

CC: Kate Fitzpatrick, Town Manager; Katie King, Deputy Town Manager; Cecilia Simchak, Assistant Director of Finance, Ellyse Glushkov, Treasurer/Collector; Michelle Vaillancourt, Town Accountant

Date: May 23, 2025

Re: Bond Anticipation Note Sale

The Town maintained its “AAA” rating with Standard and Poor Global Ratings, which has reaffirmed the rating, and still views Needham’s outlook as stable after our review with them on Wednesday, May 7, 2025. They also assigned the highest short-term rating attainable (SP-1+) to the Town’s Bond Anticipation Notes. S&P released an updated report on May 14, 2025, in advance of the sale of the note. We discussed the Town’s overall financial position, revenue and expenditure trends, the local economy, future capital plans and the Town’s financial policies and practices. They reviewed the Town’s long-term financial plans, the capital improvement plan, and the balanced budget for the coming year. We also discussed what are the Town’s debt issuance plans for the next couple of years. Standard and Poor Global took interest in the Town’s plans for the Pollard Middle School, noting that it could be considerable, but were reassured that the Town would continue its ongoing capital infrastructure investments and would seek voter approval for the middle school before proceeding with the construction. The rationale for the rating is attached.

The Town held a sale for a bond anticipation note (BAN) on Wednesday, May 21, 2025. The Town received five bids on the \$11,126,235 BAN which will mature on October 30, 2025. A positive and a reflection of the Town’s market acceptance and credit quality. The lowest bidder, Jefferies LLC, offered a coupon rate of 3.50%, with a premium of \$22,586.25 which results in a net interest cost (NIC) of 3.006200% which is the basis for the award.

| Bidder                   | Amount       | Rate   | Interest     | Premium     | Net Interest | NIC       |
|--------------------------|--------------|--------|--------------|-------------|--------------|-----------|
| Jefferies LLC            | \$11,126,235 | 3.500% | \$160,094.16 | \$22,586.25 | \$137,507.91 | 3.006200% |
| Truist Securities        | \$11,126,235 | 4.000% | \$182,964.75 | \$38,719.30 | \$144,245.45 | 3.153500% |
| Fidelity Capital Markets | \$11,126,235 | 4.000% | \$182,964.75 | \$38,051.73 | \$144,913.02 | 3.168100% |
| TD Securities            | \$11,126,235 | 4.000% | \$182,964.75 | \$35,047.64 | \$147,917.11 | 3.233800% |
| Oppenheimer & Company    | \$11,126,235 | 4.000% | \$182,964.75 | \$21,807.42 | \$161,157.33 | 3.523200% |

The other four bidders offered the same coupon interest rate of four percent. The difference was the amount of the premium, ranging between a low of \$21,807.42 to a high of \$38,719.30. This resulted in NIC range between 3.52% to 3.15%. The winning bidder, with a 3.50% coupon rate and an NIC at 3.01%, has one of the lower rates the Town has seen over two plus years. The rate is much better than the last sale, which carried an interest rate of 8.75%. This is due to several factors including the amount of the issue, the Town's reaffirmed credit rating, the market settling down after the weeks of increasing and volatile tariffs rates, and the number of bidders. The table below shows the history of the Town's last ten short-term borrowings with the amount borrowed, the number of bidders, the coupon interest rate range (low to high), and the winning rates.

| Description  | Issue Date | Maturity  | Amount       | Bidders | Range of Interest Rates | Winning Rate | NIC   |
|--------------|------------|-----------|--------------|---------|-------------------------|--------------|-------|
| 2025 BAN - 2 | 2-Jun-25   | 30-Oct-25 | \$11,126,235 | 5       | 3.50% - 4.00%           | 3.50%        | 3.01% |
| 2025 BAN - 1 | 15-Apr-25  | 26-Jun-25 | \$172,000    | 1       | 8.75%                   | 8.75%        | 8.75% |
| 2024 BAN - 3 | 19-Dec-24  | 30-Jul-25 | \$6,660,000  | 6       | 4.00%                   | 4.00%        | 2.96% |
| 2024 BAN - 2 | 27-Jun-24  | 19-Dec-24 | \$8,645,000  | 4       | 4.25% - 4.50%           | 4.25%        | 3.72% |
| 2024 BAN - 1 | 15-Mar-24  | 14-Jun-24 | \$2,705,000  | 5       | 4.00% - 5.00%           | 4.00%        | 3.41% |
| 2023 BAN - 3 | 16-Oct-23  | 30-Jul-24 | \$2,282,000  | 5       | 4.00% - 5.05%           | 4.50%        | 3.87% |
| 2023 BAN - 2 | 26-May-23  | 16-Oct-23 | \$3,060,000  | 3       | 4.25% - 5.00%           | 4.50%        | 3.77% |
| 2023 BAN - 1 | 26-May-23  | 30-Jun-23 | \$2,940,000  | 2       | 4.75% - 6.25%           | 4.75%        | 4.63% |
| 2022 BAN - 1 | 14-Apr-22  | 15-Jun-22 | \$2,716,000  | 3       | 1.50% - 2.50%           | 1.50%        | 1.38% |
| 2021 BAN - 1 | 15-Apr-21  | 15-Jun-21 | \$730,485    | 2       | 0.50% - 1.63%           | 0.50%        | 0.50% |

This borrowing is for projects previously approved by Town Meeting and the funds will pay related project expenses. The proceeds are to be used to cover expenses related to the Public Safety Building project (\$15,100), the Emery Grover renovation project (\$5,611,135), Rooftop Units on the Eliot School (\$2,200,000), the project at Claxton Field (\$2,900,000), and improvements to the Town's water distribution system (\$400,000). Three of the projects that the Town is borrowing (Claxton Field, RTU units, and water distribution improvements) are still in progress and future borrowings against the unissued portion of the original authorizations will be necessary. The Public Safety Building project is completed and the \$15,100 is to pay final bills. The Emery Grover project is essentially complete and should be closed out by the end of the year, but supplementary borrowing may be necessary to cover lingering items. The table on the following page shows the authorizations from which the borrowing was made against.

When the Note matures on October 30, 2025, we anticipate paying a portion of the principal, the exact amounts will be determined this fall. This will reduce the amount of long-term interest the Town would have to pay if the full amounts were bonded. The principal amounts to be retired will be based on the available debt budget for FY2026.

| Project                                         | Town Meeting Art | Authorized   | Open<br>Authorization | Borrow       |
|-------------------------------------------------|------------------|--------------|-----------------------|--------------|
| Public Safety Building Construction             | 1-May-21 37      | \$1,400,000  | \$15,100              | \$15,100     |
| Emery Grover Renovation GF                      | 4-May-22 21      | \$10,150,000 | \$4,384,000           | \$3,280,550  |
| Emery Grover Renovation CPA                     | 4-May-22 21      | \$4,000,000  | \$3,435,585           | \$1,300,585  |
| Emery Grover Renovation Supplement              | 24-Oct-22 10     | \$1,295,000  | \$1,295,000           | \$1,030,000  |
| Rooftop Unit Replacements (Broadmeadow & Eliot) | 1-May-23 27      | \$9,000,000  | \$6,970,000           | \$2,200,000  |
| Athletic Facility Improvements - Claxton Field  | 6-May-24 27      | \$3,600,000  | \$3,600,000           | \$2,900,000  |
| Water Distribution System Improvements          | 6-May-19 41      | \$4,500,000  | \$2,800,000           | \$400,000    |
| TOTAL                                           |                  |              |                       | \$11,126,235 |

The Board will be asked to approve the sale of the BAN and to authorize various actions that have been or may need to be taken. The documents to be signed by the Board include the Note, Significant Events Disclosure Certificate, Signature, No Litigation and Official Statement Certificate, Tax Certificate, and Certification of the Vote by the Select Board (which is signed by the Clerk of the Select Board only), which will be brought to the meeting for execution by the Treasurer/Collector. Please do not hesitate to contact me if you have any questions prior to the meeting.



Research Update:

# Needham, MA 2025 GO BANs Assigned 'SP-1+' Short-Term Rating

May 14, 2025

## Overview

- S&P Global Ratings assigned its 'SP-1+' short-term rating to Needham, Mass.' \$11.13 million series 2025 general obligation (GO) bond anticipation notes (BANs).
- At the same time, we affirmed our 'AAA' long-term rating on the town's existing GO debt.
- The outlook on the long-term rating is stable.
- The rating on the town's GO debt reflects the application of our "Methodology for Rating US Governments" criteria, published Sept 9, 2024, on RatingsDirect.

## Rationale

### Security

The town's full-faith-and-credit pledge, subject to Proposition 2-1/2 limitations, secures the notes. The short-term rating reflects our criteria for evaluating and rating BANs; in our view, Needham's general creditworthiness and low market risk profile support the town's capacity to pay principal and interest. The low market-risk profile reflects our view of the town's strong legal authority to issue long-term debt to take out the BANs and its ongoing disclosure to market participants.

Despite limitations imposed by the commonwealth's levy-limit law, we do not make a rating distinction between the existing limited-tax GO debt and Needham's general creditworthiness given that we have incorporated the tax limitation imposed on revenue-raising ability into our analysis of its financial and economic conditions.

Note proceeds will largely finance various school-related projects, along with water system improvements.

### Primary contact

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### Secondary contact

**Timothy W Barrett**

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## Credit highlights

The 'AAA' rating reflects the strength of Needham's underlying economic metrics and its stable financial performance through various economic cycles; given its primarily residential makeup, its economic strength directly results in a stable property tax base. The rating also incorporates our view of the town's local income metrics that are well above 150% of the U.S., providing further credit uplift. The town has seen a build-up in nominal reserves, and while it plans to use a portion in fiscal 2025 for pay-as-you-go capital, it will likely continue adding to the various dedicated stabilization accounts over future budget years. While the formal policies are not as robust as those of similarly-rated peers, its management team is actively involved in general operations, along with long-term and capital planning.

Credit fundamentals supporting the 'AAA' GO rating include the town's:

- Mature, affluent primarily residential community with excellent access to Boston and its regional employment base. The town's local incomes are well above average compared to Norfolk County and national averages, which we view as a credit strength, demonstrating the strength of its underlying tax base. While most of the tax base is residential, there is a diverse mix in the commercial sector.
- Realistic budgeting assumptions and regular monitoring. The town maintains a five-year financial forecast and a five-year rolling capital improvement plan, both of which are included and presented with the annual budget. There are formal, albeit more basic, policies guiding debt management and reserves. Needham also has measures in place to address and mitigate cyber security risks.
- Sound financial performance largely reflecting the general fund's stable revenue mix, primarily property taxes, and expenditures coming in under budget. Fiscal 2025 year-end results are estimated to come in similar to prior years; the recently adopted fiscal 2026 budget is balanced, increasing about 4% over the previous budget, thus supporting a consistent performance trend.
- Reserves that are anticipated to reach an all-time high near 30% of revenue in fiscal 2024 once the audit is finalized but will likely revert closer to historical levels as the town expects to use portions in fiscal 2025 toward pay-as-you-go capital needs.
- Affordable debt service costs from the \$109 million total debt burden, resulting in higher debt on a per-capita basis but low relative to the budget. The town is embarking on a multiphase public works project that it expects to issue debt for over the next five years and is in the feasibility study phase for a middle school replacement project. The middle school project could weaken debt per capita metrics depending on its size and scope, but we anticipate costs will remain affordable given the tax base strength.
- While contribution costs for the Needham Contributory Retirement System pension plan will likely escalate as the system works toward full funding, its funded ratio is somewhat better than commonwealth peers. Needham is one of the few communities in Massachusetts that fully funds its other postemployment benefit (OPEB) annual contribution, leading to a roughly 57% funded ratio as of fiscal 2024 year-end.
- Massachusetts municipalities have a predictable operating framework with some statutory flexibility to raise local-source revenue for operations, despite commonwealth limits on property tax levy growth. For more information on our assessment of Massachusetts municipalities, see "Institutional Framework Assessment: Massachusetts Local Governments," published Sept. 9, 2024.

Environmental, social, and governance

We assessed the town's environmental, social, and governance factors relative to its economy, management, financial measures, and debt and liability profile, and determined them to be neutral in our credit analysis. While Needham may not be susceptible to severe weather-related issues, the Select Board established a Climate Action Plan Committee to guide the town in developing a plan that meets the state's climate mitigation and resilience goals; to that end, the Climate Action Roadmap was released in 2024 detailing the town’s goals and plan to reach net zero greenhouse gas (GHG) emissions by 2050.

Rating above the sovereign

We rate the town higher than the sovereign based on our “Ratings Above The Sovereign--Corporate And Government Ratings: Methodology And Assumptions” criteria (published Nov. 19, 2013) because we believe it can maintain better credit characteristics than the nation in a stress scenario, based on its predominantly locally derived revenue base and our view that the pledged revenue supporting debt service on the bonds is at limited risk of negative sovereign intervention. Local property taxes comprise about 75% of general fund revenue, demonstrating a lack of dependence on central government revenue.

Outlook

The stable outlook reflects our view that Needham will sustain its balanced financial results and maintain fund balance around historical levels, despite a small anticipated draw in fiscal 2025. The strength of the town’s underlying tax base further stabilizes the rating.

Downside scenario

We could consider a negative rating action if the town's reserves decline on a sustained basis due to deteriorating financial performance, or if cost escalations associated with retirement liabilities outpace revenue and pressure the budget.

Needham, Massachusetts--Credit summary

|                                 |      |
|---------------------------------|------|
| Institutional framework (IF)    | 2    |
| Individual credit profile (ICP) | 1.81 |
| Economy                         | 1.0  |
| Financial performance           | 2    |
| Reserves and liquidity          | 1    |
| Management                      | 1.30 |
| Debt and liabilities            | 3.75 |

Needham, Massachusetts-Key credit metrics

|                               | Most recent | 2023 | 2022 | 2021 |
|-------------------------------|-------------|------|------|------|
| Economy                       |             |      |      |      |
| Real GCP per capita % of U.S. | 118         | 118  | 120  | 120  |
| County PCPI % of U.S.         | 165         | 165  | 165  | 162  |

## Needham, Massachusetts-Key credit metrics

|                                              | Most recent | 2023       | 2022       | 2021       |
|----------------------------------------------|-------------|------------|------------|------------|
| <b>Economy</b>                               |             |            |            |            |
| Market value (\$000s)                        | 13,145,798  | 12,247,868 | 11,311,679 | 11,045,730 |
| Market value per capita (\$)                 | 406,600     | 378,827    | 362,148    | 362,440    |
| Top 10 taxpayers % of taxable value          | 5.9         | 5.9        | 5.7        | 5.9        |
| County unemployment rate (%)                 | 3.7         | 3.1        | 3.2        | 4.7        |
| Local median household EBI % of U.S.         | 225         | 225        | 216        | 210        |
| Local per capita EBI % of U.S.               | 218         | 218        | 220        | 222        |
| Local population                             | 32,331      | 32,331     | 31,235     | 30,476     |
| <b>Financial performance</b>                 |             |            |            |            |
| Operating fund revenues (\$000s)             | --          | 233,120    | 214,912    | 202,538    |
| Operating fund expenditures (\$000s)         | --          | 212,614    | 214,791    | 198,213    |
| Net transfers and other adjustments (\$000s) | --          | (12,250)   | 3,851      | (417)      |
| Operating result (\$000s)                    | --          | 8,256      | 3,972      | 3,908      |
| Operating result % of revenues               | --          | 3.5        | 1.8        | 1.9        |
| Operating result three-year average %        | --          | 2.4        | 1.4        | 0.6        |
| <b>Reserves and liquidity</b>                |             |            |            |            |
| Available reserves % of operating revenues   | --          | 21.4       | 24.2       | 23.6       |
| Available reserves (\$000s)                  | --          | 49,996     | 51,904     | 47,822     |
| <b>Debt and liabilities</b>                  |             |            |            |            |
| Debt service cost % of revenues              | --          | 7.0        | 7.6        | 8.1        |
| Net direct debt per capita (\$)              | 3,926       | 3,743      | 4,328      | 4,589      |
| Net direct debt (\$000s)                     | 126,947     | 121,000    | 135,199    | 139,851    |
| Direct debt 10-year amortization (%)         | 71          | 69         | --         | --         |
| Pension and OPEB cost % of revenues          | --          | 8.0        | 7.0        | 7.0        |
| NPLs per capita (\$)                         | --          | 2,696      | 1,468      | 2,418      |
| Combined NPLs (\$000s)                       | --          | 87,176     | 45,865     | 73,694     |

Financial data may reflect analytical adjustments and are sourced from issuer audit reports or other annual disclosures. Economic data is generally sourced from S&P Global Market Intelligence, the Bureau of Labor Statistics, Claritas, and issuer audits and other disclosures. GCP--Gross county product. PCPI--Per capita personal income. EBI--Effective buying income. OPEB--Other postemployment benefits. NPLs--Net pension liabilities.

Needham, MA 2025 GO BANs Assigned 'SP-1+' Short-Term Rating

Ratings List

New Issue Ratings

|                                                      |       |
|------------------------------------------------------|-------|
| US\$11.126 mil GO BANs dtd 06/02/2025 due 10/30/2025 |       |
| Short Term Rating                                    | SP-1+ |

New Rating

Local Government

|                                                      |       |
|------------------------------------------------------|-------|
| Needham, MA Limited Tax General Operating Pledge BAN | SP-1+ |
|------------------------------------------------------|-------|

Ratings Affirmed

Local Government

|                                                  |            |
|--------------------------------------------------|------------|
| Needham, MA Limited Tax General Operating Pledge | AAA/Stable |
|--------------------------------------------------|------------|

The ratings appearing below the new issues represent an aggregation of debt issues (ASID) associated with related maturities. The maturities similarly reflect our opinion about the creditworthiness of the U.S. Public Finance obligor's legal pledge for payment of the financial obligation. Nevertheless, these maturities may have different credit ratings than the rating presented next to the ASID depending on whether or not additional legal pledge(s) support the specific maturity's payment obligation, such as credit enhancement, as a result of defeasance, or other factors.

Certain terms used in this report, particularly certain adjectives used to express our view on rating relevant factors, have specific meanings ascribed to them in our criteria, and should therefore be read in conjunction with such criteria. Please see Ratings Criteria at <https://disclosure.spglobal.com/ratings/en/regulatory/ratings-criteria> for further information. A description of each of S&P Global Ratings' rating categories is contained in "S&P Global Ratings Definitions" at <https://disclosure.spglobal.com/ratings/en/regulatory/article/-/view/sourceld/504352>. Complete ratings information is available to RatingsDirect subscribers at [www.capitaliq.com](http://www.capitaliq.com). All ratings referenced herein can be found on S&P Global Ratings' public website at [www.spglobal.com/ratings](http://www.spglobal.com/ratings).



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Certificate of Award

I, the Treasurer of the Town of Needham, Massachusetts, hereby award the \$11,126,235 General Obligation Bond Anticipation Notes dated June 2, 2025 (the "Notes") to the bidder or bidders submitting the bid or bids attached hereto in accordance with the terms set forth in the attached bid or bids and in the Notice of Sale dated May 14, 2025, relating to the Notes, subject to the approval of this award by the Select Board.

Date: May 21, 2025

  
Treasurer

## PRELIMINARY OFFICIAL STATEMENT AND NOTICE OF SALE DATED MAY 14, 2025

S&P Global Ratings: SP-1+

In the opinion of Troutman Pepper Locke LLP, Bond Counsel, based upon an analysis of existing law and assuming, among other matters, compliance with certain covenants, interest on the Notes is excluded from gross income for federal income tax purposes under the Internal Revenue Code of 1986, as amended (the "Code"). Interest on the Notes will not be included in computing the alternative minimum taxable income of individuals. However, interest on the Notes will be included in the "adjusted financial statement income" of certain corporations that are subject to the alternative minimum tax under Section 55 of the Code. Under existing law, interest on the Notes is exempt from Massachusetts personal income taxes, and the Notes are exempt from Massachusetts personal property taxes. Bond Counsel expresses no opinion regarding any other tax consequences related to the ownership or disposition of, or the accrual or receipt of interest on, the Notes. See "Tax Exemption" herein. The Notes will not be designated as "qualified tax-exempt obligations" for purposes of Section 265(b)(3) of the Code.

### TOWN OF NEEDHAM, MASSACHUSETTS \$11,126,235 GENERAL OBLIGATION BOND ANTICIPATION NOTES

The Town of Needham, Massachusetts (the "Town"), will receive telephone and electronic bids at Hilltop Securities Inc. (617-619-4400) in the case of telephone bids and via PARITY in the case of electronic bids until 11:00 a.m. Eastern Time, Wednesday, May 21, 2025 for the purchase of the following described General Obligation Bond Anticipation Notes (the "Notes").

**\$11,126,235** General Obligation Bond Anticipation Notes (new money). The Notes will be dated June 2, 2025 and will be payable October 30, 2025. Interest will be computed on a 30-day-month/360-day-year basis (148/360). The Notes will not be subject to redemption prior to their stated maturity date.

Bids may be submitted electronically via PARITY pursuant to this Notice of Sale until 11:00 a.m. Eastern Time, but no bid will be received after the time for receiving bids specified above. To the extent any instructions or directions set forth in PARITY conflict with this Notice of Sale, the terms of this Notice of Sale shall control. For further information about PARITY, potential bidders may contact Hilltop Securities Inc. (617) 619-4400 or PARITY at (212) 404-8102.

The Notes will be issued by means of a book-entry system, evidencing ownership of the Notes in principal amounts of \$1,000, or integral multiples thereof, with the exception of one \$1,235 denomination, with transfers of ownership effected on the records of The Depository Trust Company ("DTC") and its participants pursuant to rules and procedures adopted by DTC (see "Book-Entry Transfer System"), unless the issuance of a fully registered note certificate is requested by the successful bidder and the issuance of such certificate is approved by the Town. Principal and interest will be payable upon maturity in federal reserve funds at U.S. Bank Trust Company, National Association, Boston, Massachusetts.

Bids may be submitted for all or part of the Notes at a single or various rates of interest in multiples of one-hundredth (1/100) of one percent (1%). No bid of less than par and accrued interest to the date of delivery will be considered and any bid for less than all of the Notes must include the \$1,235 amount shown above. The right is reserved to reject any and all bids not complying with this Notice of Sale and, so far as permitted by law, to waive any irregularity with respect to any bid. The Notes will be awarded on the basis of lowest net interest cost to the Town after deduction of premium, if any. Such cost will be determined by computing the total amount of interest payable on the Notes, at the rate or rates stated, from June 2, 2025 until the maturity of the Notes and deducting therefrom the sum, if any, by which the amount bid for the Notes exceeds the aggregate principal amount of the Notes. In the event that two or more bidders submit a bid providing the same lowest net interest cost to the Town, after deduction of premium, if any, the Town Treasurer shall award the Notes by lot from among all of such bidders. The award of the Notes to the successful bidder will not be effective until the bid has been approved by the Treasurer and the Select Board of the Town.

An electronic bid made in accordance with this Notice of Sale shall be deemed an offer to purchase the Notes in accordance with the terms provided in this Notice of Sale and shall be binding upon the bidder as if made by a signed and sealed written bid delivered to the Town.

Any bidder who submits a winning bid by telephone in accordance with this Notice of Sale shall be required to provide written confirmation of the terms of the bid by e-mailing a completed, signed bid form to Hilltop Securities Inc., by not later than 12:00 noon, Eastern Time, on the date of sale.

A successful bidder for all or a portion of the Notes may request that the Notes be issued in the form of one fully registered physical certificate, rather than in book-entry form through the facilities of DTC. The successful bidder seeking the issuance of the Notes in this manner shall bear any and all costs of any re-registration or transfer of Notes from time to time. Any bidder seeking to have the Notes issued in the form of a fully registered physical certificate or certificates, rather than in book-entry form, shall indicate this preference to the Town at the time of the submission of the winning

bid. The Town reserves the right to decline any request to issue the Notes in non-book entry form if it should determine, in its sole discretion, that issuing the Notes in this manner is not in its best interests.

It shall be a condition of the successful bidder's obligation to accept delivery of and pay for the Notes that, contemporaneously with or before accepting the Notes and paying therefor, it shall be furnished, without cost, with (a) the approving opinion of the firm of Troutman Pepper Locke LLP, Boston, Massachusetts, Bond Counsel to the Town, with respect to the Notes, (b) a certificate in form satisfactory to said firm, dated as of the date of delivery of the Notes and receipt of payment therefor, to the effect that there is no litigation pending, or to the knowledge of the signer or signers thereof, threatened affecting the validity of the Notes or the power of the Town to levy and collect taxes to pay them, (c) a certificate of the Town's Treasurer to the effect that, to the best of her knowledge and belief, both the Preliminary Official Statement as of its date and as of the date of sale and the Final Official Statement as of its date and as of the date of delivery of such Notes, did not and do not contain any untrue statement of a material fact and did not and do not omit to state a material fact necessary to make the statements made therein, in the light of the circumstances under which they were made, not misleading, and (d) a significant events disclosure certificate in the form described in the Preliminary Official Statement.

Payment of the principal of and interest on the Notes is not limited to a particular fund or source of revenue nor is any lien or pledge for such payment created with respect to any such fund or source.

Establishment of Issue Price. The following applies to each successful bidder with respect to the portion of the Notes awarded to such successful bidder.

The successful bidder shall assist the Town in establishing the issue price of the Notes and shall execute and deliver to the Town on the Closing Date an "issue price" or similar certificate, substantially in the applicable form set forth in Exhibit 1 to this Notice of Sale, setting forth the reasonably expected initial offering price to the public or the actual sale price of the Notes, together with the supporting pricing wires or equivalent communications, or, if applicable, the amount bid, with such modifications as may be appropriate or necessary, in the reasonable judgment of the successful bidder, the Town and Bond Counsel. All actions to be taken by the Town under this Notice of Sale to establish the issue price of the Notes may be taken on behalf of the Town by Hilltop Securities Inc. ("Municipal Advisor") and any notice or report to be provided to the Town may be provided to the Municipal Advisor.

Competitive Sale Requirements. If the competitive sale requirements ("competitive sale requirements") set forth in Treasury Regulation § 1.148-1(f)(3)(i) (defining "competitive sale" for purposes of establishing the issue price of the Notes) have been satisfied, the Town will furnish to the successful bidder on the Closing Date a certificate of the Municipal Advisor, which will certify each of the following conditions to be true:

1. the Town has disseminated this Notice of Sale to potential underwriters in a manner that is reasonably designed to reach potential underwriters;
2. all bidders had an equal opportunity to bid;
3. the Town received bids from at least three underwriters of municipal bonds who have established industry reputations for underwriting new issuances of municipal bonds; and
4. the Town awarded the sale of the Notes to the bidder who submitted a firm offer to purchase the Notes at the highest price (or lowest interest cost), as set forth in this Notice of Sale.

**Any bid submitted pursuant to this Notice of Sale shall be considered a firm offer for the purchase of the Notes, as specified in the bid. Unless a bidder notifies the Town prior to submitting its bid by telephone to the Municipal Advisor, telephone (617) 619-4400, or in its bid submitted via Parity, that it will not be an "underwriter" (as defined below) of the Notes, by submitting its bid, each bidder shall be deemed to confirm that it has an established industry reputation for underwriting new issuances of municipal bonds. Unless the bidder has notified the Town that it will not be an "underwriter" (as defined below) of the Notes, in submitting a bid, each bidder is deemed to acknowledge that it is an "underwriter" that intends to reoffer the Notes to the public.**

In the event that the competitive sale requirements are not satisfied, the Town shall so advise the successful bidder.

Failure to Meet the Competitive Sale Requirements – Option A – The Successful Bidder Intends to Reoffer the Notes to the Public and the 10% Test to Apply. If the competitive sale requirements are not satisfied and the successful bidder intends to reoffer the Notes to the public, the successful bidder may, at its option, use the first price at which 10% of the Notes (the "10% test") is sold to the public as the issue price of the Notes. The successful bidder shall advise the Municipal Advisor if the 10% test is satisfied as of the date and time of the award of the Notes. The Town will not require

bidders to comply with the “hold-the-offering-price rule” set forth in the applicable Treasury Regulations and therefore does not intend to use the initial offering price to the public as of the Sale Date as the issue price of the Notes if the competitive sale requirements are not met and this option is chosen.

If the competitive sale requirements are not satisfied, then until the 10% test has been satisfied as to the Notes or all of the Notes are sold to the public, the successful bidder agrees to promptly report to the Municipal Advisor the prices at which the unsold Notes have been sold to the public, which reporting obligation shall continue, whether or not the Closing Date has occurred, until the 10% test has been satisfied for the Notes or until all the Notes have been sold. The successful bidder shall be obligated to report each sale of Notes to the Municipal Advisor until notified in writing by the Town or the Municipal Advisor that it no longer needs to do so.

By submitting a bid and if the competitive sale requirements are not met, each bidder confirms that: (i) any agreement among underwriters, any selling group agreement and each third-party distribution agreement (to which the bidder is a party) relating to the initial sale of the Notes to the public, together with the related pricing wires, contains or will contain language obligating each underwriter, each dealer who is a member of the selling group, and each broker-dealer that is a party to such third-party distribution agreement, as applicable, to report the prices at which it sells to the public the unsold Notes allotted to it until it is notified by the successful bidder that either the 10% test has been satisfied as to the Notes or all of the Notes have been sold to the public, if and for so long as directed by the successful bidder and as set forth in the related pricing wires and (ii) any agreement among underwriters relating to the initial sale of the Notes to the public, together with the related pricing wires, contains or will contain language obligating each underwriter that is a party to a third-party distribution agreement to be employed in connection with the initial sale of the Notes to the public to require each broker-dealer that is a party to such third-party distribution agreement to report the prices at which it sells to the public the unsold Notes allotted to it until it is notified by the successful bidder or such underwriter that either the 10% test has been satisfied as to the Notes or that all of the Notes have been sold to the public if and for so long as directed by the successful bidder or such underwriter and as set forth in the related pricing wires.

Sales of any Notes to any person that is a related party to an underwriter shall not constitute sales to the public for purposes of this Notice of Sale. Further, for purposes of this Notice of Sale:

1. “public” means any person other than an underwriter or a related party,
2. “underwriter” means (A) any person, including the successful bidder, that agrees pursuant to a written contract with the Town (or with the lead underwriter to form an underwriting syndicate) to participate in the initial sale of the Notes to the public and (B) any person that agrees pursuant to a written contract directly or indirectly with a person described in clause (A) to participate in the initial sale of the Notes to the public (including a member of a selling group or a party to a third-party distribution agreement participating in the initial sale of the Notes to the public), and
3. a purchaser of any of the Notes is a “related party” to an underwriter if the underwriter and the purchaser are subject, directly or indirectly, to (i) more than 50% common ownership of the voting power or the total value of their stock, if both entities are corporations (including direct ownership by one corporation of another), (ii) more than 50% common ownership of their capital interests or profits interests, if both entities are partnerships (including direct ownership by one partnership of another), or (iii) more than 50% common ownership of the value of the outstanding stock of the corporation or the capital interests or profit interests of the partnership, as applicable, if one entity is a corporation and the other entity is a partnership (including direct ownership of the applicable stock or interests by one entity of the other).

Failure to Meet the Competitive Sale Requirements — Option B — The Successful Bidder Intends to Reoffer the Notes to the Public and Agrees to Hold the Price of Maturities of Notes for Which the 10% Test in Option A Is Not Met as of the Sale Date. The successful bidder may, at its option, notify the Municipal Advisor in writing, which may be by email (the “Hold the Price Notice”), not later than 4:00 p.m. Eastern Time on the Sale Date, that it has not sold 10% of the Notes listed in the Hold the Price Notice (the “Unsold Maturities”) and that the successful bidder will not offer the Unsold Maturities to any person at a price that is higher than the initial offering price to the public during the period starting on the Sale Date and ending on the earlier of (i) the close of the fifth business day after the Sale Date or (ii) the date on which the successful bidder has sold at least 10% of the applicable Unsold Maturity to the public at a price that is no higher than the initial offering price to the public. If the successful bidder delivers a Hold the Price Notice to the Municipal Advisor, the successful bidder must provide to the Town on or before the Closing Date, in addition to the certification described in Option A above, evidence that each underwriter of the Notes, including underwriters in an underwriting syndicate or selling group, has agreed in writing to hold the price of the Unsold Maturities in the manner described in the preceding sentence.



Failure to Meet the Competitive Sale Requirements and/or the Successful Bidder Does Not Intend to Reoffer the Notes to the Public – Option C. If the successful bidder has purchased the Notes for its own account and will not distribute, reoffer, or resell the Notes to the public, then, whether or not the competitive sale requirements were met, the issue price certificate will recite such facts and identify the price or prices at which the purchase of the Notes was made.

#### Other Matters

A successful bidder for all or a portion of the Notes will be furnished the opinion of Troutman Pepper Locke LLP, Boston, Massachusetts approving the legality of the Notes. The opinion will also indicate that the Notes and the enforceability thereof may be subject to bankruptcy and other laws affecting creditor's rights and that their enforceability may be subject to the exercise of judicial discretion in appropriate cases. Payment of the principal of and interest on the Notes is not limited to a particular fund or source of revenue nor is any lien or pledge for such payment created with respect to any such fund or source. The Notes will be valid and binding general obligations of the Town and, except to the extent they are paid from the proceeds of the bonds in anticipation of which they are issued or from any other available moneys, the principal of and interest on the Notes are payable from taxes which may be levied upon all taxable property in the Town, subject to the limit imposed by Chapter 59, Section 21C of the General Laws.

It is anticipated that CUSIP identification numbers will be printed on the Notes. The Town assumes no responsibility for any CUSIP Service Bureau charge or other charge that may be imposed for the assignment of such numbers.

In order to assist bidders in complying with the requirements of paragraph (b)(5)(i)(C) of Rule 15c2-12 promulgated by the Securities and Exchange Commission, the Town will undertake to provide notices of certain significant events. A description of this undertaking is set forth in the Preliminary Official Statement.

#### **THE NOTES WILL NOT BE DESIGNATED AS “QUALIFIED TAX-EXEMPT OBLIGATIONS” FOR PURPOSES OF SECTION 265(b)(3) OF THE INTERNAL REVENUE CODE OF 1986, AS AMENDED.**

Additional information concerning the Town and the Notes is contained in the Preliminary Official Statement dated May 14, 2025 to which prospective bidders are directed. The Preliminary Official Statement is provided for informational purposes and is not a part of this Notice of Sale. The Preliminary Official Statement has been deemed final by the Town except for the omission of the reoffering prices, interest rates, and other terms of the Notes depending on such matters, and the identity of the underwriters, but is subject to change without notice and to completion or amendment in a Final Official Statement. Copies of the Preliminary Official Statement may be obtained from Hilltop Securities Inc., 54 Canal Street, Boston, Massachusetts, 02114 telephone (617-619-4400). Within seven (7) business days following the award of the Notes and receipt of necessary information from the successful bidder(s), five (5) copies of the Final Official Statement will be made available to the successful bidder. Upon request, additional copies will be provided at the expense of the requester.

The Notes, in definitive form, will be delivered to DTC or the office of its custodial agent, or to the registered owner if a fully registered certificate or certificates is requested by the successful bidder and approved by the Town, on or about June 2, 2025 for credit to the Town in federal reserve funds.

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TOWN OF NEEDHAM, MASSACHUSETTS  
/s/ Ellyse Glushkov, Town Treasurer

May 14, 2025

**[Issue Price Certificate for Use If the Competitive Sale Requirements Are Met]**

**Town of Needham, Massachusetts**  
**\$11,126,235 General Obligation Bond Anticipation Notes dated June 2, 2025**

**ISSUE PRICE CERTIFICATE AND RECEIPT**

The undersigned, on behalf of \_\_\_\_\_ (the "Successful Bidder"), hereby certifies as set forth below with respect to the sale of the above-captioned obligations (the "Notes") of the Town of Needham, Massachusetts (the "Issuer").

**1. Reasonably Expected Initial Offering Prices.**

(a) As of the Sale Date, the reasonably expected initial offering prices of the Notes to the Public by the Successful Bidder are the prices listed in Schedule A (the "Expected Offering Prices"). The Expected Offering Prices are the prices for the Maturities of the Notes used by the Successful Bidder in formulating its bid to purchase the Notes. Attached as Schedule B is a true and correct copy of the bid provided by the Successful Bidder to purchase the Notes.

(b) The Successful Bidder was not given the opportunity to review other bids prior to submitting its bid.

(c) The bid submitted by the Successful Bidder constituted a firm offer to purchase the Notes.

**2. Defined Terms.**

(a) *Maturity* means Notes with the same credit and payment terms. Notes with different maturity dates, or Notes with the same maturity date but different stated interest rates, are treated as separate Maturities.

(b) *Public* means any person (including an individual, trust, estate, partnership, association, company, or corporation) other than an Underwriter or a related party to an Underwriter. The term "related party" for purposes of this certificate generally means any two or more persons who have greater than 50 percent common ownership, directly or indirectly.

(c) *Sale Date* means the first day on which there is a binding contract in writing for the sale of a Maturity of the Notes. The Sale Date of the Notes is May 21, 2025.

(d) *Underwriter* means (i) any person, including the Successful Bidder, that agrees pursuant to a written contract with the Issuer (or with the lead underwriter to form an underwriting syndicate) to participate in the initial sale of the Notes to the Public, and (ii) any person that agrees pursuant to a written contract directly or indirectly with a person described in clause (i) of this paragraph to participate in the initial sale of the Notes to the Public (including a member of a selling group or a party to a third-party distribution agreement participating in the initial sale of the Notes to the Public).

**3. Receipt.** The Successful Bidder hereby acknowledges receipt of the Notes and further acknowledges receipt of all certificates, opinions, and other documents required to be delivered to the Successful Bidder, before or simultaneously with the Notes, which certificates, opinions, and other documents are satisfactory to the Successful Bidder.

The representations set forth in this certificate are limited to factual matters only. Nothing in this certificate represents the Successful Bidder's interpretation of any laws, including specifically Sections 103 and 148 of the Internal Revenue Code of 1986, as amended, and the Treasury Regulations thereunder. The undersigned understands that the foregoing information will be relied upon by the Issuer with respect to certain of the representations set forth in the Tax Certificate and with respect to compliance with the federal income tax rules affecting the Notes, and by Troutman Pepper Locke LLP in connection with rendering its opinion that the interest on the Notes is excluded from gross income for federal income tax purposes, the preparation of the Internal Revenue Service Form 8038-G, and other federal income tax advice that it may give to the Issuer from time to time relating to the Notes.

Dated: \_\_\_\_\_, 2025

SUCCESSFUL BIDDER

By: \_\_\_\_\_  
 Name:  
 Title:

**SCHEDULE A**  
**EXPECTED OFFERING PRICES**  
**(To Be Attached)**

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**SCHEDULE B**  
**COPY OF SUCCESSFUL BIDDER'S BID**  
**(To Be Attached)**

**[Issue Price Certificate for Use If the Competitive Sale Requirements Are  
Not Met and the 10% Test to Apply]  
Town of Needham, Massachusetts  
\$11,126,235 General Obligation Bond Anticipation Notes dated June 2, 2025  
ISSUE PRICE CERTIFICATE AND RECEIPT**

The undersigned, on behalf of \_\_\_\_\_, (the “Successful Bidder”), on behalf of itself [and [NAMES OF OTHER UNDERWRITERS]] hereby certifies as set forth below with respect to the sale and issuance of the above-captioned obligations (the “Notes”) of the Town of Needham, Massachusetts (the “Issuer”).

**1. Sale of the Notes.** As of the date of this certificate, [except as set forth in the following paragraph,] for each Maturity of the Notes, the first price at which at least 10% of such Maturity of the Notes was sold to the Public is the respective price listed in Schedule A.

[Only use the next paragraph if the 10% test has not been met or all of the Notes have not been sold for one or more Maturities of Notes as of the Closing Date.]

For each Maturity of the Notes as to which no price is listed in Schedule A, as set forth in the Notice of Sale for the Notes, until at least 10% of each such Maturity of the Notes is sold to the Public (the “10% test”) or all of the Notes are sold to the Public, the Successful Bidder agrees to promptly report to the Issuer’s municipal advisor, Hilltop Securities Inc. (the “Municipal Advisor”) the prices at which the unsold Notes of each Maturity have been sold to the Public, which reporting obligation shall continue after the date hereof until the 10% test has been satisfied for each Maturity of the Notes or until all the Notes of a Maturity have been sold. The Successful Bidder shall continue to report each sale of Notes to the Municipal Advisor until notified by email or in writing by the Issuer or the Municipal Advisor that it no longer needs to do so.

**2. Defined Terms.**

(a) *Maturity* means Notes with the same credit and payment terms. Notes with different maturity dates, or Notes with the same maturity date but different stated interest rates, are treated as separate Maturities.

(b) *Public* means any person (including an individual, trust, estate, partnership, association, company, or corporation) other than an Underwriter or a related party to an Underwriter. The term “related party” for purposes of this certificate generally means any two or more persons who have greater than 50 percent common ownership, directly or indirectly.

(c) *Underwriter* means (i) any person, including the Successful Bidder, that agrees pursuant to a written contract with the Issuer (or with the lead underwriter to form an underwriting syndicate) to participate in the initial sale of the Notes to the Public, and (ii) any person that agrees pursuant to a written contract directly or indirectly with a person described in clause (i) of this paragraph to participate in the initial sale of the Notes to the Public (including a member of a selling group or a party to a third-party distribution agreement participating in the initial sale of the Notes to the Public).

**3. Receipt.** The Successful Bidder hereby acknowledges receipt of the Notes and further acknowledges receipt of all certificates, opinions, and other documents required to be delivered to the Successful Bidder, before or simultaneously with the Notes, which certificates, opinions, and other documents are satisfactory to the Successful Bidder.

The representations set forth in this certificate are limited to factual matters only. Nothing in this certificate represents the Successful Bidder’s interpretation of any laws, including specifically Sections 103 and 148 of the Internal Revenue Code of 1986, as amended, and the Treasury Regulations thereunder. The undersigned understands that the foregoing information will be relied upon by the Issuer with respect to certain of the representations set forth in the Tax Certificate and with respect to compliance with the federal income tax rules affecting the Notes, and by Troutman Pepper Locke LLP in connection with rendering its opinion that the interest on the Notes is excluded from gross income for federal income tax purposes, the preparation of the Internal Revenue Service Form 8038-G, and other federal income tax advice that it may give to the Issuer from time to time relating to the Notes.

Dated: \_\_\_\_\_, 2025

SUCCESSFUL BIDDER

By: \_\_\_\_\_  
Name:  
Title:

**SCHEDULE A**  
**SALE PRICES**  
**(To be Attached)**



**[Issue Price Certificate for Use If the Competitive Sale Requirements Are  
Not Met and the Hold the Price Rule Is Used]**

**Town of Needham, Massachusetts  
\$11,126,235 General Obligation Bond Anticipation Notes dated June 2, 2025**

**ISSUE PRICE CERTIFICATE AND RECEIPT**

The undersigned, on behalf of \_\_\_\_\_ (the ("Successful Bidder"), on behalf of itself [and [NAMES OF OTHER UNDERWRITERS]] hereby certifies as set forth below with respect to the sale and issuance of the above-captioned obligations (the "Notes") of the Town of Needham, Massachusetts (the "Issuer").

- 1. Sale of the Notes.** As of the date of this certificate, [except as set forth in following paragraph,] for each Maturity of the Notes, the first price at which at least 10% of such Maturity of the Notes was sold to the Public is the respective price listed in Schedule A.

[Only use the next paragraph if the 10% test has not been met as of the Sale Date.]

For each Maturity of the Notes as to which no price is listed in Schedule A (the "Unsold Maturities"), as set forth in the Notice of Sale for the Notes, the Successful Bidder and any other Underwriter did not [and will not] reoffer the Unsold Maturities to any person at a price that is higher than the initial offering price to the public until the earlier of (i) \_\_\_\_\_, 2025 or (ii) the date on which the Successful Bidder or any other Underwriter sold at least 10% of each Unsold Maturity at a price that is no higher than the initial offering price to the Public.

**2. Defined Terms.**

(a) *Maturity* means Notes with the same credit and payment terms. Notes with different maturity dates, or Notes with the same maturity date but different stated interest rates, are treated as separate Maturities.

(b) *Public* means any person (including an individual, trust, estate, partnership, association, company, or corporation) other than an Underwriter or a related party to an Underwriter. The term "related party" for purposes of this certificate generally means any two or more persons who have greater than 50 percent common ownership, directly or indirectly.

(c) *Underwriter* means (i) any person, including the Successful Bidder, that agrees pursuant to a written contract with the Issuer (or with the lead underwriter to form an underwriting syndicate) to participate in the initial sale of the Notes to the Public, and (ii) any person that agrees pursuant to a written contract directly or indirectly with a person described in clause (i) of this paragraph to participate in the initial sale of the Notes to the Public (including a member of a selling group or a party to a third-party distribution agreement participating in the initial sale of the Notes to the Public).

**3. Receipt.** The Successful Bidder hereby acknowledges receipt of the Notes and further acknowledges receipt of all certificates, opinion and other documents required to be delivered to the Successful Bidder, before or simultaneously with the delivery of the Notes, which certificates, opinions and other documents are satisfactory to the Successful Bidder.

The representations set forth in this certificate are limited to factual matters only. Nothing in this certificate represents the Successful Bidder's interpretation of any laws, including specifically Sections 103 and 148 of the Internal Revenue Code of 1986, as amended, and the Treasury Regulations thereunder. The undersigned understands that the foregoing information will be relied upon by the Issuer with respect to certain of the representations set forth in the Tax Certificate and with respect to compliance with the federal income tax rules affecting the Notes, and by Troutman Pepper Locke LLP in connection with rendering its opinion that the interest on the Notes is excluded from gross income for federal income tax purposes, the preparation of the Internal Revenue Service Form 8038-G, and other federal income tax advice that it may give to the Issuer from time to time relating to the Notes.

Dated: \_\_\_\_\_, 2025

SUCCESSFUL BIDDER

By: \_\_\_\_\_  
Name:  
Title:

**SCHEDULE A**  
**SALE PRICES**  
**(To be Attached)**

**PRELIMINARY OFFICIAL STATEMENT  
TOWN OF NEEDHAM, MASSACHUSETTS  
\$11,126,235 GENERAL OBLIGATION BOND ANTICIPATION NOTES**

This Preliminary Official Statement is provided for the purpose of presenting certain information relating to the Town of Needham, Massachusetts (the "Town") in connection with the sale of \$11,126,235 principal amount of its General Obligation Bond Anticipation Notes (the "Notes"). The information contained herein has been furnished by the Town except information attributed to another source.

### Description of the Notes

The Notes will be dated June 2, 2025 and will be payable by U.S. Bank Trust Company, National Association, Boston, Massachusetts, or its successor, as Paying Agent, on October 30, 2025. The Notes are not subject to redemption prior to their stated maturity date. The Notes will bear interest payable at maturity, calculated on a 30 day-month/360 day-year basis (148/360), at the rate determined upon their sale in accordance with the Notice of Sale dated May 14, 2025. The Notes will be issued by means of a book-entry system evidencing ownership of the Notes in principal amounts of \$1,000, or integral multiples thereof, with the exception of one \$1,235 denomination, with transfers of ownership effected on the records of The Depository Trust Company ("DTC") and its participants pursuant to the rules and procedures adopted by DTC, unless the delivery of a fully registered note certificate is requested by the successful bidder and the issuance of such certificate is approved by the Town. See "Book-Entry Transfer System" herein.

### Authorization of the Notes and Use of Proceeds

The following sets forth the purposes, principal amounts, total amounts authorized, bond anticipation notes outstanding, statutory references, dates of approval, and article numbers for the Notes. Note proceeds may be transferred or re-appropriated to other capital projects to the extent projects are completed or abandoned and such proceeds remain unspent, or otherwise to the extent permitted by Chapter 44 of the General Laws and applicable federal tax law.

| Purpose                                                  | This Issue           | Original Bond Authorization | Bond Anticipation Notes Outstanding (1) | Statutory Reference    | Date of Approval | Article |
|----------------------------------------------------------|----------------------|-----------------------------|-----------------------------------------|------------------------|------------------|---------|
| Water Distribution Improvements                          | \$ 400,000           | \$ 4,500,000                | \$ 1,900,000                            | Ch. 44, s. 8(5)        | 5/6/2019         | 41      |
| Emery Grover Building Addition and Renovation            | 4,581,135            | 14,150,000                  | 3,103,450                               | Ch. 44, s. 7(1)        | 5/4/2022         | 21      |
| Broadmeadow and Eliot School Rooftop Unit Replacement    | 2,200,000            | 9,000,000                   | 1,000,000                               | Ch. 44, s. 7(1)        | 5/1/2023         | 27      |
| Athletic Facility Improvements - Claxton Field           | 2,900,000            | 3,600,000                   | 460,000                                 | Ch. 44, s. 7(1)        | 5/6/2024         | 27      |
| Public Safety Building and Fire Station #2               | 15,100               | 1,400,000                   | -                                       | Ch. 44, s. 7(1)        | 5/1/2021         | 37      |
| Additional Emery Grover Building Addition and Renovation | 1,030,000            | 1,295,000                   | -                                       | Ch. 44, s. 7(1) or 44B | 10/24/2022       | 10      |
|                                                          | <u>\$ 11,126,235</u> |                             | <u>\$ 6,463,450</u>                     |                        |                  |         |

(1) Payable July 30, 2025. Not being retired with the proceeds of the Notes.

The Town anticipates that the Notes will be retired at maturity from proceeds from the sale of the long-term bonds in anticipation of which the Notes are issued, proceeds from the sale of renewal bond anticipation notes and other available funds of the Town, or a combination of such sources. The ability of the Town to retire the Notes from the proceeds of the sale of either renewal notes or long-term bonds will be dependent on the marketability of such notes or long-term bonds under market conditions prevailing at the time they are offered for sale, which are subject to change due to factors beyond the control of the Town.

### Tax Exemption

In the opinion of Troutman Pepper Locke LLP, Bond Counsel to the Town ("Bond Counsel"), based upon an analysis of existing laws, regulations, rulings, and court decisions, and assuming, among other matters, compliance with certain covenants, interest on the Notes is excluded from gross income for federal income tax purposes under Section 103 of the Internal Revenue Code of 1986, as amended (the "Code"). Bond Counsel is of the further opinion that interest on the Notes will not be included in computing the alternative minimum taxable income of Noteholders who are individuals. However, interest on the Notes will be included in the "adjusted financial statement income" of certain corporations that are subject to the alternative minimum tax under Section 55 of the Code. Bond Counsel expresses no opinion regarding any other federal tax consequences arising with respect to the ownership or disposition of, or the accrual or receipt of interest on the Notes. The Notes will not be designated as "qualified tax-exempt obligations" for purposes of Section 265(b)(3) of the Code.

The Code imposes various requirements relating to the exclusion from gross income for federal income tax purposes of interest on obligations such as the Notes. Failure to comply with these requirements may result in interest on the Notes

being included in gross income for federal income tax purposes, possibly from the date of original issuance of the Notes. The Town has covenanted to comply with such requirements to ensure that interest on the Notes will not be included in federal gross income. The opinion of Bond Counsel assumes compliance with these requirements.

Bond Counsel is also of the opinion that, under existing law, interest on the Notes is exempt from Massachusetts personal income taxes, and the Notes are exempt from Massachusetts personal property taxes. Bond Counsel has not opined as to other Massachusetts tax consequences arising with respect to the Notes. Prospective Noteholders should be aware, however, that the Notes are included in the measure of Massachusetts estate and inheritance taxes, and the Notes and the interest thereon are included in the measure of certain Massachusetts corporate excise and franchise taxes. Bond Counsel expresses no opinion as to the taxability of the Notes or the income therefrom or any other tax consequences arising with respect to the Notes under the laws of any state other than Massachusetts.

To the extent the issue price of any maturity of the Notes is less than the amount to be paid at maturity of such Notes (excluding amounts stated to be interest and payable at least annually over the term of such Notes), the difference constitutes "original issue discount," the accrual of which, to the extent properly allocable to each owner thereof, is treated as interest on the Notes which is excluded from gross income for federal income tax purposes and is exempt from Massachusetts personal income taxes. For this purpose, the issue price of a particular maturity of the Notes is either the reasonably expected initial offering price to the public or the first price at which a substantial amount of such maturity of the Notes is sold to the public, as applicable. The original issue discount with respect to any maturity of the Notes accrues daily over the term to maturity of such Notes on the basis of a constant interest rate compounded semiannually (with straight-line interpolations between compounding dates). The accruing original issue discount is added to the adjusted basis of such Notes to determine taxable gain or loss upon disposition (including sale, redemption, or payment on maturity) of such Notes. Noteholders should consult their own tax advisors with respect to the tax consequences of ownership of Notes with original issue discount, including the treatment of purchasers who do not purchase such Notes in the original offering to the public at the reasonably expected initial offering price or, if applicable, the first price at which a substantial amount of such Notes is sold to the public.

Notes purchased, whether at original issuance or otherwise, for an amount greater than the stated principal amount to be paid at maturity of such Notes, or, in some cases, at the earlier redemption date of such Notes ("Premium Notes"), will be treated as having amortizable note premium for federal income tax purposes and Massachusetts personal income tax purposes. No deduction is allowable for the amortizable note premium in the case of obligations, such as the Premium Notes, the interest on which is excluded from gross income for federal income tax purposes. However, a Noteholder's basis in a Premium Note will be reduced by the amount of amortizable note premium properly allocable to such Noteholder. Holders of Premium Notes should consult their own tax advisors with respect to the proper treatment of amortizable note premium in their particular circumstances.

Bond Counsel has not undertaken to determine (or to inform any person) whether any actions taken (or not taken) or events occurring (or not occurring) after the date of issuance of the Notes may adversely affect the value of, or the tax status of interest on, the Notes.

Although Bond Counsel is of the opinion that interest on the Notes is excluded from gross income for federal income tax purposes and is exempt from Massachusetts personal income taxes, the ownership or disposition of, or the accrual or receipt of interest on, the Notes may otherwise affect the federal or state tax liability of a Noteholder. Among other possible consequences of ownership or disposition of, or the accrual or receipt of interest on, the Notes, the Code requires recipients of certain social security and certain railroad retirement benefits to take into account receipts or accruals of interest on the Notes in determining the portion of such benefits that are included in gross income. The nature and extent of all such other tax consequences will depend upon the particular tax status of the Noteholder or the Noteholder's other items of income, deduction, or exclusion. Bond Counsel expresses no opinion regarding any such other tax consequences, and Noteholders should consult with their own tax advisors with respect to such consequences.

### **Risk of Future Legislative Changes and/or Court Decisions**

Legislation affecting tax-exempt obligations is regularly considered by the United States Congress and may also be considered by the Massachusetts legislature. Court proceedings may also be filed, the outcome of which could modify the tax treatment of obligations such as the Notes. There can be no assurance that legislation enacted or proposed, or actions by a court, after the date of issuance of the Notes will not have an adverse effect on the tax status of interest on the Notes or the market value or marketability of the Notes. These adverse effects could result, for example, from changes to federal or state income tax rates, changes in the structure of federal or state income taxes (including replacement with another type of tax), or repeal (or reduction in the benefit) of the exclusion of interest on the Notes from gross income for federal or state income tax purposes for all or certain taxpayers.

Additionally, Noteholders should be aware that future legislative actions (including federal income tax reform) may retroactively change the treatment of all or a portion of the interest on the Notes for federal income tax purposes for all or certain taxpayers. In all such events, the market value of the Notes may be affected and the ability of Noteholders to sell their Notes in the secondary market may be reduced. The Notes are not subject to special mandatory redemption, and the interest rate on the Notes is not subject to adjustment, in the event of any such change in the tax treatment of interest on the Notes.

Investors should consult their own financial and tax advisors to analyze the importance of these risks.

### **Book-Entry Transfer System**

This section shall apply to Notes issued in book-entry form through the facilities of The Depository Trust Company, New York, NY ("DTC").

DTC will act as securities depository for the Notes. The Notes will be issued in fully-registered form registered in the name of Cede & Co. (DTC's partnership nominee) or such other name as may be requested by an authorized representative of DTC. One fully registered Note certificate will be issued for each interest rate, each in the aggregate principal amount bearing such interest rate, and will be deposited with DTC.

DTC, the world's largest securities depository, is a limited-purpose trust company organized under the New York Banking Law, a "banking organization" within the meaning of the New York Banking Law, a member of the Federal Reserve System, a "clearing corporation" within the meaning of the New York Uniform Commercial Code, and a "clearing agency" registered pursuant to the provisions of Section 17A of the Securities Exchange Act of 1934. DTC holds and provides asset servicing for over 3.5 million issues of U.S. and non-U.S. equity, corporate and municipal debt issues, and money market instruments (from over 100 countries) that DTC's participants ("Direct Participants") deposit with DTC. DTC also facilitates the post-trade settlement among Direct Participants of sales and other securities transactions in deposited securities, through electronic computerized book-entry transfers and pledges between Direct Participants' accounts. This eliminates the need for physical movement of securities certificates. Direct Participants include both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, clearing corporations, and certain other organizations. DTC is a wholly-owned subsidiary of The Depository Trust & Clearing Corporation ("DTCC"). DTCC is the holding company for DTC, National Securities Clearing Corporation and Fixed Income Clearing Corporation, all of which are registered clearing agencies. DTCC is owned by the users of its regulated subsidiaries. Access to the DTC system is also available to others such as both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, and clearing corporations that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly ("Indirect Participants"). DTC has a rating of AA+ from S&P Global Ratings. The DTC Rules applicable to its Participants are on file with the Securities and Exchange Commission. More information about DTC can be found at [www.dtcc.com](http://www.dtcc.com).

Purchases of securities deposited with DTC must be made by or through Direct Participants, which will receive a credit for the Notes on DTC's records. The ownership interest of each actual purchaser of each security deposited with DTC ("Beneficial Owner") is in turn to be recorded on the Direct and Indirect Participants' records. Beneficial Owners will not receive written confirmation from DTC of their purchase. Beneficial Owners are, however, expected to receive written confirmations providing details of the transaction, as well as periodic statements of their holdings, from the Direct or Indirect Participant through which the Beneficial Owner entered into the transaction. Transfers of ownership interests in the securities deposited with DTC are to be accomplished by entries made on the books of Direct and Indirect Participants acting on behalf of Beneficial Owners. Beneficial Owners will not receive certificates representing their ownership interests in the securities deposited with DTC, except in the event that use of the book-entry system for such securities is discontinued.

To facilitate subsequent transfers, all Notes deposited by Direct Participants with DTC are registered in the name of DTC's partnership nominee, Cede & Co., or such other name as may be requested by an authorized representative of DTC. The deposit of Notes with DTC and their registration in the name of Cede & Co. or such other DTC nominee do not effect any change in beneficial ownership. DTC has no knowledge of the actual Beneficial Owners of the securities deposited with it; DTC's records reflect only the identity of the Direct Participants to whose accounts such securities are credited, which may or may not be the Beneficial Owners. The Direct and Indirect Participants will remain responsible for keeping account of their holdings on behalf of their customers.

Conveyance of notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants, and by Direct Participants and Indirect Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time.

Neither DTC nor Cede & Co. (nor such other DTC nominee) will consent or vote with respect to the Notes unless authorized by a Direct Participant in accordance with DTC's MMI Procedures. Under its usual procedures, DTC mails

an Omnibus Proxy to the Town as soon as possible after the record date. The Omnibus Proxy assigns Cede & Co.'s consenting or voting rights to those Direct Participants to whose accounts the Notes are credited on the record date (identified in a listing attached to the Omnibus Proxy).

Principal and interest payments on the Notes will be made to Cede & Co., or such other nominee as may be requested by an authorized representative of DTC. DTC's practice is to credit Direct Participants' accounts upon DTC's receipt of funds and corresponding detail information from the Town or the Paying Agent, on the payable date in accordance with their respective holdings shown on DTC's records. Payments by Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in "street name," and will be the responsibility of such Participant and not of DTC (nor its nominee), the Town or the Paying Agent, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of principal and interest to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of the Town or the Paying Agent, disbursement of such payments to Direct Participants will be the responsibility of DTC, and disbursement of such payments to the Beneficial Owners will be the responsibility of Direct and Indirect Participants.

DTC may discontinue providing its services as depository with respect to the Notes at any time by giving reasonable notice to the Town or the Paying Agent. Under such circumstances, in the event that a successor depository is not obtained, physical certificates are required to be printed and delivered.

The Town may decide to discontinue use of the system of book-entry-only transfers through DTC (or a successor securities depository). In that event, physical certificates will be printed and delivered to Beneficial Owners.

The information in this section concerning DTC and DTC's book-entry system has been obtained from sources that the Town believes to be reliable, but the Town takes no responsibility for the accuracy thereof.

## **Security and Remedies**

**Full Faith and Credit.** General obligation bonds and notes of a Massachusetts city or town constitute a pledge of its full faith and credit. Payment is not limited to a particular fund or revenue source. Except for "qualified bonds" as described below (see "*Serial Bonds and Notes*" under "TYPES OF OBLIGATIONS") and setoffs of state distributions as described below (see "*State Distributions*" below), no provision is made by the Massachusetts statutes for priorities among bonds and notes and other general obligations, although the use of certain moneys may be restricted.

**Tax Levy.** The Massachusetts statutes direct the municipal assessors to include annually in the tax levy for the next fiscal year "all debt and interest charges matured and maturing during the next fiscal year and not otherwise provided for [and] all amounts necessary to satisfy final judgments". Specific provision is also made for including in the next tax levy payments of rebate amounts not otherwise provided for and payment of notes in anticipation of federal or state aid, if the aid is no longer forthcoming.

The total amount of a tax levy is limited by statute. However, the voters in each municipality may vote to exclude from the limitation any amounts required to pay debt service on indebtedness incurred before November 4, 1980. Local voters may also vote to exempt specific subsequent bond issues from the limitation. (See "*Tax Limitations*" Under "PROPERTY TAXATION" below.) In addition, obligations incurred before November 4, 1980 may be constitutionally entitled to payment from taxes in excess of the statutory limit.

**No Lien.** Except for taxes on the increased value of certain property in designated development districts which may be pledged for the payment of debt service on bonds issued to finance economic development projects within such districts, no provision is made for a lien on any portion of the tax levy or any other moneys to secure particular bonds or notes or bonds and notes generally (or judgments on bonds or notes) in priority to other claims. Provision is made, however, for borrowing to pay judgments, subject to the General Debt Limit. (See "DEBT LIMITS" below.) Upon certification by the city solicitor or town council that no appeal can or will be taken, or as otherwise required by a municipality's charter, ordinances, or by-laws, judgments may also be paid from available funds without appropriation and included in the next tax levy unless other provision is made. Any such payments shall be reported to the city or town's assessors by the city or town's auditor or accountant (or other officer having similar duties). The assessors shall include amounts of such payments in the aggregate appropriations assessed in the determination of the next subsequent annual tax rate.

**Court Proceedings.** Massachusetts cities and towns are subject to suit on their general obligation bonds and notes and courts of competent jurisdiction have power in appropriate proceedings to order payment of a judgment on the bonds or notes from lawfully available funds or, if necessary, to order the city or town to take lawful action to obtain the required money, including the raising of it in the next annual tax levy, within the limits prescribed by law. (See "*Tax Limitations*" under "PROPERTY TAXATION" below.) In exercising their discretion as to whether to enter such an order, the courts could take into account all relevant factors including the current operating needs of the city or town and the availability and adequacy of



other remedies. The Massachusetts Supreme Judicial Court has stated in the past that a judgment against a municipality can be enforced by the taking and sale of the property of any inhabitant. However, there has been no judicial determination as to whether this remedy is constitutional under current due process and equal protection standards.

**Restricted Funds.** Massachusetts statutes also provide that certain water, gas and electric, community antenna television system, telecommunications, sewer, parking meter and passenger ferry fee, community preservation and affordable housing receipts may be used only for water, gas and electric, community antenna television system, telecommunications, sewer, parking, mitigation of ferry service impacts, community preservation and affordable housing and related purposes, respectively; accordingly, moneys derived from these sources may be unavailable to pay general obligation bonds and notes issued for other purposes. A city or town that accepts certain other statutory provisions may establish an enterprise fund for a utility, health care, solid waste, recreational or transportation facility and for police or fire services; under those provisions any surplus in the fund is restricted to use for capital expenditures or reduction of user charges. In addition, subject to certain limits, a city or town may annually authorize the establishment of one or more revolving funds in connection with use of certain revenues for programs that produce those revenues; interest earned on a revolving fund is treated as general fund revenue. A city or town may also establish an energy revolving loan fund to provide loans to owners of privately held property in the city or town for certain energy conservation and renewable energy projects and may borrow to establish such fund. The loan repayments and interest earned on the investment of amounts in the fund shall be credited to the fund. Also, the annual allowance for depreciation of a gas and electric plant or a community antenna television and telecommunications system is restricted to use for plant or system renewals and improvements, for nuclear decommissioning costs, and costs of contractual commitments, or, with the approval of the State Department of Telecommunications and Energy, to pay debt incurred for plant or system reconstruction or renewals. Revenue bonds and notes issued in anticipation of them may be secured by a prior lien on specific revenues. Receipts from industrial users in connection with industrial revenue financings are also not available for general municipal purposes.

**State Distributions.** State grants and distributions may in some circumstances be unavailable to pay general obligation bonds and notes of a city or town in that the State Treasurer is empowered to deduct from such grants and distributions the amount of any debt service paid on "qualified bonds" (See "*Serial Bonds and Notes*" under "TYPES OF OBLIGATIONS" below) and any other sums due and payable by the city or town to The Commonwealth of Massachusetts (the "Commonwealth") or certain other public entities, including any unpaid assessments for costs of any public transportation authority (such as the Massachusetts Bay Transportation Authority or a regional transit authority) of which it is a member, for costs of the Massachusetts Water Resources Authority if the city or town is within the territory served by the Authority, for any debt service due on obligations issued to the Massachusetts School Building Authority, or for charges necessary to meet obligations under the Commonwealth's Clean Water and Drinking Water Revolving Loan Programs, including such charges imposed by another local governmental unit that provides wastewater collection or treatment services or drinking water services to the city or town.

If a city or town is (or is likely to be) unable to pay principal or interest on its bonds or notes when due, it is required to notify the State Commissioner of Revenue. The Commissioner shall in turn, after verifying the inability, certify the inability to the State Treasurer. The State Treasurer shall pay the due or overdue amount to the paying agent for the bonds or notes, in trust, within three days after the certification or one business day prior to the due date (whichever is later). This payment is limited, however, to the estimated amount otherwise distributable by the Commonwealth to the city or town during the remainder of the fiscal year (after the deductions mentioned in the foregoing paragraph). If for any reason any portion of the certified sum has not been paid at the end of the fiscal year, the State Treasurer shall pay it as soon as practicable in the next fiscal year to the extent of the estimated distributions for that fiscal year. The sums so paid shall be charged (with interest and administrative costs) against the distributions to the city or town.

The foregoing does not constitute a pledge of the faith and credit of the Commonwealth. The Commonwealth has not agreed to maintain existing levels of state distributions, and the direction to use estimated distributions to pay debt service may be subject to repeal by future legislation. Moreover, adoption of the annual appropriation act has sometimes been delayed beyond the beginning of the fiscal year and estimated distributions which are subject to appropriation may be unavailable to pay local debt service until they are appropriated.

**Bankruptcy.** Enforcement of a claim for payment of principal or interest on general obligation bonds or notes would be subject to the applicable provisions of federal bankruptcy laws and to the provisions of other statutes, if any, hereafter enacted by the Congress or the State legislature extending the time for payment or imposing other constraints upon enforcement insofar as the same may be constitutionally applied. Massachusetts municipalities are not generally authorized by the Massachusetts General Laws to file a petition for bankruptcy under federal bankruptcy laws. In cases involving significant financial difficulties faced by a single city, town or regional school district, however, the Commonwealth has enacted special legislation to permit the appointment of a fiscal overseer, finance control board or, in the most extreme cases, a state receiver. In a limited number of these situations, such special legislation has also authorized the filing of federal bankruptcy proceedings, with the prior approval of the Commonwealth. In each case where such authority was granted, it expired at the termination of the Commonwealth's oversight of the financially distressed city, town or regional school district. To date, no such filings have been approved or made.

## **Bank Eligibility**

The Notes will not be designated as “qualified tax-exempt obligations” for purposes of Section 265(b)(3) of the Code.

## **Opinion of Bond Counsel**

A successful bidder for all or a portion of the Notes will be furnished the legal opinion of the firm of Troutman Pepper Locke LLP, Bond Counsel to the Town. The opinion will be dated and given on and will speak only as of the date of original delivery of the Notes to the successful bidder.

Other than as to matters expressly set forth herein as the opinion of Bond Counsel, Bond Counsel is not passing upon and does not assume any responsibility for the accuracy or adequacy of the statements made in this Official Statement and makes no representation that they have independently verified the same.

## **Municipal Advisory Services of Hilltop Securities Inc.**

Hilltop Securities Inc., Boston, Massachusetts, serves as Municipal Advisor to the Town.

## **Disclosure of Significant Events**

In order to assist underwriters in complying with the requirements of paragraph (b)(5)(i)(C) of Rule 15c2-12 promulgated by the Securities and Exchange Commission (the “Rule”) applicable to municipal securities having a stated maturity of 18 months or less, the Town will covenant for the benefit of the owners of the Notes to file with the Municipal Securities Rulemaking Board (the “MSRB”), notices of the occurrence of any of the following events with respect to the Notes within ten business days of such occurrence: (a) principal and interest payment delinquencies; (b) non-payment related defaults, if material; (c) unscheduled draws on debt service reserves reflecting financial difficulties; (d) unscheduled draws on credit enhancements reflecting financial difficulties; (e) substitution of credit or liquidity providers, or their failure to perform; (f) adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determination of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other material notices or determinations with respect to the tax status of the Notes, or other material events affecting the tax status of the Notes; (g) modifications to rights of owners of the Notes, if material; (h) bond calls, if material, and tender offers; (i) defeasances; (j) release, substitution or sale of property securing the repayment of the Notes, if material; (k) ratings changes on the Notes; (l) bankruptcy, insolvency, receivership or similar event of the Town; (m) the consummation of a merger, consolidation, or acquisition involving the Town or the sale of all or substantially all of the assets of the Town, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material; (n) appointment of a successor or additional trustee or the change of name of a trustee, if material; (o) incurrence of a financial obligation of the Town, if material, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a financial obligation of the Town, any of which affect owners of the notes, if material; and (p) default, event of acceleration, termination event, modification of terms, or other similar events under the terms of a financial obligation of the Town, any of which reflect financial difficulties.

The covenant will be included in a Significant Events Disclosure Certificate to be executed by the signers of the Notes and incorporated by reference in the Notes. The sole remedy available to the owners of the Notes for the failure of the Town to comply with any provision of the certificate shall be an action for specific performance of the Town’s obligations under the certificate and not for money damages; no other person shall have any right to enforce any provision of the certificate.

**In the past five years, the Town believes it has complied, in all material respects, with its previous undertakings to provide annual reports or notices of significant events in accordance with the Rule.**

## TOWN OF NEEDHAM, MASSACHUSETTS

### General

The Town is located in Norfolk County, 10 miles southwest of Boston. It is bordered on the west and northwest by the Town of Wellesley, on the north and northeast by the City of Newton, on the east by the West Roxbury section of the City of Boston, on the southeast by the Town of Dedham, and on the south by the Towns of Westwood and Dover. Needham has a population of approximately 32,091 (based on the 2020 Federal Census) and occupies a land area of 12.6 square miles. Established as a town in 1711, Needham is governed by a representative form of town meeting and by a five-member Select Board. School affairs are administered by a seven-member School Committee and a Superintendent of Schools.

### PRINCIPAL TOWN OFFICIALS

| Title                                   | Name                  | Selection/Term | Term Expires |
|-----------------------------------------|-----------------------|----------------|--------------|
| Select Board, Chair                     | Heidi R. Frail        | Elected        | 2028         |
| Select Board, Vice Chair                | Catherine Reid Dowd   | Elected        | 2026         |
| Select Board, Clerk                     | Joshua W. Levy        | Elected        | 2027         |
| Select Board                            | Marianne B. Cooley    | Elected        | 2026         |
| Select Board                            | Kevin J. Keane        | Elected        | 2027         |
| Town Manager                            | Kate Fitzpatrick      | Appointed      | 2025         |
| Deputy Town Manager/Director of Finance | David Davison         | Appointed      | Indefinite   |
| Superintendent of Schools               | Daniel E. Gutekanst   | Appointed      | 2027         |
| Town Accountant                         | Michelle Vaillancourt | Appointed      | Indefinite   |
| Town Clerk                              | Louise L. Miller      | Elected        | 2028         |
| Town Counsel                            | Harrington Heep LLP   | Appointed      | Indefinite   |
| Treasurer/Collector                     | Ellyse Glushkov       | Appointed      | Indefinite   |

### Corona Virus (COVID-19)

COVID-19 is a respiratory disease caused by a novel coronavirus not previously seen in humans. On March 10, 2020, the Governor of the Commonwealth declared a state of emergency to support the Commonwealth's response to the outbreak of the virus. The state of emergency in the Commonwealth expired on June 15, 2021.

The Town received notice from the Commonwealth that it was entitled to approximately \$2,755,065 through the federal Coronavirus Aid, Relief and Economic Security Act (the "CARES Act"), drew down \$2,755,064 and has incurred \$2,755,064 in CARES Act-eligible expenses.

Another action at the federal level was the American Rescue Plan Act of 2021 ("ARPA"). Among other provisions, ARPA provided \$350 billion to state and local governments to mitigate the fiscal disruptions created by the pandemic. Such funds may be used to replace revenues lost or reduced as a result of the pandemic and fund COVID-related costs, among other purposes. The Town received a total of \$9,199,185 of which \$5,913,849 was from Norfolk County and \$3,285,337 was from the Commonwealth. To date, the Town has spent \$2,927,875 in ARPA funds. The funds are being used for several public health initiatives, to assist small businesses and artists impacted by the COVID shutdown, technology improvements, and approximately \$7 million for water, sewer, and drains infrastructure.

The Town's fiscal year 2020 through 2024 results were not materially affected by the COVID-19 pandemic.

### Municipal Services

The Town provides general governmental services for the territory within its boundaries, including police and fire protection, collection, disposal, and recycling of solid waste, public education in grades kindergarten through twelve, water, sewers, streets and recreation. Technical education in grades 9 through 12 is provided by the Minuteman Regional Vocational Technical School District.

The Town has implemented a mandatory recycling program in accordance with Section 8H of Chapter 40 of the Massachusetts General Laws. Under this program, begun in fiscal 1991, the Town recycles newspaper, mixed paper, glass, corrugated cardboard, aluminum and steel cans, returnable bottles, clothing, used motor oil, plastic containers and yard waste. The Town's practice has been to introduce new items to the recycling program each year in order to reduce the flow of solid waste tonnage.

Gas and electric services are provided by established private utilities.

The Town's Public Works Department provides water supply, treatment and distribution and sewage collection, to substantially all commercial, industrial and residential users in the Town. In addition, certain water and sewer services are provided by the Massachusetts Water Resources Authority (the "MWRA"). See "INDEBTEDNESS - Overlapping Debt".

The principal services provided by Norfolk County are a jail and house of correction and registry of deeds. For additional information on Counties see "INDEBTEDNESS - Overlapping Debt".

## Education

The Town operates one pre-school, five elementary schools, two middle schools (High Rock and Pollard), and a senior high school. The Town began constructing a new elementary school in the late fall of 2017 which opened in September 2019. The new building replaced one of the existing elementary schools. The debt for the new elementary school is excluded from the limits of Proposition 2 ½ and a portion of the project was paid by the Massachusetts School Building Authority.

### PUBLIC SCHOOL ENROLLMENTS - OCTOBER 1,

|                            | Actual |       |       |       |       |
|----------------------------|--------|-------|-------|-------|-------|
|                            | 2020   | 2021  | 2022  | 2023  | 2024  |
| Elementary (Pre-K and K-5) | 2,518  | 2,568 | 2,616 | 2,592 | 2,553 |
| Middle/Junior High(6-8)    | 1,295  | 1,278 | 1,264 | 1,327 | 1,311 |
| Senior High(9-12)          | 1,670  | 1,669 | 1,645 | 1,622 | 1,648 |
| Totals                     | 5,483  | 5,515 | 5,525 | 5,541 | 5,512 |

The Town is a member of the Minuteman Regional Vocational Technical School District, which is located in Lexington, and includes 10 member towns. A new school for the District was completed and opened in September 2019.

## Industry and Commerce

The Town is a residential suburb of Boston, located within the Boston Standard Metropolitan Statistical Area. As the table below indicates, the Town's economy has a diverse mix of manufacturing, services, and commercial trades.

| Industry                            | Calendar Year Average |                  |                  |                  |                  |
|-------------------------------------|-----------------------|------------------|------------------|------------------|------------------|
|                                     | 2019                  | 2020             | 2021             | 2022             | 2023             |
| Construction                        | 805                   | 791              | 958              | 902              | 1,059            |
| Manufacturing                       | 814                   | 788              | 806              | 791              | 807              |
| Trade, Transportation and Utilities | 2,702                 | 2,681            | 2,918            | 2,897            | 3,031            |
| Information                         | 885                   | 877              | 830              | 869              | 782              |
| Financial Activities                | 1,505                 | 1,410            | 1,371            | 1,395            | 1,286            |
| Professional and Business Services  | 5,435                 | 5,201            | 5,524            | 5,230            | 5,032            |
| Education and Health Services       | 7,242                 | 6,258            | 6,483            | 6,570            | 6,901            |
| Leisure and Hospitality             | 1,331                 | 883              | 995              | 1,087            | 1,189            |
| Other Services                      | 813                   | 1,062            | 709              | 1,240            | 791              |
| Total Employment                    | 21,532                | 19,951           | 20,594           | 20,981           | 21,368           |
| Number of Establishments            | 1,473                 | 1,543            | 1,618            | 1,646            | 1,614            |
| Average Weekly Wages                | \$ 1,880              | \$ 2,105         | \$ 2,262         | \$ 2,342         | \$ 2,403         |
| Total Wages                         | \$ 2,146,027,639      | \$ 2,183,370,050 | \$ 2,474,594,872 | \$ 2,555,372,091 | \$ 2,670,527,389 |

Source: Massachusetts Executive Office of Labor and Workforce Development. Data based upon place of employment, not place of residence.

## **Transportation**

The principal highways serving the Town are State Routes 9, 135 and 128 (I-95). There are four exits off Interstate 95 that provide direct access to Needham. A project to widen Route 128 through Needham was completed in 2019. The Massachusetts Bay Transportation Authority ("MBTA") provides commuter rail service on a regular basis to Boston. There are four commuter rail stops physically located in Needham: Needham Heights, Needham Center, Needham Junction and Hersey. The MBTA also provides bus service between Needham and Watertown Square. Established trucking lines provide competitive service locally and to long distance points. The Town is within commuting distance of the airport facilities of Boston's Logan International Airport, the Norwood Municipal Airport, and Hanscom Field in Bedford, Massachusetts.

## **Climate Change**

The Town has undertaken several ad hoc climate mitigation and resiliency efforts. These include the lease of land for a solar array at the capped landfill, solar installation at the Sunita Williams School, and proposed solar installation at the Jack Cogswell building. In addition, the Sunita Williams School and Library are LEED certified buildings, and the Town's Public Services Administration Building has geothermal heating. Three of the Town's buildings are fully electric, including the Center at the Heights, Rosemary Recreation Complex, and Memorial Park Field House. The Emery Grover Building, currently under renovation, will also be fully electric and designed to be net zero ready. The Town's Building Maintenance Division has been implementing energy efficiency measures for more than a decade, and in February 2020 the Massachusetts Department of Energy Resources designated the Town as a Green Community. The Town has invested in several publicly accessible electric vehicle charging stations at the Rosemary Recreation Complex, Sunita Williams School, Public Services Administration Building, and Chestnut Street, in addition to electric charging stations for Town-fleet vehicles at Dedham Street. The Town continues to grow the number of plug-in and electric vehicles in its fleet as well. The Select Board established a Climate Action Plan Committee ("CAPC") to guide the Town in developing a plan that meets or exceeds the State's climate mitigation and resilience goals. The Committee will make recommendations to the Select Board on approval of a Climate Action Plan ("CAP"). The CAPC will:

- Review the Town's climate-related data;
- Seek guidance and establish a program to create a Green House Gas ("GHG") inventory for the entire Town, including pass through traffic, residential, commercial, and municipal;
- Recommend for adoption to the Select Board long-term climate action goals that focus on reducing GHG emissions and building resilience within and across the Town's residential, commercial, and municipal sectors, including roadmaps of steps to achieve goals;
- Recommend for adoption to the Select Board target dates, benchmarks, and/or annual/interannual climate mitigation goals to achieve climate action goals;
- Plan and prioritize cross-sector efforts to reduce Town's GHG emissions and build climate resilience;
- Recommend to the Select Board programs and policies to implement GHG reduction goals and climate resilience planning; and
- Develop a CAP for the Select Board's review.

The CAP is set to go in front of the Select Board for approval this Spring. Additionally, in October 2023, the Town passed the opt-in specialized energy code to go into effect July 1, 2024. In December 2023, the Town hired its first Sustainability Manager to assist in the implementation of the CAP as well as other climate mitigation and resiliency initiatives throughout the Town.

## **Cybersecurity**

The Town recognizes, like so many companies, governments (local, regional, state and federal), and organizations that it is exposed to a variety of operational, transactional, information and technology risks. Information Security frameworks such as ISO, NIST, GDPR, CIS, and many state, and federal requirements have come up with a set of standards surrounding best practices for information technology. These standards recommend implementation of a comprehensive written information technology program that includes administrative, technical, and physical safeguards appropriate to the size and complexity of the organization and the nature and scope of its activities. This allows a uniform set of information technology expectations to be followed throughout the different areas of the organization, and provides a consistent, repeatable set of documentation to create procedures and processes. The Town recently had an information technology program review done by outside experts whose work will help shape the Town's technology policies and procedures.

## LARGEST EMPLOYERS

The following table sets forth the largest employers in Needham, exclusive of the Town itself.

| Name                           | Product/Function       | No. of Employees<br>Approximate |
|--------------------------------|------------------------|---------------------------------|
| Tripadvisor                    | Travel Agency          | 640                             |
| NBC Universal                  | Broadcasting           | 345                             |
| Beth Israel Deaconess Hospital | Health Care            | 250-499                         |
| Charles River Center           | Assisted Living        | 250-499                         |
| Clark's Shoes                  | Retail Manufacturing   | 250-499                         |
| Coca Cola Bottling             | Beverage Distribution  | 250-499                         |
| Dialogic Inc.                  | Wireless Communication | 250-499                         |
| International Data Group (IDG) | Techonology            | 250-499                         |
| North Hill Living Center       | Retirement Center      | 250-499                         |
| SharkNinja                     | Household Appliances   | 250-499                         |
| WCVB Channel 5                 | Television             | 250-499                         |
| Briarwood Healthcare           | Health Care            | 100-250                         |
| Olin College of Engineering    | Education              | 100-250                         |
| VNA Care Network               | Ambulatory Health Care | 100-250                         |
| Walker Home & School           | Mental Health          | 100-250                         |
| Wellington Management          | Financial Services     | 100-250                         |

SOURCE: Individual Employers listed.

Needham Crossing is one of Greater Boston's premier business parks located approximately 2.5 miles northeast of downtown Needham. The business park offers proximity to Interstate 95 (MA-128), Interstate 90 (Mass Pike), US 1 and State Route 9 along with the natural resources such as Cutler Lake Park and the Charles River. The commuter rail service is less than 2 miles away and the transit bus service located throughout the park offers many transit options for both employees and residents.

Over the past 10 years substantial redevelopment of the area has given way to a diversified portfolio of companies and uses. These major improvements coincided with the widening of and additional access from Interstate 95 (MA-128). These improvements have had overall positive economic benefit for the Town and for Needham Crossing. When originally envisioned, the business park would contain primarily warehouses and offices. Now, almost 40 years later, through more dense land use, redevelopment opportunities and zoning changes, Needham Crossing has a mix of residential, office, high tech and other commercial uses that has generated interest from businesses that would like to locate there. Currently under construction is a 5-story Boston Childrens Hospital and Surgery Center allowing Needham Crossing to continually evolve land uses for the current market needs.

Currently, the Needham Crossing area boasts long-term occupants such as Coca Cola, FedEx, and a Sheraton Hotel. Newer tenants include the world headquarters for Tripadvisor (stock: TRIP), Shark Ninja (stock: SN), life science company Verastem Oncology (stock: VSTM) and the regional headquarters for NBC Universal. The Marriott Residence Inn Homewood Suites operate hotel flags and the Kendrick and Charles River Landing provide luxury housing for residents. Smaller companies such as Big Belly Solar Inc., a maker of "green" trash cans, has doubled the size of its headquarters since moving to the park. Workbar has a large facility that has been expanded to support the roles of many different tenants that need office space on a smaller permanent basis that allows for rotation of space for remote workers.

In March 2025, Advisor360°, a leading provider of integrated technology solutions for wealth management firms, announced that it had relocated its corporate headquarters to 400 First Avenue in Needham. Approximately 60% of Advisor360°'s 500-person workforce will be based in the new headquarters.

The Town has a TIF agreement with TripAdvisor, 13 years in total, currently at a 76% exemption that declined to a 1% exemption effective 2021. The Town also has a TIF agreement with NBC Universal, 10 years in total, with a 70% exemption for the first 4 years that declines to 5% in year 5, and then 1% for years 6 through 10. The exemptions apply only on the new growth value.



## Building Permits

The following table sets forth the number of building permits issued and the estimated dollar value of new construction and alterations for calendar years 2020 through 2024. Permits are filed for both private construction as well as for Town projects.

### BUILDING PERMITS

| Calendar<br>Year | New Construction |               |                 |                 | Additions/Alterations |               |                 |               | Totals |                 |
|------------------|------------------|---------------|-----------------|-----------------|-----------------------|---------------|-----------------|---------------|--------|-----------------|
|                  | Residential      |               | Non-Residential |                 | Residential           |               | Non-Residential |               | No.    | Value           |
|                  | No               | Value         | No.             | Value           | No                    | Value         | No.             | Value         |        |                 |
| 2024             | 85               | \$ 80,314,178 | -               | \$ -            | 1,420                 | \$ 60,883,472 | 89              | \$ 34,799,630 | 1,594  | \$ 175,997,280  |
| 2023             | 67               | 61,503,195    | 3               | 199,500,000 (1) | 993                   | 51,999,732    | 107             | 45,160,602    | 1,170  | 358,163,529     |
| 2022             | 86               | 76,260,846    | 1               | 782,000         | 1,193                 | 66,067,372    | 118             | 76,862,712    | 1,398  | 219,972,930     |
| 2021             | 106              | 83,481,065    | -               | -               | 1,353                 | 59,852,432    | 118             | 26,672,668    | 1,577  | 170,006,165 (2) |
| 2020             | 67               | 44,614,400    | 3               | 24,578,350      | 757                   | 40,316,155    | 62              | 21,430,214    | 889    | 130,939,119     |

SOURCE: Report of the Building Inspector.

(1) Includes permit issued for the construction of a new Children's Hospital facility in Needham Crossing.

(2) Excludes 100 permits for demolitions with an aggregate value of \$1,143,250.

## Labor Force, Employment and Unemployment

In March 2025, the Town had a total labor force of 16,855 of which 16,197 were employed and 658 or 3.9% were unemployed as compared with 5.0% for the Commonwealth. The following table sets forth the Town's average labor force and unemployment rates for the following calendar years.

### UNEMPLOYMENT RATES

| Calendar<br>Year | Town of Needham |            |                      |   | Massachusetts        |   | United States        |   |
|------------------|-----------------|------------|----------------------|---|----------------------|---|----------------------|---|
|                  | Labor Force     | Employment | Unemployment<br>Rate |   | Unemployment<br>Rate |   | Unemployment<br>Rate |   |
| 2024             | 16,755          | 16,179     | 3.4                  | % | 4.0                  | % | 4.0                  | % |
| 2023             | 16,657          | 16,218     | 3.6                  |   | 3.4                  |   | 3.6                  |   |
| 2022             | 16,513          | 16,073     | 2.7                  |   | 3.8                  |   | 3.6                  |   |
| 2021             | 16,305          | 15,692     | 3.8                  |   | 5.7                  |   | 5.4                  |   |
| 2020             | 15,637          | 14,742     | 5.7                  |   | 8.9                  |   | 8.1                  |   |

SOURCE: Massachusetts Executive Office of Labor and Workforce Development. Federal Reserve Bank of Boston and U.S. Bureau of Labor Statistics. Data based upon place of residence, not place of employment. Monthly data for Town are unadjusted.

## Population and Income

The table below illustrates the Town's changes in median age, median family income, and per capita income and that of the Commonwealth and the Country as a whole for the same period according to the federal census.

### POPULATION AND INCOME

|                              | <u>Needham</u> | <u>Massachusetts</u> | <u>United States</u> |
|------------------------------|----------------|----------------------|----------------------|
| <b>Median Age:</b>           |                |                      |                      |
| 2020                         | 43.4           | 39.4                 | 38.3                 |
| 2010                         | 43.0           | 39.1                 | 37.2                 |
| 2000                         | 40.8           | 36.5                 | 35.3                 |
| 1990                         | 38.6           | 33.6                 | 32.9                 |
| <b>Median Family Income:</b> |                |                      |                      |
| 2020                         | 182,813        | 81,215               | 62,843               |
| 2010                         | 114,365        | 81,165               | 51,144               |
| 2000                         | 107,570        | 61,664               | 50,046               |
| 1990                         | 69,515         | 44,367               | 35,225               |
| <b>Per Capita Income:</b>    |                |                      |                      |
| 2020                         | 87,067         | 43,761               | 34,103               |
| 2010                         | 57,716         | 33,966               | 27,334               |
| 2000                         | 44,549         | 25,952               | 21,587               |
| 1990                         | 27,935         | 17,224               | 14,420               |

SOURCE: Federal Bureau of the Census.

### POPULATION TRENDS

| <u>2020</u> | <u>2010</u> | <u>2000</u> | <u>1990</u> | <u>1980</u> |
|-------------|-------------|-------------|-------------|-------------|
| 32,091      | 28,886      | 28,911      | 27,557      | 27,901      |

SOURCE: Federal Census.

## PROPERTY TAXATION

### Tax Levy Computation

The principal tax of Massachusetts cities and towns is the tax on real and personal property. The amount to be levied in each year is the amount appropriated or required by law to be raised for municipal expenditures less estimated receipts from other sources and less appropriations voted from funds on hand. The total amount levied is subject to certain limits prescribed by law; for a description of those limits see "Tax Limitations" below.

The estimated receipts for a fiscal year from sources other than the property tax may not exceed the actual receipts during the preceding fiscal year from the same sources unless approved by the State Commissioner of Revenue. Excepting special funds the use of which is otherwise provided for by law, the deduction for appropriations voted from funds on hand for a fiscal year cannot exceed the "free cash" as of the beginning of the prior fiscal year as certified by the State Director of Accounts plus up to nine months' collections and receipts on account of earlier years' taxes after that date. Subject to certain adjustments, free cash is surplus revenue less uncollected overdue property taxes from earlier years.

Although an allowance is made in the tax levy for abatements (see "Abatements and Overlay" below) no reserve is generally provided for uncollectible real property taxes. Because some of the levy is inevitably not collected, this creates a cash deficiency which may or may not be offset by other items (see "Taxation to Meet Deficits" below).

The table below illustrates the manner in which the tax levy was determined for the following fiscal years.

### TAX LEVY COMPUTATION

|                               | Fiscal 2021    | Fiscal 2022    | Fiscal 2023    | Fiscal 2024    | Fiscal 2025    |
|-------------------------------|----------------|----------------|----------------|----------------|----------------|
| Total Appropriations(1)       | \$ 212,871,580 | \$ 225,645,370 | \$ 244,168,129 | \$ 252,472,676 | \$ 272,647,456 |
| Additions:                    |                |                |                |                |                |
| State & County Assessments    | 1,485,423      | 1,581,893      | 1,588,201      | 1,607,096      | 1,658,272      |
| Overlay Reserve               | 1,407,265      | 2,553,011      | 2,610,471      | 2,606,953      | 2,922,569      |
| Other Additions               | 336,704        | 653,450        | 408,975        | 83,420         | 159,934        |
| Total Additions               | 3,229,392      | 4,788,354      | 4,607,647      | 4,297,469      | 4,740,775      |
| Gross Amount to be Raised     | 216,100,972    | 230,433,724    | 248,775,776    | 256,770,145    | 277,388,231    |
| Deductions:                   |                |                |                |                |                |
| Local Estimated Receipts: (2) | 30,611,425     | 32,786,568     | 36,104,998     | 39,390,146     | 45,891,961     |
| State Aid:                    |                |                |                |                |                |
| Current Year                  | 13,695,326     | 13,961,831     | 15,221,089     | 15,540,802     | 16,175,722     |
| Available Funds (3)           | 9,355,420      | 12,851,426     | 18,556,775     | 17,273,274     | 22,895,326     |
| Total Deductions              | 53,662,171     | 59,599,825     | 69,882,862     | 72,204,222     | 84,963,009     |
| Net Amount to be Raised       | \$ 162,438,801 | \$ 170,833,899 | \$ 178,892,914 | \$ 184,565,923 | \$ 192,425,222 |

(1) Includes additional appropriations from taxation voted subsequent to adoption of the annual budget but prior to setting of the tax rate.

(2) Includes CPA surcharge tax and state matching funds.

(3) Transfers from other available funds, generally made as an offset to a particular appropriation item.

## Assessed Valuations and Tax Levies

Property is classified for the purpose of taxation according to its use. The legislature has in substance created four classes of taxable property: (1) residential real property, (2) open space land, (3) commercial and (4) industrial. Within limits, cities and towns are given the option of determining the share of the annual levy to be borne by each of the categories. The share required to be borne by residential real property is at least 50 per cent of its share of the total taxable valuation; the effective rate for open space must be at least 75 per cent of the effective rate for residential real property; and the share of commercial, industrial and personal property must not exceed 175 percent of their share of the total valuation. A city or town may also exempt up to 35 percent of the valuation of residential real property (where used as the taxpayer's principal residence) and up to 10 percent of the valuation of commercial real property (where occupied by certain small businesses). Property may not be classified in a city or town until the State Commissioner of Revenue certifies that all property in the city or town has been assessed at its fair cash value. Such certification must take place every five years or pursuant to a revised schedule as may be issued by the Commissioner.

Related statutes provide that certain agricultural or horticultural land (assessed at the value it has for these purposes) and recreational land (assessed on the basis of its use at a maximum of 25 percent of its fair cash value) are all to be taxed at the rate applicable to commercial property.

A revaluation of all real and personal property in the Town to full and fair cash value was completed for use in fiscal year 2025.

The following table sets forth the trend in the Town's assessed valuations, tax levies, and tax levies per capita.

| Fiscal Year | Real Estate Valuation | Personal Property Valuation | Total Assessed Valuation | Tax Levy       | Tax Levy Per Capita (1) |
|-------------|-----------------------|-----------------------------|--------------------------|----------------|-------------------------|
| 2025 (2)    | \$ 15,676,728,700     | \$ 429,826,950              | \$ 16,106,555,650        | \$ 192,425,222 | \$ 5,996                |
| 2024        | 12,742,699,636        | 403,098,540                 | 13,145,798,176           | 184,565,923    | 5,751                   |
| 2023        | 11,867,419,986        | 380,448,340                 | 12,247,868,326           | 178,892,914    | 5,575                   |
| 2022        | 10,922,692,504        | 388,986,460                 | 11,311,678,964           | 170,833,899    | 5,323                   |
| 2021        | 10,742,368,779        | 303,361,700                 | 11,045,730,479           | 162,438,801    | 5,062                   |

(1) 2020 Federal Census.

(2) Revaluation year.

The table below sets forth the trend of the Town's tax rates for different classes of property for the following fiscal years:

| Fiscal Year | Tax Rate per \$1,000 Valuation |                                            |
|-------------|--------------------------------|--------------------------------------------|
|             | Residential Property           | Commercial, Industrial & Personal Property |
| 2025        | \$10.60                        | \$20.91                                    |
| 2024        | 12.52                          | 24.57                                      |
| 2023        | 13.04                          | 25.56                                      |
| 2022        | 13.37                          | 26.43                                      |
| 2021        | 13.03                          | 25.74                                      |

## Classification of Property

The following is a breakdown of the Town's assessed valuation in fiscal years 2023, 2024 and 2025.

| Property Type     | 2023                    |                | 2024                    |                | 2025 (1)                |                |
|-------------------|-------------------------|----------------|-------------------------|----------------|-------------------------|----------------|
|                   | Amount                  | % of Total     | Amount                  | % of Total     | Amount                  | % of Total     |
| Residential       | \$10,715,862,649        | 87.5 %         | \$11,487,662,900        | 87.4 %         | \$14,002,216,972        | 86.9 %         |
| Commercial        | 1,026,136,613           | 8.4            | 1,122,346,066           | 8.5            | 1,499,785,024           | 9.3            |
| Industrial        | 125,420,724             | 1.0            | 132,690,670             | 1.0            | 174,726,704             | 1.1            |
| Personal          | 380,448,340             | 3.1            | 403,098,540             | 3.1            | 429,826,950             | 2.7            |
| Total Real Estate | <u>\$12,247,868,326</u> | <u>100.0 %</u> | <u>\$13,145,798,176</u> | <u>100.0 %</u> | <u>\$16,106,555,650</u> | <u>100.0 %</u> |

(1) Revaluation year.

## LARGEST TAXPAYERS

The following table lists the ten largest taxpayers in the Town based upon assessed valuation for fiscal year 2025. All are current in their tax payments to the Town.

| Name                                             | Nature of Business            | Total Assessed Valuation for Fiscal 2025 | % of Total Assessed Value |
|--------------------------------------------------|-------------------------------|------------------------------------------|---------------------------|
| Nstar Electric Company                           | Electric Utility Company      | \$135,882,260                            | 0.84 %                    |
| Needham Residential LLC                          | Data Storage Facility         | 118,510,300                              | 0.74                      |
| Lofts At Charles River Landing LLC               | Apartments                    | 105,752,600                              | 0.66                      |
| Babson College C/O North Hill Needham            | Residential Apartment Complex | 99,550,600                               | 0.62                      |
| CHB Properties Inc C/O Boston Childrens Hospital | Travel Agency                 | 90,635,000                               | 0.56                      |
| Needham Travel Property LLC                      | Gas Utility Company           | 87,114,700                               | 0.54                      |
| BP 140 Kendrick Street Property LLC              | Software Design               | 74,998,500                               | 0.47                      |
| Nstar Gas Company                                | Media & Television Production | 71,148,540                               | 0.44                      |
| Digital 128 First Avenue LLC                     | Lab & Office Building         | 71,102,890                               | 0.44                      |
| MCPF-Needham LLC                                 | Real Estate Developer         | 66,322,100                               | 0.41                      |
| Total                                            |                               | <u>\$921,017,490</u>                     | <u>5.72 %</u>             |

## State Equalized Valuation

In order to determine appropriate relative values for the purposes of certain distributions to and assessments upon cities and towns, the Commissioner of Revenue biennially makes a redetermination of the fair cash value of the taxable property in each municipality. This is known as the "equalized value".

The following table sets forth the trend in equalized valuations of the Town.

| January 1, | State Equalized Valuation | % Change |
|------------|---------------------------|----------|
| 2024       | \$ 14,275,936,100         | 16.0 %   |
| 2022       | 12,307,796,200            | 6.3      |
| 2020       | 11,580,160,100            | 11.9     |
| 2018       | 10,352,941,600            | 7.0      |
| 2016       | 9,675,551,500             | 16.7     |

## Abatements and Overlay

The Town is authorized to increase each tax levy by an amount approved by the State Commissioner of Revenue as an "overlay" to provide for tax abatements. If abatements are granted in excess of the applicable overlay, the resultant "overlay deficit" is required to be added to the next tax levy. An abatement granted after a tax payment has been made is accounted for as a refund on the books of the Town. Abatements are granted where exempt real or personal property has been assessed or where taxable real or personal property has been overvalued or disproportionately valued. The assessors may also abate uncollectible personal property taxes. They may abate real and personal property taxes on broad grounds (including inability to pay) with the approval of the State Commissioner of Revenue. But uncollected real property taxes are ordinarily not written off until they become municipal "tax titles" by purchase at the public sale or by taking, at which time the tax is written off in full by reserving the amount of the tax and charging surplus.

The following table sets forth the amount of the overlay reserve for the last five fiscal years and the amounts of abatements and exemptions granted as of June 30, 2024.

| Fiscal Year | Net Tax Levy (1) | Overlay Reserve |                    | Abatements and Exemptions Granted As of June 30, 2024 |
|-------------|------------------|-----------------|--------------------|-------------------------------------------------------|
|             |                  | Dollar Amount   | As a % of Net Levy |                                                       |
| 2024        | \$ 181,958,970   | \$ 2,606,953    | 1.43 %             | \$ 718,454                                            |
| 2023        | 176,282,443      | 2,610,471       | 1.48               | 147,619                                               |
| 2022        | 168,280,888      | 2,553,011       | 1.52               | 283,294                                               |
| 2021        | 161,031,536      | 1,407,265       | 0.87               | 475,801                                               |
| 2020        | 149,257,597      | 2,292,140       | 1.54               | 276,288                                               |

(1) Tax levy prior to addition of overlay reserve.

## Tax Collections

The Town has accepted a statute providing for quarterly tax payments. Under that statute, preliminary tax payments are due on August 1 and November 1 with payment of the actual tax bill (after credit is given for the preliminary payments) installments on February 1 and May 1 if actual tax bills are mailed by December 31. Interest accrues on delinquent taxes at the rate of 14 percent per annum.

The following table compares the Town's net tax collections with its net (gross tax levy less overlay reserve for abatements) tax levies for the previous five fiscal years, exclusive of the surcharge of property tax levied under the CPA.

| Fiscal Year | Gross Tax Levy | Overlay Reserve for Abatements | Net Tax Levy  | Collections During Fiscal Year Payable (1) |               | Collections as of 6/30/2024 (2) |               |
|-------------|----------------|--------------------------------|---------------|--------------------------------------------|---------------|---------------------------------|---------------|
|             |                |                                |               | Dollar Amount                              | % of Net Levy | Dollar Amount                   | % of Net Levy |
| 2024        | \$184,565,923  | \$2,606,953                    | \$181,958,970 | \$181,681,652                              | 99.8 %        | \$181,681,652                   | 99.8 %        |
| 2023        | 178,892,914    | 2,610,471                      | 176,282,443   | 175,930,183                                | 99.8          | 177,508,990                     | 100.7         |
| 2022        | 170,833,899    | 2,553,011                      | 168,280,888   | 168,146,235                                | 99.9          | 169,982,775                     | 101.0         |
| 2021        | 162,438,801    | 1,407,265                      | 161,031,536   | 161,696,759                                | 100.4         | 162,021,541                     | 100.6         |
| 2020        | 151,549,737    | 2,292,140                      | 149,257,597   | 148,734,319                                | 99.6          | 150,622,900                     | 100.9         |

(1) Actual dollar collections, net of refunds. Does not include abatements, proceeds of tax titles or tax possessions attributable to each levy or other non-cash credits.

(2) Exclusive of the property tax levied under the Community Preservation Act.



## Tax Titles and Possessions

Real property (land and buildings) is subject to a lien for the taxes assessed upon it, subject to any paramount federal lien and subject to bankruptcy and insolvency laws. (In addition, real property is subject to a lien for certain unpaid municipal charges or fees.) If the property has been transferred, an unenforced lien expires on the fourth December 31 after the end of the fiscal year to which the tax relates. If the property has not been transferred by the fourth December 31, an unenforced lien expires upon a later transfer of the property. Provision is made, however, for continuation of the lien where it could not be enforced because of a legal impediment. The persons against whom real or personal property taxes are assessed are personally liable for the tax (subject to bankruptcy and insolvency laws). In the case of real property, this personal liability is effectively extinguished by sale or taking of the property as described below.

Massachusetts law permits a municipality either to sell by public sale (at which the municipality may become the purchaser) or to take real property for non payment of taxes. In either case the property owner can redeem the property by paying the unpaid taxes, with interest and other charges, but if the right of redemption is not exercised within 12 months (which may be extended in the case of certain installment payments) it can be foreclosed by petition to the Land Court.

Upon foreclosure, a tax title purchased or taken by the municipality becomes a "tax possession" and may be held and disposed of in the same manner as other land held for municipal purposes. . The municipality must notify the former property owner of its intent to retain possession of or sell the property, as well as any "excess equity" (i.e., any remaining surplus amount above taxes, fees, and charges owed to or incurred by the municipality) the former owner may be entitled to in either case. The former owner may submit a claim for return of any excess equity within 18 months of being notified. Any excess equity not yet returned to the former owner must be held in a separate interest-bearing account.

Former owners of property foreclosed upon on or before May 24, 2021 are not eligible to submit claims for return of excess equity. At this time, it is not clear whether such owners may be able to make constitutional claims for return of excess equity outside of the statutory scheme concerning property foreclosed upon before May 24, 2021.

Uncollectible real property taxes are ordinarily not written off until they become municipal tax titles by purchase at the public sale or by taking, at which time the tax is written off in full by reserving the amount of tax and charging surplus.

The table below sets forth the amount of tax titles and possessions and deferred taxes outstanding at the end of the following fiscal years.

| <u>Fiscal<br/>Year</u> | <u>Total Tax<br/>Titles and<br/>Possessions</u> | <u>Deferred<br/>Taxes</u> |
|------------------------|-------------------------------------------------|---------------------------|
| 2024                   | \$ 673,844                                      | \$ 813,849                |
| 2023                   | 813,926                                         | 736,809                   |
| 2022                   | 1,316,015                                       | 609,587                   |
| 2021                   | 1,447,559                                       | 575,068                   |
| 2020                   | 1,229,531                                       | 546,673                   |

## Sale of Tax Receivables

Cities and towns are authorized to sell delinquent property tax receivables by public sale or auction, either individually or in bulk. The Town does not expect to utilize this option at the present time.

## Taxation to Meet Deficits

As noted elsewhere (see "Abatements and Overlay" above) overlay deficits, i.e., tax abatements in excess of the overlay included in the tax levy to cover abatements, are required to be added to the next tax levy. It is generally understood that revenue deficits, i.e., those resulting from non-property tax revenues being less than anticipated, are also required to be added to the tax levy (at least to the extent not covered by surplus revenue).

Amounts lawfully expended since the prior tax levy and not included therein are also required to be included in the annual tax levy. The circumstances under which this can arise are limited since municipal departments are generally prohibited from incurring liabilities in excess of appropriations except for major disasters, mandated items, contracts in aid of housing and renewal projects and other long-term contracts. In addition, utilities must be paid at established rates and certain established salaries, e.g., civil service, must legally be paid for work actually performed, whether or not covered by appropriations.

Cities and towns are authorized to appropriate sums, and thus to levy taxes, to cover deficits arising from other causes, such as “free cash” deficits arising from a failure to collect taxes. This is not generally understood, however, and it has not been the practice to levy taxes to cover free cash deficits. Except to the extent that such deficits have been reduced or eliminated by subsequent collections of uncollected taxes (including sales of tax titles and tax possessions), lapsed appropriations, non-property tax revenues in excess of estimates, other miscellaneous items or funding loans authorized by special act, they remain in existence.

## **Tax Limitations**

Chapter 59, Section 21C of the General Laws, also known as “Proposition 2½”, imposes two separate limits on the annual tax levy of a city or town.

The primary limitation is that the tax levy cannot exceed 2½ percent of the full and fair cash value. If a city or town exceeds the primary limitation, it must reduce its tax levy by at least 15 percent annually until it is in compliance, provided that the reduction can be reduced in any year to not less than 7½ percent by majority vote of the voters, or to less than 7½ percent by two-thirds vote of the voters.

For cities and towns at or below the primary limit, a secondary limitation is that the tax levy cannot exceed the maximum levy limit for the preceding fiscal year as determined by the State Commissioner of Revenue by more than 2½ percent, subject to exceptions for property added to the tax rolls or property which has had an increase, other than as part of a general revaluation, in its assessed valuation over the prior year’s valuation.

This “growth” limit on the tax levy may be exceeded in any year by a majority vote of the voters, but an increase in the secondary or growth limit under this procedure does not permit a tax levy in excess of the primary limitation, since the two limitations apply independently. In addition, if the voters vote to approve taxes in excess of the “growth” limit for the purpose of funding a stabilization fund, such increased amount may only be taken into account for purposes of calculating the maximum levy limit in each subsequent year if the board of selectmen of a town or the city council of a city votes by a two-thirds vote to appropriate such increased amount in such subsequent year to the stabilization fund.

The applicable tax limits may also be reduced in any year by a majority vote of the voters.

The State Commissioner of Revenue may adjust any tax limit “to counterbalance the effects of extraordinary, non-recurring events which occurred during the base year”.

The statute further provides that the voters may exclude from the taxes subject to the tax limits and from the calculation of the maximum tax levy (a) the amount required to pay debt service on bonds and notes issued before November 4, 1980, if the exclusion is approved by a majority vote of the voters, and (b) the amount required to pay debt service on any specific subsequent issue for which similar approval is obtained. Even with voter approval, the holders of the obligations for which unlimited taxes may be assessed do not have a statutory priority or security interest in the portion of the tax levy attributable to such obligations. It should be noted that Massachusetts General Laws Chapter 44, Section 20 requires that the taxes excluded from the levy limit to pay debt service on any such bonds and notes be calculated based on the true interest cost of the issue.

Voters may also exclude from the Proposition 2½ limits the amount required to pay specified capital outlay expenditures or for the city or town’s apportioned share for certain capital outlay expenditures by a regional governmental unit. In addition, the city council of a city, with the approval of the mayor if required, or the board of selectmen or the town council of a town may vote to exclude from the Proposition 2½ limits taxes raised in lieu of sewer or water charges to pay debt service on bonds or notes issued by the municipality (or by an independent authority, commission or district) for water or sewer purposes, provided that the municipality’s sewer or water charges are reduced accordingly.

In addition, Proposition 2½ limits the annual increase in the total assessments on cities and towns by any county, district, authority, the Commonwealth or any other governmental entity (except regional school districts, the MWRA and certain districts for which special legislation provides otherwise) to the sum of (a) 2½ percent of the prior year’s assessments and (b) “any increases in costs, charges or fees for services customarily provided locally or for services subscribed to at local option”. Regional water districts, regional sewerage districts and regional veterans districts may exceed these limitations under statutory procedures requiring a two-thirds vote of the district’s governing body and either approval of the local appropriating authorities (by two-thirds vote in districts with more than two members or by majority vote in two-member districts) or approval of the registered voters in a local election (in the case of two-member districts). Under Proposition 2½ any State law to take effect on or after January 1, 1981 imposing a direct service or cost obligation on a city or town will become effective only if accepted or voluntarily funded by the city or town or if State funding is provided. Similarly, State rules or regulations imposing additional costs on a city or town or laws granting or increasing local tax exemptions are to take

effect only if adequate State appropriations are provided. These statutory provisions do not apply to costs resulting from judicial decisions.

The Town has been in full compliance with Proposition 2½ since its inception. The Town has voted to override Proposition 2½ for operating purposes and to exclude debt service on several occasions for capital projects. Most recently, the Town approved general overrides in 2003 (\$2,459,318), 2006 (\$597,370), 2007 (\$1,128,670) and 2009 (\$1,887,929). In addition, the Town voted to exclude \$15,700,000 principal and the interest thereon for library renovation and expansion, \$62,000,000 principal and the interest thereon for high school renovation and expansion, \$21,000,000 principal and the interest thereon for the High Rock and Pollard School projects, \$27,412,128 principal and the interest thereon for the Newman School renovation project, \$762,500, \$7,000,000 and \$57,542,500 principal and the interest thereon for site acquisition and construction of the Sunita L. Williams School, and \$69,995,000 for the design, construction of a new Police/Fire complex and Fire Station #2 (less any applicable grants from the Massachusetts School Building Authority).

## Unused Levy Capacity (1)

|                                  | Fiscal Year    |                |                |                |                |
|----------------------------------|----------------|----------------|----------------|----------------|----------------|
|                                  | 2025           | 2024           | 2023           | 2022           | 2021           |
| Primary Levy Limit (2)           | \$ 402,663,891 | \$ 328,644,954 | \$ 306,196,708 | \$ 282,791,974 | \$ 276,143,262 |
| Prior Fiscal Year Levy Limit     | 176,147,802    | 166,984,404    | 159,034,818    | 150,539,475    | 142,426,994    |
| 2.5% Levy Growth                 | 4,403,695      | 4,174,610      | 3,975,993      | 3,763,487      | 3,560,675      |
| New Growth (3)                   | 5,854,748      | 4,988,788      | 3,968,707      | 4,731,856      | 4,551,806      |
| Amended New Growth               | -              | -              | 4,886          | -              | -              |
| Overrides                        | -              | -              | -              | -              | -              |
| Growth Levy Limit                | 186,406,245    | 176,147,802    | 166,984,404    | 159,034,818    | 150,539,475    |
| Debt Exclusions                  | 9,723,195      | 10,584,979     | 13,084,416     | 12,402,899     | 13,657,093     |
| Capital Expenditure Exclusions   | -              | -              | -              | -              | -              |
| Other Adjustments                | -              | -              | -              | -              | -              |
| Tax Levy Limit                   | 196,129,440    | 186,732,781    | 180,068,820    | 171,437,717    | 164,196,568    |
| Tax Levy                         | 192,425,222    | 184,565,923    | 178,892,914    | 170,833,899    | 162,438,801    |
| Unused Levy Capacity (4)         | 3,704,218      | 2,166,858      | 1,175,906      | 603,818        | 1,757,767      |
| Unused Primary Levy Capacity (5) | \$ 216,257,646 | \$ 152,497,152 | \$ 139,212,304 | \$ 123,757,156 | \$ 125,603,787 |

(1) Source: Massachusetts Department of Revenue.

(2) 2.5% of assessed valuation.

(3) Allowed increase for new valuations (or required reduction) - certified by the Department of Revenue.

(4) Tax Levy Limit less Tax Levy.

(5) Primary Levy Limit less Growth Levy Limit.

## Community Preservation Act

The Massachusetts Community Preservation Act (the "CPA") permits cities and towns that accept its provisions to levy a surcharge on its real property tax levy, dedicate revenue (other than state or federal funds), and to receive state matching funds for (i) the acquisition, creation, preservation, rehabilitation and restoration of land for recreational use, open space, and community housing and (ii) the acquisition, preservation, rehabilitation and restoration of historic resources. The provisions of the CPA must be accepted by the voters of the city or town at an election after such provisions have first been accepted by either a vote of the legislative body of the city or town or an initiative petition signed by 5% of its registered voters.

A city or town may approve a surcharge of up to 3% (but not less than 1% under certain circumstances) and may make an additional commitment of funds by dedicating revenue other than state or federal funds, provided that the total funds collected do not exceed 3% of the real property tax levy, less any exemptions adopted (such as an exemption for low-income individuals and families and for low and moderate-income senior citizens, an exemption for \$100,000 of the value of each taxable parcel of residential real property or \$100,000 of the value of each taxable parcel of class three, commercial property, and class four, industrial property as defined in Chapter 59, Section 2A of the General Laws, and an exemption for commercial and industrial properties in cities and towns with classified tax rates). In the event that the municipality shall no longer dedicate all or part of the additional funds to community preservation, the surcharge on the real property tax levy of not less than 1% shall remain in effect, provided that any such change must be approved pursuant to the same process as acceptance of the CPA. The surcharge is not counted in the total taxes assessed for the purpose of determining the permitted levy amount under Proposition 2½ (see "Tax Limitations" under "PROPERTY TAXATION" above). A city or town may revoke its acceptance of the provisions of the CPA at any time after 5 years from the date of such acceptance and may change the amount of the surcharge or the exemptions to the surcharge at

any time, including reducing the surcharge to 1% and committing additional municipal funds as outlined above, provided that any such revocation or change must be approved pursuant to the same process as acceptance of the CPA.

Any city or town that accepts the provisions of the CPA will receive annual state matching grants to supplement amounts raised by its surcharge on the real property tax levy and any other revenue dedicated pursuant to the CPA. The state matching funds are raised from certain recording and filing fees of the registers of deeds. Those amounts are deposited into a state trust fund and are distributed to cities and towns that have accepted the provisions of the CPA, which distributions are not subject to annual appropriation by the state legislature. The amount distributed to each city and town is based on a statutory formula and the total state distribution made to any city or town may not exceed 100% of the amount raised locally by the surcharge on the real property tax levy.

The amounts raised by the surcharge on real property taxes, the amounts of other dedicated revenues and the amounts received in state matching funds are required to be deposited in a dedicated community preservation fund. Each city or town that accepts the provisions of the CPA is required to establish a community preservation committee to study the community preservation needs of the community and to make recommendations to the legislative body of the city or town regarding the community preservation projects that should be funded from the community preservation fund. Upon the recommendations of the committee, the legislative body of the city or town may appropriate amounts from the fund for permitted community preservation purposes or may reserve amounts for spending in future fiscal years, provided that at least 10% of the total annual revenues to the fund must be spent or set aside for open space purposes, 10% for historic resource purposes and 10% for community housing purposes.

The CPA authorizes cities and towns that accept its provisions to issue bonds and notes in anticipation of the receipt of surcharge and other dedicated revenues to finance community preservation projects approved under the provisions of the CPA. Bonds and notes issued under the CPA are general obligations of the city or town and are payable from amounts on deposit in the community preservation fund. In the event that a city or town revokes its acceptance of the provisions of the CPA, the surcharge shall remain in effect until all contractual obligations incurred by the city or town prior to such revocation, including the payment of bonds or notes issued under the CPA, have been fully discharged.

The Town has accepted the Act and set the surcharge rate at 2%. The Town implemented the program in fiscal year 2006 and is utilizing revenues to pay for a variety of municipal projects.

#### **Community Preservation Fund Revenues**

| <u>Fiscal<br/>Year</u> | <u>Property Tax (1)</u> | <u>State<br/>Contribution</u> | <u>Total</u> |
|------------------------|-------------------------|-------------------------------|--------------|
| 2024                   | \$ 3,223,294            | \$ 656,397                    | \$ 3,879,691 |
| 2023                   | 3,107,298               | 1,131,787                     | 4,239,085    |
| 2022                   | 2,920,964               | 1,238,965                     | 4,159,929    |
| 2021                   | 2,827,425               | 754,080                       | 3,581,505    |
| 2020                   | 2,609,353               | 592,379                       | 3,201,732    |

(1) Reflects actual collections.

The balance available for projects in the CPA Fund as of June 30, 2024 is \$14,359,099.

#### **Pledged Taxes**

Taxes on the increased value certain property in designated development districts may be pledged for the payment of costs of economic development projects within such districts and may therefore be unavailable for other municipal purposes. (See "Tax Increment Financing for Development Districts" under "TOWN FINANCES" below).

## TOWN FINANCES

### Budget and Appropriation Process

**Town Meeting:** The annual appropriations of the Town are ordinarily made at the annual meeting, which takes place in May. Appropriations may also be voted at special meetings. The Town has a finance committee, which submits reports and recommendations on proposed expenditures at town meetings.

The school budget is limited to the total amount appropriated by the city council or town meeting, but the school committee retains full power to allocate the funds appropriated. State legislation known as the Education Reform Act of 1993, as amended, imposes certain minimum expenditure requirements on municipalities with respect to funding for education. The requirements are determined on the basis of formulas affected by various measures of wealth and income, enrollments, prior levels of local spending and state aid, and other factors. In each fiscal year, the Town has appropriated at least the minimum expenditure requirement imposed by the Act.

The Town meeting may at any time vote to transfer any amount previously appropriated to any other authorized use by law, and, under certain circumstances and subject to certain limits and requirements, the selectmen of a town, with the concurrence of the finance committee, may transfer amounts appropriated for the use of any department to any other appropriation for the same department or to any other department.

Water and sewer department expenditures are generally included in the budgets adopted by city councils and town meetings but electric and gas department funds may be appropriated by the municipal light boards. Under certain legislation any city or town which accepts the legislation may provide that the appropriation for the operating costs of any department may be offset, in whole or in part, by estimated receipts from fees charged for services provided by the department. It is assumed that this general provision does not alter the pre-existing power of an electric or gas department to appropriate its own receipts.

**Enterprises:** Beginning with the fiscal 1996 budget, water and sewer operations are accounted for in separate enterprise accounts. Beginning with the fiscal 1999 budget solid waste operations are accounted for in a separate enterprise account. Effective for FY2020, the Solid Waste Disposal and Recycling Operations changed from an Enterprise Fund to General Fund appropriation.

**Mandatory Items:** Mandatory items, such as state and county assessments, the overlay for abatements, abatements in excess of overlays, principal and interest not otherwise provided for and final judgments are included in the tax levy whether or not included in the budget.

**Revenues:** Revenues are not required to be set forth in the budget but estimated non-tax revenues are taken into account by the assessors in fixing the tax levy. (See "PROPERTY TAXATION--Tax Levy Computation".)

### Budget Trends

The following table sets forth the trend in operating budgets for fiscal years 2021 through 2025, as voted at the town meeting. As such, said budgets reflect neither revenues nor certain mandatory items.

#### BUDGET COMPARISON (1)

|                           | Fiscal 2021          | Fiscal 2022          | Fiscal 2023          | Fiscal 2024          | Fiscal 2025          |
|---------------------------|----------------------|----------------------|----------------------|----------------------|----------------------|
| General Government        | \$5,400,737          | \$5,590,044          | \$5,918,317          | \$6,228,432          | \$4,927,678          |
| Land Use and Development  | 616,651              | 525,642              | 552,799              | 613,707              | 627,296              |
| Public Safety             | 17,047,491           | 17,704,018           | 18,634,363           | 20,339,032           | 22,474,352           |
| Education(2)              | 81,835,024           | 84,833,684           | 88,645,537           | 93,796,434           | 101,245,986          |
| Public Works & Facilities | 21,417,143           | 21,994,439           | 23,617,662           | 26,506,526           | 28,134,773           |
| Health & Human Services   | 2,299,203            | 2,355,437            | 2,422,342            | 2,550,302            | 2,772,979            |
| Culture & Recreation      | 2,935,790            | 3,204,954            | 3,421,863            | 3,720,287            | 3,843,647            |
| Employee Benefits(3)      | 33,586,497           | 35,134,466           | 38,390,141           | 39,056,637           | 40,768,065           |
| Other Operating Expenses  | 1,920,795            | 1,616,900            | 2,166,728            | 1,920,490            | 1,853,560            |
| Debt Service(4)           | 21,111,388           | 20,764,142           | 20,198,294           | 17,543,250           | 17,503,332           |
| Reserve Fund              | 2,077,091            | 2,077,091            | 2,052,091            | 2,000,000            | 2,000,000            |
| Total Expenditures        | <u>\$190,247,810</u> | <u>\$195,800,817</u> | <u>\$206,020,137</u> | <u>\$214,275,097</u> | <u>\$226,151,668</u> |

(1) Budgets reflect only the amount appropriated by Town Meeting and thus do not include county and state assessments and overlay reserve.

(2) Includes regional vocational school assessment.

(3) Includes pension and OPEB funding.

(4) Includes debt excluded from Proposition 2½ as well as estimated debt service on authorized and unissued debt.

## Revenues

**Property Taxes:** Property taxes are the major source of revenue for the Town. The total amount levied is subject to certain limits prescribed by law; for a description of those limits see "PROPERTY TAXATION-- Tax Limitations" above. The table below sets forth the amount of property tax revenue for the following fiscal years:

| <u>Fiscal<br/>Year</u> | <u>Property<br/>Taxes</u> |
|------------------------|---------------------------|
| 2024                   | \$ 181,679,426            |
| 2023                   | 177,689,636               |
| 2022                   | 170,002,186               |
| 2021                   | 161,136,736               |
| 2020                   | 150,192,994               |

**State Aid:** The Town's state aid entitlement is based upon a number of different formulas, and while such formulas might indicate that a particular amount of state aid is owed, the amount of state aid actually paid is limited to the amount appropriated by the state legislature. The state annually estimates state aid but actual payments may vary from the estimate. The table below sets forth the amount of state aid revenue for the following fiscal years:

| <u>Fiscal<br/>Year</u> | <u>State<br/>Aid</u> |
|------------------------|----------------------|
| 2024                   | \$15,529,405         |
| 2023                   | 15,339,195           |
| 2022                   | 13,811,712           |
| 2021                   | 13,599,910           |
| 2020                   | 13,088,243           |

**Motor Vehicle Excise:** An excise is imposed on the registration of motor vehicles (subject to exemptions) at the rate of \$25 per \$1,000 of valuation. The excise is collected by and for the benefit of the municipality in which the motor vehicle is customarily kept. Valuations are determined by a statutory formula based on manufacturer's list price and year of manufacture. Bills not paid when due bear interest at 12 percent per annum. Provision is also made after notice to the owner, for suspension of the owner's operating license or registration by the registrar of motor vehicles. The state annually estimates state aid but actual payments may vary from the estimate. The table below sets forth the amount of motor vehicle excise revenue for the following fiscal years:

| <u>Fiscal<br/>Year</u> | <u>Motor Vehicle<br/>Excise</u> |
|------------------------|---------------------------------|
| 2024                   | \$ 7,316,406                    |
| 2023                   | 6,779,778                       |
| 2022                   | 5,837,070                       |
| 2021                   | 5,129,306                       |
| 2020                   | 5,679,213                       |

**Water and Sewer Rates and Services:** The Town's Public Works Department provides water and sewer services, accounted for as enterprise funds, to all commercial, industrial and residential users within the Town and charges them on the basis of metered consumption. Water and sewer rates are set by the Select Board. The Town has an ascending block rate schedule ranging from \$3.30 to \$5.44 per 100 cubic feet for water and from \$9.82 to \$12.75 per 100 cubic feet for sewer. Water irrigation rates range from \$5.60 to \$8.91 per 100 cubic feet for water. The rates were effective July 1, 2024.

In fiscal year 2022, water and sewer revenues totaled \$15,017,396 which included \$526,368 in general fund receipts, and expenditures totaled \$14,898,744 including debt service, retirement costs and overhead.

In fiscal year 2023, water and sewer revenues totaled \$16,956,798 which included \$782,928 in general fund receipts, and expenditures totaled \$15,422,867 including debt service, retirement costs and overhead.

In fiscal year 2024, water and sewer revenues totaled \$14,684,061 which included \$810,358 in general fund receipts, and expenditures totaled \$18,782,514 including debt service, retirement costs and overhead.



**Local Options Meals Tax:** On November 2, 2009, the Town adopted the local meals excise tax to be effective January 1, 2010. The local meals excise tax is a 0.75% tax on the gross receipts of a vendor from the sale of restaurant meals. The tax is paid by the vendor to the State Commissioner of Revenue, who in turn pays the tax to the municipality in which the meal was sold. The table below sets forth the amount of local option meals tax revenue for the following fiscal years:

| <u>Fiscal<br/>Year</u> | <u>Local Option<br/>Meals Tax</u> |
|------------------------|-----------------------------------|
| 2024                   | \$ 638,249                        |
| 2023                   | 599,284                           |
| 2022                   | 501,340                           |
| 2021                   | 329,495                           |
| 2020                   | 499,167                           |

As a result the reduction in economic activity associated with the COVID-19 pandemic, the revenues from this source declined in fiscal year 2021.

**Room Occupancy Tax:** Under this tax, local governments may tax the provision of hotel, motel lodging house rooms and bed and breakfast rooms at a rate not to exceed six percent (6%) of the cost of renting such rooms. The tax is paid by the operator of each establishment to the State Commissioner of Revenue, who in turn pays the tax back to the municipality in which the rooms are located in quarterly distributions. The table below sets forth the amount of room occupancy tax revenue for the following fiscal years:

| <u>Fiscal<br/>Year</u> | <u>Room Occupancy<br/>Tax</u> |
|------------------------|-------------------------------|
| 2024                   | \$ 1,580,395                  |
| 2023                   | 1,368,285                     |
| 2022                   | 914,419                       |
| 2021                   | 313,986                       |
| 2020                   | 1,185,706                     |

As a result, the reduction in economic activity associated with the COVID-19 pandemic, the revenues from this source declined in fiscal year 2021.

**Interest and Dividends:** The table below sets forth the amount of interest and dividends revenue for the following fiscal years:

| <u>Fiscal<br/>Year</u> | <u>Interest &amp; Dividends</u> |
|------------------------|---------------------------------|
| 2024                   | \$ 3,014,707                    |
| 2023                   | 1,520,839                       |
| 2022                   | 194,651                         |
| 2021                   | 228,969                         |
| 2020                   | 834,163                         |

## **State Distributions**

In addition to grants for specified capital purposes (some of which are payable over the life of the bonds issued for the projects), the Commonwealth provides financial assistance to cities and towns for current purposes. Payments to cities and towns are derived primarily from a percentage of the State's personal income, sales and use, and corporate excise tax receipts, together with the net receipts from the State Lottery. A municipality's state aid entitlement is based on a number of different formulas, of which the "schools" and "lottery" formulas are the most important. Both of the major formulas tend to provide more state aid to poorer communities. The formulas for determining a municipality's state aid entitlement are subject to amendment by the state legislature and, while a formula might indicate that a particular amount of state aid is owed, the amount of state aid actually paid is limited to the amount appropriated by the state legislature. The state annually estimates state aid, but the actual state aid payments may vary from the estimate.

In the fall of 1986, legislation was enacted placing limits on the growth of state tax revenues. In essence, the growth in state tax revenue is limited to the average rate of growth in wages and salaries in the Commonwealth over the previous three calendar years. The effect of this legislation could be to restrict the amount of state tax revenue available to provide state financial assistance to the Commonwealth's cities, towns and regional school districts.

## **State School Building Assistance Program**

Under its school building assistance program, the Commonwealth of Massachusetts provides grants to cities, towns and regional school districts for school construction projects. Until July 26, 2004, the State Board of Education was responsible for approving grants for school projects and otherwise administering the program. Grant amounts ranged from 50% to 90% of approved project costs. Municipalities generally issued bonds to finance the entire project cost, and the Commonwealth disbursed the grants in equal annual installments over the term of the related bonds.

Pursuant to legislation which became effective on July 26, 2004, the state legislature created the Massachusetts School Building Authority (the "Authority") to finance and administer the school building assistance program. The Authority has assumed all powers and obligations of the Board of Education with respect to the program. In addition to certain other amounts, the legislation dedicates a portion of Commonwealth sales tax receipts to the Authority to finance the program.

The range of reimbursement rates for new project grant applications submitted to the Authority is between 31% and 80% of approved project costs. The Authority promulgated new regulations with respect to the application and approval process for projects submitted after July 1, 2007. The Authority expects to pay grants for such projects as project costs are incurred pursuant to project funding agreements between the Authority and the municipalities. None of the interest expense incurred on debt issued by municipalities to finance their portion of the costs of new projects will be included in the approved project costs eligible for reimbursement.

## **Investment of Town Funds**

Investments of funds of cities and towns, except for trust funds, are generally restricted by Massachusetts General Laws Chapter 44, §55. That statute permits investments of available revenue funds and bond and note proceeds in 1) term deposits and certificates of deposits of banks and trust companies with a maturity date from date of purchase of up to three years; 2) obligations issued or unconditionally guaranteed by the federal government or an agency thereof with a maturity of not more than one year; 3) repurchase agreements with a maturity of not more than 90 days secured by federal or federal agency securities; 4) participation units in the Massachusetts Municipal Depository Trust ("MMDT"), or; 5) shares in SEC-registered money market funds with the highest possible rating from at least one nationally recognized rating organization.

MMDT is an investment pool created by the Commonwealth. The State Treasurer is the sole trustee, and the funds are managed under contract by an investment firm under the supervision of the State Treasurer's office. According to the State Treasurer the MMDT's investment policy is designed to maintain an average weighted maturity of 90 days or less and is limited to high-quality, readily marketable fixed income instruments, including U.S. Government obligations and highly-rated corporate securities with maturities of one year or less.

MMDT funds, unless otherwise provided by the donor, may be invested in accordance with §54 of Chapter 44, which permits a broader range of investments than §55, including any bonds or notes that are legal investments for savings banks in the Commonwealth. The restrictions imposed by §54 and §55 do not apply to city and town retirement systems.

A breakdown of the Town's investments may be obtained from the Town Treasurer.

## **Annual Audits**

The Town's financial statements have been audited annually, most recently by Marcum LLP of Merrimack, New Hampshire. Copies of audit reports are available at the office of the Town Accountant of the Town. A similar audit, prepared by CBIZ for the fiscal year ended June 30, 2024, is currently underway. Said audit is not expected to vary from the unaudited financials for fiscal 2024 contained herein. If said audit is finalized by the delivery date of the Notes, it will replace the fiscal 2023 audit attached hereto, in the final Official Statement.

The attached report speaks only as of its date, and only to the matters expressly set forth therein. The auditors have not been engaged to review this Official Statement or to perform audit procedures regarding the post-audit period, nor have the auditors been requested to give their consent to the inclusion of their report in Appendix A. Except as stated in their report, the auditors have not been engaged to verify the financial information set out in Appendix A and are not passing upon and do not assume responsibility for the sufficiency, accuracy or completeness of the financial information presented in that appendix.

## **Financial Statements**

Set forth on the following pages are Governmental Funds Balance Sheets for fiscal years ended June 30, 2024 (unaudited), June 30, 2023, June 30, 2022 and June 30, 2021 and the Statement of Revenues, Expenditures and Changes in Fund Balance for the fiscal years ended June 30, 2024 (unaudited) and June 30, 2023 through June 30, 2019. All said financial statements have been extracted from the Town's audited financial statements with the exception of the fiscal 2024 financials, which have been extracted from unaudited financial statements as prepared by the external auditor and are preliminary, subject to revision and change.

## TOWN OF NEEDHAM, MASSACHUSETTS

## GOVERNMENTAL FUNDS

## BALANCE SHEET

JUNE 30, 2024

(Unaudited)

|                                                                            | General<br>Fund      | Community<br>Preservation<br>Fund | Town<br>Federal Grants<br>Fund | Emery<br>Grover<br>Building<br>Fund | Nonmajor<br>Governmental<br>Funds | Total<br>Governmental<br>Funds |
|----------------------------------------------------------------------------|----------------------|-----------------------------------|--------------------------------|-------------------------------------|-----------------------------------|--------------------------------|
| <b>Assets</b>                                                              |                      |                                   |                                |                                     |                                   |                                |
| Cash and short-term investments                                            | \$ 70,987,973        | \$ -                              | \$ 7,694,580                   | \$ -                                | \$ 28,400,381                     | \$ 107,082,934                 |
| Investments                                                                | 9,879,550            | 14,359,100                        | -                              | -                                   | -                                 | 24,238,650                     |
| Receivables:                                                               |                      |                                   |                                |                                     |                                   |                                |
| Property taxes                                                             | 5,012,541            | 80,044                            | -                              | -                                   | -                                 | 5,092,585                      |
| Excises                                                                    | 1,106,690            | -                                 | -                              | -                                   | -                                 | 1,106,690                      |
| Departmental                                                               | 1,586,217            | -                                 | -                              | -                                   | 686,208                           | 2,272,425                      |
| Intergovernmental                                                          | -                    | -                                 | 36,216                         | -                                   | 402,630                           | 438,846                        |
| Other                                                                      | 186,474              | -                                 | -                              | -                                   | -                                 | 186,474                        |
| Due from other funds                                                       | 912,457              | -                                 | -                              | -                                   | -                                 | 912,457                        |
| <b>Total Assets</b>                                                        | <b>\$ 89,671,902</b> | <b>\$ 14,439,144</b>              | <b>\$ 7,730,796</b>            | <b>\$ -</b>                         | <b>\$ 29,489,219</b>              | <b>\$ 141,331,061</b>          |
| <b>Liabilities</b>                                                         |                      |                                   |                                |                                     |                                   |                                |
| Warrants and accounts payable                                              | \$ 2,576,902         | \$ -                              | \$ 39,202                      | \$ 113,316                          | \$ 1,898,096                      | \$ 4,627,516                   |
| Unearned revenue                                                           | -                    | -                                 | 6,534,875                      | -                                   | 1,832,244                         | 8,367,119                      |
| Accrued liabilities                                                        | 5,652,170            | -                                 | 9,160                          | -                                   | 102,108                           | 5,763,438                      |
| Notes payable                                                              | -                    | -                                 | -                              | 4,517,350                           | 2,015,000                         | 6,532,350                      |
| Due to other funds                                                         | -                    | -                                 | -                              | 912,457                             | -                                 | 912,457                        |
| Other liabilities                                                          | 1,078,109            | -                                 | -                              | -                                   | 94,455                            | 1,172,564                      |
| <b>Total Liabilities</b>                                                   | <b>9,307,181</b>     | <b>-</b>                          | <b>6,583,237</b>               | <b>5,543,123</b>                    | <b>5,941,903</b>                  | <b>27,375,444</b>              |
| <b>Deferred Inflows of Resources:</b>                                      |                      |                                   |                                |                                     |                                   |                                |
| Unavailable revenues                                                       | 7,899,497            | 80,044                            | 36,216                         | -                                   | 1,087,042                         | 9,102,799                      |
| Taxes paid in advance                                                      | 87,497               | -                                 | -                              | -                                   | -                                 | 87,497                         |
| <b>Total Deferred Inflows of Resources</b>                                 | <b>7,986,994</b>     | <b>80,044</b>                     | <b>36,216</b>                  | <b>-</b>                            | <b>1,087,042</b>                  | <b>9,190,296</b>               |
| <b>Fund Balances</b>                                                       |                      |                                   |                                |                                     |                                   |                                |
| Nonspendable                                                               | -                    | -                                 | -                              | -                                   | -                                 | -                              |
| Restricted                                                                 | 505,815              | 14,359,100                        | 1,111,343                      | -                                   | 22,460,274                        | 38,436,532                     |
| Committed                                                                  | 11,538,206           | -                                 | -                              | -                                   | -                                 | 11,538,206                     |
| Assigned                                                                   | 24,555,626           | -                                 | -                              | -                                   | -                                 | 24,555,626                     |
| Unassigned                                                                 | 35,778,080           | -                                 | -                              | (5,543,123)                         | -                                 | 30,234,957                     |
| <b>Total Fund Balances</b>                                                 | <b>72,377,727</b>    | <b>14,359,100</b>                 | <b>1,111,343</b>               | <b>(5,543,123)</b>                  | <b>22,460,274</b>                 | <b>104,765,321</b>             |
| <b>Total Liabilities, Deferred Inflows of Resources, and Fund Balances</b> | <b>\$ 89,671,902</b> | <b>\$ 14,439,144</b>              | <b>\$ 7,730,796</b>            | <b>\$ -</b>                         | <b>\$ 29,489,219</b>              | <b>\$ 141,331,061</b>          |

SOURCE: Extracted from the unaudited Financial Statements of the Town as prepared by the external auditor, preliminary and subject to revision and change.

## TOWN OF NEEDHAM, MASSACHUSETTS

## GOVERNMENTAL FUNDS

## BALANCE SHEET

JUNE 30, 2023

|                                                                            | General<br>Fund      | Community<br>Preservation<br>Fund | Town<br>Federal Grants<br>Fund | Nonmajor<br>Governmental<br>Funds | Total<br>Governmental<br>Funds |
|----------------------------------------------------------------------------|----------------------|-----------------------------------|--------------------------------|-----------------------------------|--------------------------------|
| <b>Assets</b>                                                              |                      |                                   |                                |                                   |                                |
| Cash and short-term investments                                            | \$ 60,141,601        | \$ 3,847,853                      | \$ 3,143,158                   | \$ 27,978,524                     | \$ 95,111,136                  |
| Investments                                                                | 11,619,850           | 8,087,620                         | -                              | 3,211,479                         | 22,918,949                     |
| Receivables:                                                               |                      |                                   |                                |                                   |                                |
| Property taxes                                                             | 3,693,372            | 42,210                            | -                              | -                                 | 3,735,582                      |
| Excises                                                                    | 924,652              | -                                 | -                              | -                                 | 924,652                        |
| Departmental                                                               | 1,419,548            | -                                 | -                              | 594,212                           | 2,013,760                      |
| Intergovernmental                                                          | -                    | -                                 | 83,581                         | 138,742                           | 222,323                        |
| Other                                                                      | 179,285              | -                                 | -                              | -                                 | 179,285                        |
| <b>Total Assets</b>                                                        | <b>\$ 77,978,308</b> | <b>\$ 11,977,683</b>              | <b>\$ 3,226,739</b>            | <b>\$ 31,922,957</b>              | <b>\$ 125,105,687</b>          |
| <b>Liabilities</b>                                                         |                      |                                   |                                |                                   |                                |
| Warrants and accounts payable                                              | \$ 1,681,933         | \$ -                              | \$ 33,954                      | \$ 2,535,550                      | \$ 4,251,437                   |
| Unearned revenue                                                           | -                    | -                                 | 2,179,721                      | 1,778,239                         | 3,957,960                      |
| Accrued liabilities                                                        | 4,961,968            | 322                               | 10,855                         | 29,462                            | 5,002,607                      |
| Notes payable                                                              | -                    | -                                 | -                              | 420,000                           | 420,000                        |
| Refunds payable                                                            | 77,916               | -                                 | -                              | -                                 | 77,916                         |
| Other liabilities                                                          | 1,218,675            | -                                 | -                              | 132,975                           | 1,351,650                      |
| <b>Total Liabilities</b>                                                   | <b>7,940,492</b>     | <b>322</b>                        | <b>2,224,530</b>               | <b>4,896,226</b>                  | <b>15,061,570</b>              |
| <b>Deferred Inflows of Resources:</b>                                      |                      |                                   |                                |                                   |                                |
| Unavailable revenues                                                       | 5,354,141            | 42,210                            | 83,581                         | 731,158                           | 6,211,090                      |
| Taxes paid in advance                                                      | 79,326               | -                                 | -                              | -                                 | 79,326                         |
| <b>Total Deferred Inflows of Resources</b>                                 | <b>5,433,467</b>     | <b>42,210</b>                     | <b>83,581</b>                  | <b>731,158</b>                    | <b>6,290,416</b>               |
| <b>Fund Balances</b>                                                       |                      |                                   |                                |                                   |                                |
| Nonspendable                                                               | -                    | -                                 | -                              | 204,780                           | 204,780                        |
| Restricted                                                                 | 565,811              | 11,935,151                        | 1,011,043                      | 11,942,620                        | 25,454,625                     |
| Committed                                                                  | 20,984,813           | -                                 | -                              | 15,826,630                        | 36,811,443                     |
| Assigned                                                                   | 7,326,169            | -                                 | -                              | -                                 | 7,326,169                      |
| Unassigned                                                                 | 35,727,556           | -                                 | (92,415)                       | (1,678,457)                       | 33,956,684                     |
| <b>Total Fund Balances</b>                                                 | <b>64,604,349</b>    | <b>11,935,151</b>                 | <b>918,628</b>                 | <b>26,295,573</b>                 | <b>103,753,701</b>             |
| <b>Total Liabilities, Deferred Inflows of Resources, and Fund Balances</b> | <b>\$ 77,978,308</b> | <b>\$ 11,977,683</b>              | <b>\$ 3,226,739</b>            | <b>\$ 31,922,957</b>              | <b>\$ 125,105,687</b>          |

SOURCE: Extracted from the audited Financial Statements of the Town.

**TOWN OF NEEDHAM, MASSACHUSETTS**

**GOVERNMENTAL FUNDS**

**BALANCE SHEET**

**JUNE 30, 2022**

|                                                                               | <u>General</u>              | <u>Community<br/>Preservation</u> | <u>Nonmajor<br/>Governmental</u> | <u>Total<br/>Governmental</u> |
|-------------------------------------------------------------------------------|-----------------------------|-----------------------------------|----------------------------------|-------------------------------|
| <b>ASSETS</b>                                                                 |                             |                                   |                                  |                               |
| Cash and short-term investments                                               | \$ 53,173,820               | \$ 2,435,413                      | \$ 27,464,136                    | \$ 83,073,369                 |
| Investments                                                                   | 12,359,560                  | 8,180,898                         | 3,125,707                        | 23,666,165                    |
| Receivables:                                                                  |                             |                                   |                                  |                               |
| Property taxes                                                                | 4,669,916                   | 30,150                            | -                                | 4,700,066                     |
| Excises                                                                       | 901,181                     | -                                 | -                                | 901,181                       |
| Departmental                                                                  | 1,412,396                   | -                                 | 333,851                          | 1,746,247                     |
| Intergovernmental                                                             | 695,148                     | -                                 | 574,157                          | 1,269,305                     |
| Other                                                                         | <u>202,543</u>              | <u>-</u>                          | <u>-</u>                         | <u>202,543</u>                |
| <b>TOTAL ASSETS</b>                                                           | <b>\$ <u>73,414,564</u></b> | <b>\$ <u>10,646,461</u></b>       | <b>\$ <u>31,497,851</u></b>      | <b>\$ <u>115,558,876</u></b>  |
| <b>LIABILITIES, DEFERRED INFLOWS OF<br/>RESOURCES AND FUND BALANCES</b>       |                             |                                   |                                  |                               |
| Liabilities:                                                                  |                             |                                   |                                  |                               |
| Warrants and accounts payable                                                 | \$ 2,408,220                | \$ 56,642                         | \$ 1,104,960                     | \$ 3,569,822                  |
| Unearned revenue                                                              | -                           | -                                 | 2,609,048                        | 2,609,048                     |
| Accrued liabilities                                                           | 5,328,081                   | 667                               | 113,398                          | 5,442,146                     |
| Refunds payable                                                               | 683,964                     | -                                 | -                                | 683,964                       |
| Other liabilities                                                             | <u>1,354,199</u>            | <u>-</u>                          | <u>126,454</u>                   | <u>1,480,653</u>              |
| <b>TOTAL LIABILITIES</b>                                                      | <b>9,774,464</b>            | <b>57,309</b>                     | <b>3,953,860</b>                 | <b>13,785,633</b>             |
| Deferred Inflows of Resources:                                                |                             |                                   |                                  |                               |
| Unavailable revenues                                                          | 7,037,464                   | 30,150                            | 905,972                          | 7,973,586                     |
| Taxes paid in advance                                                         | <u>254,277</u>              | <u>-</u>                          | <u>-</u>                         | <u>254,277</u>                |
| <b>TOTAL DEFERRED INFLOWS<br/>OF RESOURCES</b>                                | <b>7,291,741</b>            | <b>30,150</b>                     | <b>905,972</b>                   | <b>8,227,863</b>              |
| Fund Balances:                                                                |                             |                                   |                                  |                               |
| Nonspendable                                                                  | -                           | -                                 | 113,326                          | 113,326                       |
| Restricted                                                                    | 733,044                     | 10,559,002                        | 30,580,019                       | 41,872,065                    |
| Committed                                                                     | 9,881,008                   | -                                 | -                                | 9,881,008                     |
| Assigned                                                                      | 16,350,767                  | -                                 | -                                | 16,350,767                    |
| Unassigned                                                                    | <u>29,383,540</u>           | <u>-</u>                          | <u>(4,055,326)</u>               | <u>25,328,214</u>             |
| <b>TOTAL FUND BALANCES</b>                                                    | <b><u>56,348,359</u></b>    | <b><u>10,559,002</u></b>          | <b><u>26,638,019</u></b>         | <b><u>93,545,380</u></b>      |
| <b>TOTAL LIABILITIES, DEFERRED INFLOWS OF<br/>RESOURCES AND FUND BALANCES</b> | <b>\$ <u>73,414,564</u></b> | <b>\$ <u>10,646,461</u></b>       | <b>\$ <u>31,497,851</u></b>      | <b>\$ <u>115,558,876</u></b>  |

Source: Extracted from the audited Financial Statements of the Town.



**TOWN OF NEEDHAM, MA  
GOVERNMENTAL FUNDS BALANCE SHEET  
AS OF JUNE 30, 2021**

|                                                                               | <u>General</u>       | <u>Community<br/>Preservation</u> | <u>Public<br/>Safety<br/>Building</u> | <u>Nonmajor<br/>Governmental</u> | <u>Total<br/>Governmental</u> |
|-------------------------------------------------------------------------------|----------------------|-----------------------------------|---------------------------------------|----------------------------------|-------------------------------|
| <b>ASSETS</b>                                                                 |                      |                                   |                                       |                                  |                               |
| Cash and short-term investments                                               | \$ 53,791,959        | \$ 744,695                        | \$ 7,272,793                          | \$ 18,401,729                    | \$ 80,211,176                 |
| Investments                                                                   | 6,901,850            | 8,455,354                         | -                                     | 3,109,211                        | 18,466,415                    |
| Receivables:                                                                  |                      |                                   |                                       |                                  |                               |
| Property taxes                                                                | 4,264,234            | 19,279                            | -                                     | -                                | 4,283,513                     |
| Excises                                                                       | 605,661              | -                                 | -                                     | -                                | 605,661                       |
| Departmental                                                                  | 1,275,414            | -                                 | -                                     | 372,937                          | 1,648,351                     |
| Intergovernmental                                                             | 1,390,296            | -                                 | -                                     | 305,387                          | 1,695,683                     |
| Other                                                                         | 74,899               | -                                 | -                                     | -                                | 74,899                        |
| <b>TOTAL ASSETS</b>                                                           | <b>\$ 68,304,313</b> | <b>\$ 9,219,328</b>               | <b>\$ 7,272,793</b>                   | <b>\$ 22,189,264</b>             | <b>\$ 106,985,698</b>         |
| <b>LIABILITIES, DEFERRED INFLOWS OF<br/>RESOURCES AND FUND BALANCES</b>       |                      |                                   |                                       |                                  |                               |
| Liabilities:                                                                  |                      |                                   |                                       |                                  |                               |
| Warrants and accounts payable                                                 | \$ 1,911,699         | \$ 8,349                          | \$ 3,778,054                          | \$ 1,112,625                     | \$ 6,810,727                  |
| Unearned revenue                                                              | -                    | -                                 | -                                     | 3,013,307                        | 3,013,307                     |
| Accrued liabilities                                                           | 4,927,660            | 77                                | -                                     | 142,079                          | 5,069,816                     |
| Refunds payable                                                               | 543,666              | -                                 | -                                     | -                                | 543,666                       |
| Other liabilities                                                             | 1,170,159            | -                                 | -                                     | 349,826                          | 1,519,985                     |
| <b>TOTAL LIABILITIES</b>                                                      | <b>8,553,184</b>     | <b>8,426</b>                      | <b>3,778,054</b>                      | <b>4,617,837</b>                 | <b>16,957,501</b>             |
| Deferred Inflows of Resources:                                                |                      |                                   |                                       |                                  |                               |
| Unavailable revenues                                                          | 7,103,852            | 19,279                            | -                                     | 339,646                          | 7,462,777                     |
| Taxes paid in advance                                                         | 270,472              | -                                 | -                                     | -                                | 270,472                       |
| <b>TOTAL DEFERRED INFLOWS<br/>OF RESOURCES</b>                                | <b>7,374,324</b>     | <b>19,279</b>                     | <b>-</b>                              | <b>339,646</b>                   | <b>7,733,249</b>              |
| Fund Balances:                                                                |                      |                                   |                                       |                                  |                               |
| Nonspendable                                                                  | -                    | -                                 | -                                     | 188,478                          | 188,478                       |
| Restricted                                                                    | 733,044              | 9,191,623                         | 3,494,739                             | 10,003,111                       | 23,422,517                    |
| Committed                                                                     | 9,264,695            | -                                 | -                                     | 7,947,152                        | 17,211,847                    |
| Assigned                                                                      | 14,316,012           | -                                 | -                                     | -                                | 14,316,012                    |
| Unassigned                                                                    | 28,063,054           | -                                 | -                                     | (906,960)                        | 27,156,094                    |
| <b>TOTAL FUND BALANCES</b>                                                    | <b>52,376,805</b>    | <b>9,191,623</b>                  | <b>3,494,739</b>                      | <b>17,231,781</b>                | <b>82,294,948</b>             |
| <b>TOTAL LIABILITIES, DEFERRED INFLOWS OF<br/>RESOURCES AND FUND BALANCES</b> | <b>\$ 68,304,313</b> | <b>\$ 9,219,328</b>               | <b>\$ 7,272,793</b>                   | <b>\$ 22,189,264</b>             | <b>\$ 106,985,698</b>         |

Source: Extracted from the audited Financial Statements of the Town.

TOWN OF NEEDHAM, MASSACHUSETTS  
GOVERNMENTAL FUNDS  
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
FOR THE YEAR ENDED JUNE 30, 2024  
(Unaudited)

|                                                            | General<br>Fund      | Community<br>Preservation<br>Fund | Town<br>Federal Grants<br>Fund | Emery<br>Grover<br>Building<br>Fund | Nonmajor<br>Governmental<br>Funds | Total<br>Governmental<br>Funds |
|------------------------------------------------------------|----------------------|-----------------------------------|--------------------------------|-------------------------------------|-----------------------------------|--------------------------------|
| <b>Revenues</b>                                            |                      |                                   |                                |                                     |                                   |                                |
| Property taxes                                             | \$ 182,678,092       | \$ 3,223,294                      | \$ -                           | \$ -                                | \$ -                              | \$ 185,901,386                 |
| Excises                                                    | 7,316,406            | -                                 | -                              | -                                   | -                                 | 7,316,406                      |
| Penalties, interest, and other taxes                       | 2,799,072            | 5,693                             | -                              | -                                   | -                                 | 2,804,765                      |
| Charges for services                                       | 5,126,648            | -                                 | -                              | -                                   | 8,147,406                         | 13,274,054                     |
| Departmental                                               | 949,520              | -                                 | -                              | -                                   | -                                 | 949,520                        |
| Licenses and permits                                       | 2,737,881            | -                                 | -                              | -                                   | -                                 | 2,737,881                      |
| Intergovernmental                                          | 30,805,749           | 656,397                           | 2,052,051                      | -                                   | 12,225,057                        | 45,739,254                     |
| Investment income                                          | 3,639,716            | 225,041                           | -                              | -                                   | 418,529                           | 4,283,286                      |
| Fines and forfeitures                                      | 83,831               | -                                 | -                              | -                                   | -                                 | 83,831                         |
| Contributions                                              | -                    | -                                 | -                              | -                                   | 365,936                           | 365,936                        |
| Other                                                      | 551,288              | -                                 | -                              | -                                   | 226,398                           | 777,686                        |
| <b>Total Revenues</b>                                      | <b>236,688,203</b>   | <b>4,110,425</b>                  | <b>2,052,051</b>               | <b>-</b>                            | <b>21,383,326</b>                 | <b>264,234,005</b>             |
| <b>Expenditures</b>                                        |                      |                                   |                                |                                     |                                   |                                |
| Current:                                                   |                      |                                   |                                |                                     |                                   |                                |
| General government                                         | 8,238,041            | 607,845                           | 778,277                        | -                                   | 238,528                           | 9,862,691                      |
| Public safety                                              | 19,904,466           | -                                 | 4,028                          | -                                   | 1,738,736                         | 21,647,230                     |
| Education                                                  | 107,024,032          | -                                 | -                              | -                                   | 15,578,927                        | 122,602,959                    |
| Public works                                               | 23,358,256           | -                                 | 408,940                        | -                                   | 89,096                            | 23,856,292                     |
| Building design and construction                           | 243,772              | -                                 | -                              | -                                   | -                                 | 243,772                        |
| Health and human services                                  | 2,650,015            | -                                 | 351,217                        | -                                   | 1,212,140                         | 4,213,372                      |
| Culture and recreation                                     | 3,298,838            | -                                 | -                              | -                                   | 866,677                           | 4,165,515                      |
| Employee benefits                                          | 37,828,114           | -                                 | -                              | -                                   | -                                 | 37,828,114                     |
| Other                                                      | 870,055              | -                                 | -                              | -                                   | -                                 | 870,055                        |
| Capital outlay                                             | -                    | -                                 | -                              | 9,871,263                           | 12,395,021                        | 22,266,284                     |
| Debt service:                                              |                      |                                   |                                |                                     |                                   |                                |
| Principal                                                  | 10,039,650           | -                                 | -                              | -                                   | -                                 | 10,039,650                     |
| Interest                                                   | 4,035,124            | -                                 | -                              | -                                   | -                                 | 4,035,124                      |
| Intergovernmental                                          | 1,642,017            | -                                 | -                              | -                                   | -                                 | 1,642,017                      |
| <b>Total Expenditures</b>                                  | <b>219,132,380</b>   | <b>607,845</b>                    | <b>1,542,462</b>               | <b>9,871,263</b>                    | <b>32,119,125</b>                 | <b>263,273,075</b>             |
| <b>Excess (deficiency) of revenues over expenditures</b>   | <b>17,555,823</b>    | <b>3,502,580</b>                  | <b>509,589</b>                 | <b>(9,871,263)</b>                  | <b>(10,735,799)</b>               | <b>960,930</b>                 |
| <b>Other Financing Sources (Uses)</b>                      |                      |                                   |                                |                                     |                                   |                                |
| Transfers in                                               | 10,835,408           | -                                 | -                              | 2,682,650                           | 9,410,804                         | 22,928,862                     |
| Transfers out                                              | (20,617,853)         | (1,078,631)                       | (316,874)                      | -                                   | (864,814)                         | (22,878,172)                   |
| <b>Total Other Financing Sources (Uses)</b>                | <b>(9,782,445)</b>   | <b>(1,078,631)</b>                | <b>(316,874)</b>               | <b>2,682,650</b>                    | <b>8,545,990</b>                  | <b>50,690</b>                  |
| <b>Change in Fund Balance</b>                              | <b>7,773,378</b>     | <b>2,423,949</b>                  | <b>192,715</b>                 | <b>(7,188,613)</b>                  | <b>(2,189,809)</b>                | <b>1,011,620</b>               |
| <b>Fund Balances at Beginning of Year, as Reclassified</b> | <b>64,604,349</b>    | <b>11,935,151</b>                 | <b>918,628</b>                 | <b>1,645,490</b>                    | <b>24,650,083</b>                 | <b>103,753,701</b>             |
| <b>Fund Balances at End of Year</b>                        | <b>\$ 72,377,727</b> | <b>\$ 14,359,100</b>              | <b>\$ 1,111,343</b>            | <b>\$ (5,543,123)</b>               | <b>\$ 22,460,274</b>              | <b>\$ 104,765,321</b>          |

SOURCE: Extracted from the unaudited Financial Statements of the Town as prepared by the external auditor, preliminary and subject to revision and change.

**TOWN OF NEEDHAM, MASSACHUSETTS**  
**GOVERNMENTAL FUNDS**  
**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES**  
**FOR THE YEAR ENDED JUNE 30, 2023**

|                                                              | General<br>Fund      | Community<br>Preservation<br>Fund | Town<br>Federal Grants<br>Fund | Nonmajor<br>Governmental<br>Funds | Total<br>Governmental<br>Funds |
|--------------------------------------------------------------|----------------------|-----------------------------------|--------------------------------|-----------------------------------|--------------------------------|
| <b>Revenues</b>                                              |                      |                                   |                                |                                   |                                |
| Property taxes                                               | \$ 179,124,962       | \$ 3,107,298                      | \$ -                           | \$ -                              | \$ 182,232,260                 |
| Excises                                                      | 6,779,778            | -                                 | -                              | -                                 | 6,779,778                      |
| Penalties, interest, and other taxes                         | 2,948,504            | 6,187                             | -                              | -                                 | 2,954,691                      |
| Charges for services                                         | 4,742,161            | -                                 | -                              | 6,454,263                         | 11,196,424                     |
| Departmental                                                 | 932,565              | -                                 | -                              | -                                 | 932,565                        |
| Licenses and permits                                         | 5,099,563            | -                                 | -                              | -                                 | 5,099,563                      |
| Intergovernmental                                            | 30,683,167           | 1,131,787                         | 1,344,840                      | 11,391,389                        | 44,551,183                     |
| Investment income                                            | 1,886,145            | 305,643                           | -                              | 402,011                           | 2,593,799                      |
| Fines and forfeitures                                        | 101,457              | -                                 | -                              | -                                 | 101,457                        |
| Contributions                                                | -                    | -                                 | -                              | 429,790                           | 429,790                        |
| Other                                                        | 822,164              | -                                 | -                              | 32,144                            | 854,308                        |
| <b>Total Revenues</b>                                        | <b>233,120,466</b>   | <b>4,550,915</b>                  | <b>1,344,840</b>               | <b>18,709,597</b>                 | <b>257,725,818</b>             |
| <b>Expenditures</b>                                          |                      |                                   |                                |                                   |                                |
| Current:                                                     |                      |                                   |                                |                                   |                                |
| General government                                           | 8,610,711            | 2,205,134                         | 588,616                        | 279,427                           | 11,683,888                     |
| Public safety                                                | 24,765,986           | -                                 | 7,536                          | 1,468,121                         | 26,241,643                     |
| Education                                                    | 122,778,849          | -                                 | -                              | 13,836,069                        | 136,614,918                    |
| Public works                                                 | 27,757,727           | -                                 | 30,176                         | 161,737                           | 27,949,640                     |
| Building design and construction                             | 223,038              | -                                 | -                              | -                                 | 223,038                        |
| Health and human services                                    | 3,319,995            | -                                 | 465,534                        | 746,137                           | 4,531,666                      |
| Culture and recreation                                       | 3,983,868            | -                                 | -                              | 584,373                           | 4,568,241                      |
| Employee benefits                                            | 823,474              | -                                 | -                              | -                                 | 823,474                        |
| Other                                                        | 802,155              | -                                 | -                              | -                                 | 802,155                        |
| Capital outlay                                               | -                    | -                                 | -                              | 14,197,463                        | 14,197,463                     |
| Debt service:                                                |                      |                                   |                                |                                   |                                |
| Principal                                                    | 13,500,000           | -                                 | -                              | -                                 | 13,500,000                     |
| Interest                                                     | 4,491,943            | -                                 | -                              | -                                 | 4,491,943                      |
| Intergovernmental                                            | 1,555,971            | -                                 | -                              | -                                 | 1,555,971                      |
| <b>Total Expenditures</b>                                    | <b>212,613,717</b>   | <b>2,205,134</b>                  | <b>1,091,862</b>               | <b>31,273,327</b>                 | <b>247,184,040</b>             |
| <b>Excess (deficiency) of revenues<br/>over expenditures</b> | <b>20,506,749</b>    | <b>2,345,781</b>                  | <b>252,978</b>                 | <b>(12,563,730)</b>               | <b>10,541,778</b>              |
| <b>Other Financing Sources (Uses)</b>                        |                      |                                   |                                |                                   |                                |
| Transfers in                                                 | 2,719,542            | -                                 | -                              | 14,089,991                        | 16,809,533                     |
| Transfers out                                                | (14,970,301)         | (969,632)                         | (277,260)                      | (925,797)                         | (17,142,990)                   |
| <b>Total Other Financing Sources (Uses)</b>                  | <b>(12,250,759)</b>  | <b>(969,632)</b>                  | <b>(277,260)</b>               | <b>13,164,194</b>                 | <b>(333,457)</b>               |
| <b>Change in Fund Balance</b>                                | <b>8,255,990</b>     | <b>1,376,149</b>                  | <b>(24,282)</b>                | <b>600,464</b>                    | <b>10,208,321</b>              |
| <b>Fund Balances at Beginning of Year, as Reclassified</b>   | <b>56,348,359</b>    | <b>10,559,002</b>                 | <b>942,910</b>                 | <b>25,695,109</b>                 | <b>93,545,380</b>              |
| <b>Fund Balances at End of Year</b>                          | <b>\$ 64,604,349</b> | <b>\$ 11,935,151</b>              | <b>\$ 918,628</b>              | <b>\$ 26,295,573</b>              | <b>\$ 103,753,701</b>          |

SOURCE: Extracted from the audited Financial Statements of the Town.

## TOWN OF NEEDHAM, MASSACHUSETTS

## GOVERNMENTAL FUNDS

## STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES

FOR THE YEAR ENDED JUNE 30, 2022

|                                                         | General              | Community<br>Preservation | Nonmajor<br>Governmental | Total<br>Governmental |
|---------------------------------------------------------|----------------------|---------------------------|--------------------------|-----------------------|
| <b>Revenues:</b>                                        |                      |                           |                          |                       |
| Property taxes                                          | \$ 170,417,731       | \$ 2,920,964              | \$ -                     | \$ 173,338,695        |
| Excise taxes                                            | 5,837,070            | -                         | -                        | 5,837,070             |
| Penalties, interest, and other taxes                    | 2,079,140            | 5,390                     | -                        | 2,084,530             |
| Charges for services                                    | 3,671,477            | -                         | 6,199,280                | 9,870,757             |
| Departmental                                            | 1,236,064            | -                         | -                        | 1,236,064             |
| Licenses and permits                                    | 2,771,497            | -                         | -                        | 2,771,497             |
| Intergovernmental                                       | 26,804,304           | 1,238,965                 | 14,068,346               | 42,111,615            |
| Investment income (loss)                                | 271,659              | 129,647                   | (295,066)                | 106,240               |
| Fines and forfeitures                                   | 102,347              | -                         | -                        | 102,347               |
| Contributions                                           | -                    | -                         | 348,106                  | 348,106               |
| Other                                                   | 312,446              | -                         | 51,467                   | 363,913               |
| <b>Total Revenues</b>                                   | <b>213,503,735</b>   | <b>4,294,966</b>          | <b>20,372,133</b>        | <b>238,170,834</b>    |
| <b>Expenditures:</b>                                    |                      |                           |                          |                       |
| <b>Current:</b>                                         |                      |                           |                          |                       |
| General government                                      | 7,365,968            | 453,571                   | 1,011,998                | 8,831,537             |
| Public safety                                           | 23,030,382           | -                         | 1,957,681                | 24,988,063            |
| Education                                               | 115,733,212          | -                         | 13,246,169               | 128,979,381           |
| Public works                                            | 25,986,861           | -                         | 272,425                  | 26,259,286            |
| Building design and construction                        | 336,197              | -                         | -                        | 336,197               |
| Health and human services                               | 3,028,634            | -                         | 294,018                  | 3,322,652             |
| Culture and recreation                                  | 3,568,710            | -                         | 717,397                  | 4,286,107             |
| Employee benefits                                       | 897,640              | -                         | -                        | 897,640               |
| Other                                                   | 715,777              | -                         | -                        | 715,777               |
| Capital outlay                                          | -                    | 1,497                     | 19,826,172               | 19,827,669            |
| <b>Debt service:</b>                                    |                      |                           |                          |                       |
| Principal                                               | 13,654,000           | -                         | -                        | 13,654,000            |
| Interest and fiscal charges                             | 4,498,497            | -                         | -                        | 4,498,497             |
| Intergovernmental                                       | 1,572,207            | -                         | -                        | 1,572,207             |
| <b>Total Expenditures</b>                               | <b>200,388,085</b>   | <b>455,068</b>            | <b>37,325,860</b>        | <b>238,169,013</b>    |
| Excess (deficiency) of revenues<br>over expenditures    | 13,115,650           | 3,839,898                 | (16,953,727)             | 1,821                 |
| <b>Other Financing Sources (Uses):</b>                  |                      |                           |                          |                       |
| Issuance of bonds                                       | -                    | -                         | 9,970,000                | 9,970,000             |
| Premium on bonds                                        | -                    | -                         | 734,564                  | 734,564               |
| Transfers in                                            | 5,484,304            | 548,878                   | 14,403,489               | 20,436,671            |
| Transfers out                                           | (14,628,400)         | (3,021,397)               | (2,242,827)              | (19,892,624)          |
| <b>Total Other Financing Sources (Uses)</b>             | <b>(9,144,096)</b>   | <b>(2,472,519)</b>        | <b>22,865,226</b>        | <b>11,248,611</b>     |
| <b>Net change in fund balances</b>                      | <b>3,971,554</b>     | <b>1,367,379</b>          | <b>5,911,499</b>         | <b>11,250,432</b>     |
| Fund Balances, at beginning of year, as<br>reclassified | 52,376,805           | 9,191,623                 | 20,726,520               | 82,294,948            |
| <b>Fund Balances, at end of year</b>                    | <b>\$ 56,348,359</b> | <b>\$ 10,559,002</b>      | <b>\$ 26,638,019</b>     | <b>\$ 93,545,380</b>  |

Source: Extracted from the audited Financial Statements of the Town.

**TOWN OF NEEDHAM, MA  
GOVERNMENTAL FUNDS  
STATEMENTS OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
AS OF JUNE 30, 2021**

|                                                         | <u>General</u>       | <u>Community<br/>Preservation</u> | <u>Public<br/>Safety<br/>Building</u> | <u>Nonmajor<br/>Governmental</u> | <u>Total<br/>Governmental</u> |
|---------------------------------------------------------|----------------------|-----------------------------------|---------------------------------------|----------------------------------|-------------------------------|
| <b>Revenues:</b>                                        |                      |                                   |                                       |                                  |                               |
| Property taxes                                          | \$ 161,661,687       | \$ 2,827,425                      | \$ -                                  | \$ -                             | \$ 164,489,112                |
| Excise taxes                                            | 5,129,306            | -                                 | -                                     | -                                | 5,129,306                     |
| Penalties, interest, and other taxes                    | 1,282,028            | 6,203                             | -                                     | -                                | 1,288,231                     |
| Charges for services                                    | 4,080,388            | -                                 | -                                     | 4,227,594                        | 8,307,982                     |
| Departmental                                            | 1,141,220            | -                                 | -                                     | -                                | 1,141,220                     |
| Licenses and permits                                    | 2,068,299            | -                                 | -                                     | -                                | 2,068,299                     |
| Intergovernmental                                       | 24,623,021           | 754,080                           | -                                     | 11,461,566                       | 36,838,667                    |
| Investment income                                       | 366,542              | 111,711                           | -                                     | 682,449                          | 1,160,702                     |
| Fines and forfeitures                                   | 60,974               | -                                 | -                                     | -                                | 60,974                        |
| Contributions                                           | -                    | -                                 | -                                     | 794,229                          | 794,229                       |
| Other                                                   | 596,281              | -                                 | -                                     | 44,321                           | 640,602                       |
| <b>Total Revenues</b>                                   | <b>201,009,746</b>   | <b>3,699,419</b>                  | <b>-</b>                              | <b>17,210,159</b>                | <b>221,919,324</b>            |
| <b>Expenditures:</b>                                    |                      |                                   |                                       |                                  |                               |
| <b>Current:</b>                                         |                      |                                   |                                       |                                  |                               |
| General government                                      | 7,716,310            | 395,952                           | -                                     | 1,615,881                        | 9,728,143                     |
| Public safety                                           | 21,652,212           | -                                 | -                                     | 2,447,010                        | 24,099,222                    |
| Education                                               | 110,087,932          | -                                 | -                                     | 10,196,625                       | 120,284,557                   |
| Public works                                            | 25,345,822           | -                                 | -                                     | 62,409                           | 25,408,231                    |
| Building design and construction                        | 576,958              | -                                 | -                                     | -                                | 576,958                       |
| Health and human services                               | 2,919,012            | -                                 | -                                     | 291,031                          | 3,210,043                     |
| Culture and recreation                                  | 3,198,287            | 3,000                             | -                                     | 470,730                          | 3,672,017                     |
| Employee benefits                                       | 1,062,733            | -                                 | -                                     | -                                | 1,062,733                     |
| Other                                                   | 667,584              | -                                 | -                                     | -                                | 667,584                       |
| Capital outlay                                          | -                    | -                                 | 20,577,691                            | 5,117,998                        | 25,695,689                    |
| <b>Debt service:</b>                                    |                      |                                   |                                       |                                  |                               |
| Principal                                               | 13,374,000           | -                                 | -                                     | -                                | 13,374,000                    |
| Interest and fiscal charges                             | 4,625,560            | -                                 | -                                     | -                                | 4,625,560                     |
| Intergovernmental                                       | 1,521,825            | -                                 | -                                     | -                                | 1,521,825                     |
| <b>Total Expenditures</b>                               | <b>192,748,235</b>   | <b>398,952</b>                    | <b>20,577,691</b>                     | <b>20,201,684</b>                | <b>233,926,562</b>            |
| Excess (deficiency) of revenues<br>over expenditures    | 8,261,511            | 3,300,467                         | (20,577,691)                          | (2,991,525)                      | (12,007,238)                  |
| <b>Other Financing Sources (Uses):</b>                  |                      |                                   |                                       |                                  |                               |
| Issuance of bonds                                       | -                    | -                                 | 19,160,000                            | 247,000                          | 19,407,000                    |
| Issuance of refunding bonds                             | -                    | -                                 | -                                     | 4,668,000                        | 4,668,000                     |
| Premium on bonds                                        | -                    | -                                 | 1,583,000                             | 10,000                           | 1,593,000                     |
| Premium on refunding bonds                              | -                    | -                                 | -                                     | 687,000                          | 687,000                       |
| Deposit to refunding escrow                             | -                    | -                                 | -                                     | (5,355,000)                      | (5,355,000)                   |
| Transfers in                                            | 3,074,432            | -                                 | 1,600,000                             | 5,464,633                        | 10,139,065                    |
| Transfers out                                           | (7,609,338)          | (1,518,734)                       | -                                     | (27,411)                         | (9,155,483)                   |
| <b>Total Other Financing Sources (Uses)</b>             | <b>(4,534,906)</b>   | <b>(1,518,734)</b>                | <b>22,343,000</b>                     | <b>5,694,222</b>                 | <b>21,983,582</b>             |
| <b>Net change in fund balances</b>                      | <b>3,726,605</b>     | <b>1,781,733</b>                  | <b>1,765,309</b>                      | <b>2,702,697</b>                 | <b>9,976,344</b>              |
| Fund Balances, at beginning of year, as<br>reclassified | 48,650,200           | 7,409,890                         | 1,729,430                             | 14,529,084                       | 72,318,604                    |
| <b>Fund Balances, at end of year</b>                    | <b>\$ 52,376,805</b> | <b>\$ 9,191,623</b>               | <b>\$ 3,494,739</b>                   | <b>\$ 17,231,781</b>             | <b>\$ 82,294,948</b>          |

Source: Extracted from the audited Financial Statements of the Town.



**TOWN OF NEEDHAM, MA  
GOVERNMENTAL FUNDS  
STATEMENTS OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
AS OF JUNE 30, 2020**

|                                                         | <u>General</u>       | <u>Community<br/>Preservation</u> | <u>Public<br/>Safety<br/>Building</u> | <u>Nonmajor<br/>Governmental<br/>Funds</u> | <u>Total<br/>Governmental<br/>Funds</u> |
|---------------------------------------------------------|----------------------|-----------------------------------|---------------------------------------|--------------------------------------------|-----------------------------------------|
| <b>Revenues:</b>                                        |                      |                                   |                                       |                                            |                                         |
| Property taxes                                          | \$ 150,349,498       | \$ 2,609,353                      | \$ -                                  | \$ -                                       | \$ 152,958,851                          |
| Excise taxes                                            | 5,679,213            | -                                 | -                                     | -                                          | 5,679,213                               |
| Penalties, interest, and other taxes                    | 2,050,592            | 3,019                             | -                                     | -                                          | 2,053,611                               |
| Charges for services                                    | 2,812,847            | -                                 | -                                     | 5,630,247                                  | 8,443,094                               |
| Departmental                                            | 1,585,175            | -                                 | -                                     | -                                          | 1,585,175                               |
| Licenses and permits                                    | 2,376,998            | -                                 | -                                     | -                                          | 2,376,998                               |
| Intergovernmental                                       | 23,176,245           | 592,379                           | -                                     | 9,101,388                                  | 32,870,012                              |
| Investment income (loss)                                | 1,105,210            | 110,497                           | -                                     | 113,745                                    | 1,329,452                               |
| Fines and forfeitures                                   | 239,211              | -                                 | -                                     | -                                          | 239,211                                 |
| Contributions                                           | -                    | -                                 | -                                     | 435,663                                    | 435,663                                 |
| Other                                                   | <u>410,840</u>       | <u>-</u>                          | <u>-</u>                              | <u>64,793</u>                              | <u>475,633</u>                          |
| Total Revenues                                          | 189,785,829          | 3,315,248                         | -                                     | 15,345,836                                 | 208,446,913                             |
| <b>Expenditures:</b>                                    |                      |                                   |                                       |                                            |                                         |
| <b>Current:</b>                                         |                      |                                   |                                       |                                            |                                         |
| General government                                      | 6,666,599            | 1,975,790                         | -                                     | 149,746                                    | 8,792,135                               |
| Public safety                                           | 21,078,179           | -                                 | -                                     | 466,217                                    | 21,544,396                              |
| Education                                               | 103,940,650          | -                                 | -                                     | 9,522,074                                  | 113,462,724                             |
| Public works                                            | 21,428,807           | -                                 | -                                     | 38,624                                     | 21,467,431                              |
| Building design and construction                        | 800,273              | -                                 | -                                     | -                                          | 800,273                                 |
| Health and human services                               | 2,590,784            | -                                 | -                                     | 835,965                                    | 3,426,749                               |
| Culture and recreation                                  | 3,237,918            | -                                 | -                                     | 538,078                                    | 3,775,996                               |
| Employee benefits                                       | 790,253              | -                                 | -                                     | -                                          | 790,253                                 |
| Other                                                   | 608,251              | -                                 | -                                     | -                                          | 608,251                                 |
| Capital outlay                                          | -                    | 372,853                           | 24,390,818                            | 18,246,084                                 | 43,009,755                              |
| <b>Debt service:</b>                                    |                      |                                   |                                       |                                            |                                         |
| Principal                                               | 9,542,526            | -                                 | -                                     | -                                          | 9,542,526                               |
| Interest and fiscal charges                             | 3,896,575            | -                                 | -                                     | -                                          | 3,896,575                               |
| Intergovernmental                                       | <u>1,445,490</u>     | <u>-</u>                          | <u>-</u>                              | <u>-</u>                                   | <u>1,445,490</u>                        |
| Total Expenditures                                      | <u>176,026,305</u>   | <u>2,348,643</u>                  | <u>24,390,818</u>                     | <u>29,796,788</u>                          | <u>232,562,554</u>                      |
| Excess (deficiency) of revenues<br>over expenditures    | 13,759,524           | 966,605                           | (24,390,818)                          | (14,450,952)                               | (24,115,641)                            |
| <b>Other Financing Sources (Uses):</b>                  |                      |                                   |                                       |                                            |                                         |
| Issuance of bonds                                       | -                    | -                                 | 30,105,000                            | 17,508,000                                 | 47,613,000                              |
| Issuance of refunding bonds                             | 4,990,000            | -                                 | -                                     | -                                          | 4,990,000                               |
| Premium on bonds                                        | -                    | -                                 | 1,895,000                             | 2,907,408                                  | 4,802,408                               |
| Premium on refunding bonds                              | 874,887              | -                                 | -                                     | -                                          | 874,887                                 |
| Deposit to refunding escrow                             | (5,908,925)          | -                                 | -                                     | -                                          | (5,908,925)                             |
| Transfers in                                            | 3,010,210            | 50,000                            | -                                     | 15,728,195                                 | 18,788,405                              |
| Transfers out                                           | <u>(15,771,425)</u>  | <u>(1,185,317)</u>                | <u>-</u>                              | <u>(1,320,336)</u>                         | <u>(18,277,078)</u>                     |
| Total Other Financing Sources (Uses)                    | <u>(12,805,253)</u>  | <u>(1,135,317)</u>                | <u>32,000,000</u>                     | <u>34,823,267</u>                          | <u>52,882,697</u>                       |
| Net change in fund balances                             | 954,271              | (168,712)                         | 7,609,182                             | 20,372,315                                 | 28,767,056                              |
| Fund Balances, at beginning of year, as<br>reclassified | <u>47,715,208</u>    | <u>7,578,602</u>                  | <u>(5,879,752)</u>                    | <u>(5,357,791)</u>                         | <u>44,056,267</u>                       |
| Fund Balances, at end of year                           | <u>\$ 48,669,479</u> | <u>\$ 7,409,890</u>               | <u>\$ 1,729,430</u>                   | <u>\$ 15,014,524</u>                       | <u>\$ 72,823,323</u>                    |

Source: Extracted from the audited Financial Statements of the Town.



**TOWN OF NEEDHAM, MA  
GOVERNMENTAL FUNDS  
STATEMENTS OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
AS OF JUNE 30, 2019**

|                                                      | <u>General</u>       | <u>Community<br/>Preservation</u> | <u>Sunita L.<br/>Williams<br/>School</u> | <u>Public<br/>Safety<br/>Building</u> | <u>Nonmajor<br/>Governmental<br/>Funds</u> | <u>Total<br/>Governmental<br/>Funds</u> |
|------------------------------------------------------|----------------------|-----------------------------------|------------------------------------------|---------------------------------------|--------------------------------------------|-----------------------------------------|
| <b>Revenues:</b>                                     |                      |                                   |                                          |                                       |                                            |                                         |
| Property taxes                                       | \$ 141,476,623       | \$ 2,468,833                      | \$ -                                     | \$ -                                  | \$ -                                       | \$ 143,945,456                          |
| Excise taxes                                         | 6,138,951            | -                                 | -                                        | -                                     | -                                          | 6,138,951                               |
| Penalties, interest, and other taxes                 | 2,408,784            | 3,189                             | -                                        | -                                     | -                                          | 2,411,973                               |
| Charges for services                                 | 1,684,919            | -                                 | -                                        | -                                     | 7,475,916                                  | 9,160,835                               |
| Departmental                                         | 2,052,584            | -                                 | -                                        | -                                     | -                                          | 2,052,584                               |
| Licenses and permits                                 | 2,587,095            | -                                 | -                                        | -                                     | -                                          | 2,587,095                               |
| Intergovernmental                                    | 21,724,476           | 438,305                           | 7,252,591                                | -                                     | 6,405,203                                  | 35,820,575                              |
| Investment income (loss)                             | 1,223,466            | 384,021                           | -                                        | -                                     | 174,032                                    | 1,781,519                               |
| Fines and forfeitures                                | 209,162              | -                                 | -                                        | -                                     | -                                          | 209,162                                 |
| Contributions                                        | -                    | -                                 | -                                        | -                                     | 472,767                                    | 472,767                                 |
| Other                                                | 356,613              | -                                 | -                                        | -                                     | 36,589                                     | 393,202                                 |
| <b>Total Revenues</b>                                | <b>179,862,673</b>   | <b>3,294,348</b>                  | <b>7,252,591</b>                         | <b>-</b>                              | <b>14,564,507</b>                          | <b>204,974,119</b>                      |
| <b>Expenditures:</b>                                 |                      |                                   |                                          |                                       |                                            |                                         |
| <b>Current:</b>                                      |                      |                                   |                                          |                                       |                                            |                                         |
| General government                                   | 6,830,257            | 2,115                             | -                                        | -                                     | 109,819                                    | 6,942,191                               |
| Public safety                                        | 20,033,593           | -                                 | -                                        | -                                     | 354,416                                    | 20,388,009                              |
| Education                                            | 98,145,562           | -                                 | -                                        | -                                     | 12,271,053                                 | 110,416,615                             |
| Public works                                         | 19,923,360           | -                                 | -                                        | -                                     | 457,303                                    | 20,380,663                              |
| Building design and construction                     | 645,481              | -                                 | -                                        | -                                     | -                                          | 645,481                                 |
| Health and human services                            | 2,461,346            | -                                 | -                                        | -                                     | 569,605                                    | 3,030,951                               |
| Culture and recreation                               | 2,987,961            | 3,480                             | -                                        | -                                     | 548,663                                    | 3,540,104                               |
| Employee benefits                                    | 790,238              | -                                 | -                                        | -                                     | -                                          | 790,238                                 |
| Other                                                | 556,798              | -                                 | -                                        | -                                     | -                                          | 556,798                                 |
| Capital outlay                                       | -                    | 384,506                           | 27,493,314                               | 5,879,752                             | 29,835,802                                 | 63,593,374                              |
| <b>Debt service:</b>                                 |                      |                                   |                                          |                                       |                                            |                                         |
| Principal                                            | 7,722,526            | -                                 | -                                        | -                                     | -                                          | 7,722,526                               |
| Interest                                             | 2,282,765            | -                                 | -                                        | -                                     | -                                          | 2,282,765                               |
| Intergovernmental                                    | 1,389,486            | -                                 | -                                        | -                                     | -                                          | 1,389,486                               |
| <b>Total Expenditures</b>                            | <b>163,769,373</b>   | <b>390,101</b>                    | <b>27,493,314</b>                        | <b>5,879,752</b>                      | <b>44,146,661</b>                          | <b>241,679,201</b>                      |
| Excess (deficiency) of revenues over expenditures    | 16,093,300           | 2,904,247                         | (20,240,723)                             | (5,879,752)                           | (29,582,154)                               | (36,705,082)                            |
| <b>Other Financing Sources (Uses):</b>               |                      |                                   |                                          |                                       |                                            |                                         |
| Issuance of bonds                                    | -                    | -                                 | 18,000,000                               | -                                     | 13,000,000                                 | 31,000,000                              |
| Bond premium                                         | -                    | -                                 | 1,745,331                                | -                                     | 13,221                                     | 1,758,552                               |
| Transfers in                                         | 2,214,458            | -                                 | 2,865,000                                | -                                     | 18,050,979                                 | 23,130,437                              |
| Transfers out                                        | (19,319,938)         | (941,494)                         | -                                        | -                                     | (410,585)                                  | (20,672,017)                            |
| <b>Total Other Financing Sources (Uses)</b>          | <b>(17,105,480)</b>  | <b>(941,494)</b>                  | <b>22,610,331</b>                        | <b>-</b>                              | <b>30,653,615</b>                          | <b>35,216,972</b>                       |
| <b>Net change in fund balances</b>                   | <b>(1,012,180)</b>   | <b>1,962,753</b>                  | <b>2,369,608</b>                         | <b>(5,879,752)</b>                    | <b>1,071,461</b>                           | <b>(1,488,110)</b>                      |
| Fund Balances, at beginning of year, as reclassified | 48,053,088           | 5,615,849                         | (10,553,154)                             | -                                     | 1,007,182                                  | 44,122,965                              |
| <b>Fund Balances, at end of year</b>                 | <b>\$ 47,040,908</b> | <b>\$ 7,578,602</b>               | <b>\$ (8,183,546)</b>                    | <b>\$ (5,879,752)</b>                 | <b>\$ 2,078,643</b>                        | <b>\$ 42,634,855</b>                    |

Source: Extracted from the audited Financial Statements of the Town.

## Free Cash and Unassigned General Fund Balances

Under Massachusetts law an amount known as "free cash" is certified as of the beginning of each fiscal year by the State Bureau of Accounts and this, together with certain subsequent tax receipts, is used as the basis for subsequent appropriations from available funds, which are not required to be included in the annual tax levy. Subject to certain adjustments, free cash is surplus revenue (or, in the Town's case, Unreserved Fund Balance) less uncollected and overdue property taxes from prior years.

The following table sets forth the trend in free cash as certified by the Bureau of Accounts as well as the Unassigned General Fund balance.

| <u>Fiscal<br/>Year</u> | <u>Free Cash<br/>(July 1)</u> | <u>Unassigned<br/>General Fund<br/>Balance (1)</u> |
|------------------------|-------------------------------|----------------------------------------------------|
| 2024                   | \$21,756,922                  | \$35,778,080 (2)                                   |
| 2023                   | 23,816,038                    | 35,727,556                                         |
| 2022                   | 17,356,938                    | 29,383,540                                         |
| 2021                   | 16,952,126                    | 28,063,054                                         |
| 2020                   | 16,665,406                    | 28,831,766                                         |
| 2019                   | 12,369,898                    | 19,403,198                                         |

(1) Source: Audited financial statements, except as noted.

(2) Source: Unaudited financial statements as prepared by the external auditor, preliminary and subject to revision and change.

## Stabilization Fund

The Town maintains a stabilization fund, which is accounted for in the Trust Funds. Funded by an appropriation, the Stabilization Fund plus interest income may be appropriated at an annual or special town meeting for any purpose. The following table sets forth the trend in Stabilization Fund balance.

| <u>Fiscal<br/>Year</u> | <u>Stabilization Fund<br/>Balance<br/>(June 30)</u> |
|------------------------|-----------------------------------------------------|
| 2024                   | \$4,791,661                                         |
| 2023                   | 4,665,099                                           |
| 2022                   | 4,550,110                                           |
| 2021                   | 4,492,394                                           |
| 2020                   | 4,365,010                                           |

## Capital Improvement Fund

The Town continues to provide additional funding to its capital improvement fund, which helps ensure the replacement of capital equipment. The following table sets forth the trend in Capital Improvement Fund balance.

| <u>Fiscal<br/>Year</u> | <u>Capital Improvement<br/>Fund Balance<br/>(June 30)</u> |
|------------------------|-----------------------------------------------------------|
| 2024                   | \$1,662,108                                               |
| 2023                   | 1,145,249                                                 |
| 2022                   | 1,110,590                                                 |
| 2021                   | 1,097,070                                                 |
| 2020                   | 1,095,016                                                 |

### Capital Facility Fund

The Capital Facilities Fund exists primarily to fund building improvements. The following table sets forth the trend in Capital Facility Fund balance at June 30.

| <u>Fiscal<br/>Year</u> | <u>Capital Facility<br/>Fund Balance</u> |
|------------------------|------------------------------------------|
| 2024                   | \$ 2,120,561                             |
| 2023                   | 2,006,242                                |
| 2022                   | 1,927,853                                |
| 2021                   | 1,921,686                                |
| 2020                   | 1,918,088                                |

### Athletic Facility Fund

In fiscal year 2013, the Town created a stabilization fund to cover the costs of the eventual replacement of the Town's artificial turf fields. The following table sets forth the trend in Athletic Facility Fund balance at June 30.

| <u>Fiscal<br/>Year</u> | <u>Athletic Facility<br/>Fund Balance</u> |
|------------------------|-------------------------------------------|
| 2024                   | \$ 1,202,392                              |
| 2023                   | 1,103,910                                 |
| 2022                   | 978,607                                   |
| 2021                   | 270,204                                   |
| 2020 (1)               | 269,698                                   |

(1) In fiscal 2020 \$2.5 million was appropriated from the Athletic facilities fund to fund synthetic field replacement and related work to various fields throughout Town (Article #38 of the 2019 Annual Town Meeting). \$75,000 was appropriated to the Athletic Facilities Fund from the General Fund (Article # 42 of the 2019 Annual Town Meeting).

### Debt Service Stabilization Fund

In fiscal year 2016, the Town created a stabilization fund the purpose of which is to allow the Town by appropriation to reserve funds to pay the debt service for engineering and design, renovation, reconstruction or construction of Town facilities. The following table sets forth the trend in Debt Service Stabilization Fund balance at June 30.

| <u>Fiscal<br/>Year</u> | <u>Debt Service Stabilization<br/>Fund Balance</u> |
|------------------------|----------------------------------------------------|
| 2024                   | \$ 2,376,992                                       |
| 2023                   | 2,248,681                                          |
| 2022                   | 2,160,996                                          |
| 2021                   | 2,154,083                                          |
| 2020                   | 2,150,062                                          |

### Opioid Stabilization Fund

In May 2023, the Town created the Opioid Settlement Stabilization Fund to reserve monies that are received as a result of the legal settlements with opioid distributors, manufacturers, and pharmacies. The use of the funds must conform with the terms of the settlement agreements and require Town Meeting appropriations for the specific purposes. The following table sets forth the trend in Opioid Stabilization Fund balance at June 30.

| <u>Fiscal<br/>Year</u> | <u>Opioid<br/>Stabilization<br/>Fund Balance</u> |
|------------------------|--------------------------------------------------|
| 2024                   | \$ 332,015                                       |

## Stormwater Stabilization Fund

In May 2023, the Town created the Stormwater Stabilization Fund as a repository for funds raised to address the capital costs associated with compliance with the National Pollutant Discharge Elimination System (NPDES) program. The Board established a fee schedule that applies to parcels that have impervious coverage, including residential, commercial, non-for-profit, and tax-exempt properties. The receipts collected are deposited directly into the Stormwater Stabilization Fund to be appropriated for NPDES compliance only. The following table sets forth the trend in Stormwater Stabilization Fund balance at June 30.

| <u>Fiscal<br/>Year</u> | <u>Stormwater<br/>Stabilization<br/>Fund Balance</u> |
|------------------------|------------------------------------------------------|
| 2024                   | \$ 72,582                                            |

## Tax Increment Financing for Development Districts

Under recent legislation, cities and towns are authorized to establish development districts to encourage increased residential, industrial and commercial activity. All or a portion of the taxes on growth in assessed value in such districts may be pledged and used solely to finance economic development projects pursuant to the city or town's development program for the district. This includes pledging such "tax increments" for the payment of bonds issued to finance such projects. As a result of any such pledge, tax increments raised from new growth properties in development districts are not available for other municipal purposes. Tax increments are taken into account in determining the total taxes assessed for the purpose of calculating the maximum permitted tax levy under Proposition 2 ½, (see "Tax Limitations" under "PROPERTY TAXATION" above.) The Town has not established any such district.

## INDEBTEDNESS

### Authorization Procedure and Limitations

Serial bonds and notes are authorized by vote of two-thirds of all the members of the city council (subject to the mayor's veto where the mayor has a veto power) or a two-thirds vote of the town meeting. Provision is made in some cities and towns for a referendum on the borrowing authorization if there is a timely filing of a petition bearing the requisite number of signatures. Refunding bonds and notes are authorized by the city council, the selectmen or either the prudential committee or the commissioners of a district if there is no prudential committee. Borrowings for some purposes require State administrative approval.

When serial bonds or notes have been authorized, bond anticipation notes may be issued by the officers authorized to issue the serial bonds or notes. Temporary loans in anticipation of revenue of the fiscal year in which the debt is incurred or in anticipation of authorized federal and state aid generally may be incurred by the Treasurer with the approval of the selectmen.

### Debt Limits

General Debt Limit. The general debt limit of the Town consists of a normal debt limit and a double debt limit. The normal debt limit is 5 percent of the valuation of taxable property as last equalized by the State Department of Revenue. The Town can authorize debt up to this amount without State approval. It can authorize debt up to twice this amount (the double debt limit) with the approval of the State Municipal Finance Oversight Board.

There are many categories of general obligation debt which are exempt from and do not count against the General Debt Limit if such debt is authorized by a two-thirds vote of the city or town and such debt is payable within the periods so specified in Mass. Gen. Laws. c. 44, §8. Among others, these exempt categories include revenue anticipation notes and grant anticipation notes; emergency loans; loans exempted by special laws; certain school bonds, certain sewer bonds, solid waste disposal facility bonds and economic development bonds supported by tax increment financing, bonds for water, housing, urban renewal and economic development (subject to various debt limits), and electric, gas, community antenna television systems, and telecommunications systems. Revenue bonds are not subject to these debt limits. The General Debt Limit applies at the time the debt is authorized. The special debt limits generally apply at the time the debt is incurred.

Revenue Anticipation Notes. The amount borrowed in each fiscal year by the issue of revenue anticipation notes is limited to the tax levy of the prior fiscal year, together with the net receipts in the prior fiscal year from the motor vehicle excise and certain payments made by the Commonwealth in lieu of taxes. The fiscal year ends on June 30. Notes may mature in the following fiscal year, and notes may be refunded into the following fiscal year to the extent of the uncollected, unabated current tax levy and certain other items, including revenue deficits, overlay deficits, final judgments and lawful unappropriated expenditures, which are to be added to the next tax levy, but excluding deficits arising from a failure to collect taxes of earlier years. (See "Taxation to Meet Deficits" above.) In any event, the period from an original borrowing to its final maturity cannot exceed one year.

### Types Of Obligations

General Obligations. Massachusetts cities and towns are authorized to issue general obligation indebtedness of these types:

Serial Bonds and Notes. These are generally required to be payable in annual principal amounts beginning no later than the end of the next fiscal year commencing after the date of issue and ending within the terms permitted by law. A level debt service schedule, or a schedule that provides for a more rapid amortization of principal than level debt service, is permitted. The principal amounts of certain economic development bonds supported by tax increment financing may be payable in equal, diminishing or increasing amounts beginning within 5 years after the date of issue. The maximum terms of serial bonds and notes vary from one year to 40 years, depending on the purpose of the issue. The maximum terms permitted are set forth in the statutes. In addition, for many projects, the maximum term may be determined in accordance with useful life guidelines promulgated by the State Department of Revenue ("DOR"). Serial bonds and notes may be issued for the purposes set forth in the statutes. In addition, serial bonds and notes may be issued for any other public work improvement or asset not specifically listed in the Statutes that has a useful life of at least 5 years. Bonds or notes may be made callable and redeemed prior to their maturity, and a redemption premium may be paid. Refunding bonds or notes may be issued subject to the maximum applicable term measured from the date of the original bonds or notes and must produce present value savings over the debt service of the refunded bonds. Generally, the first required annual payment of principal of the refunding bonds cannot be later than the end of the fiscal year in which any of the bonds or notes being refunded thereby is payable, however, principal payments made before the first principal payment of any of the bonds or notes being refunded thereby may be in any amount.

Serial bonds may be issued as “qualified bonds” with the approval of the state Municipal Finance Oversight Board composed of the State Treasurer, the State Auditor, the Attorney General and the Director of Accounts, subject to such conditions and limitations (including restrictions on future indebtedness) as may be required by the Board. Qualified bonds may mature not less than 10 nor more than 30 years from their dates and are not subject to the amortization requirements described above. The State Treasurer is required to pay the debt service on qualified bonds and thereafter to withhold the amount of the debt service paid by the State from state aid or other state payments; administrative costs and any loss of interest income to the State are to be assessed upon the city or town.

**Tax Credit Bonds or Notes.** Subject to certain provisions and conditions, the officers authorized to issue bonds or notes may designate any duly authorized issue of bonds or notes as “tax credit bonds” to the extent such bonds and notes are otherwise permitted to be issued with federal tax credits or other similar subsidies for all or a portion of the borrowing costs. Tax credit bonds may be made payable without regard to the annual installments required by any other law, and a sinking fund may be established for the payment of such bonds. Any investment that is part of such a sinking fund may mature not later than the date fixed for payment or redemption of the applicable bonds.

**Bond Anticipation Notes.** These generally must mature within two years of their original dates of issuance but may be refunded from time to time for a period not to exceed ten years from their original dates of issuance, provided that for each year that the notes are refunded beyond the second year they must be paid in part from revenue funds in an amount at least equal to the minimum annual payment that would have been required if the bonds had been issued at the end of the second year. The maximum term of bonds issued to refund bond anticipation notes is measured from the date of the original issue of the notes.

**Revenue Anticipation Notes.** These are issued to meet current expenses in anticipation of taxes and other revenues. They must mature within one year but, if payable in less than one year, may be refunded from time to time up to one year from the original date of issue.

**Grant Anticipation Notes.** These are issued for temporary financing in anticipation of federal grants and state and county reimbursements for any purpose for which the city or town may incur debt that may be payable over a term of five years or longer. Generally, they must mature within two years but may be refunded from time to time as long as the municipality remains entitled to the grant or reimbursement.

**Revenue Bonds.** Cities and towns may issue revenue bonds for solid waste disposal facilities and for projects financed under the Commonwealth's Clean Water or Drinking Water Revolving Loan Programs and for certain economic development projects supported by tax increment financing. In addition to general obligation bonds and notes, cities and towns which are members of the New England Power Pool may issue electric revenue bonds, and notes in anticipation of such bonds, subject to the approval of the Department of Public Utilities.

**DIRECT DEBT SUMMARY**  
**As of June 30, 2024,**  
**Including Subsequent Issues (1)**

|                                                            |               |                       |
|------------------------------------------------------------|---------------|-----------------------|
| <b>Long-Term Debt Outstanding:</b>                         |               |                       |
| Within the General Debt Limit:                             |               |                       |
| Schools (2)                                                | \$ 16,276,000 |                       |
| Sewers & Drains                                            | 3,152,612     |                       |
| Other Inside General (3)                                   | 69,194,000    |                       |
| Total Within the General Debt Limit                        |               | \$ 88,622,612         |
| Outside the General Debt Limit:                            |               |                       |
| Schools (2)                                                | 14,400,000    |                       |
| Water                                                      | 3,093,607     |                       |
| Sewer                                                      | 88,000        |                       |
| Other Outside General (3)                                  | 2,785,000     |                       |
| Total Outside the General Debt Limit                       |               | 20,366,607            |
| <b>Total Long-Term Debt Outstanding:</b>                   |               | <b>108,989,219</b>    |
| <b>Short-Term Debt Outstanding:</b>                        |               |                       |
| Bond Anticipation Notes Outstanding (4)                    | 6,832,000     |                       |
| This Issue New Money Bond Anticipation Notes (5)           | 11,126,235    |                       |
| <b>Total Short-Term Debt Outstanding after This Issue:</b> |               | <b>17,958,235</b>     |
| <b>Total Direct Debt after This Issue:</b>                 |               | <b>\$ 126,947,454</b> |

(1) Principal amounts only. Excludes lease and installment purchase obligations, overlapping debt, unfunded pension liability and other post-employment benefits liability.

(2) Debt service on the principal amount of \$26,651,000 is exempt from the limitations of Proposition 2 ½.

(3) Debt service on the principal amount of \$50,330,000 is exempt from the limitations of Proposition 2 ½.

(4) Payable June 26, 2025 (\$172,000) and July 30, 2025 (\$6,660,000).

(5) This issue, payable October 30, 2025.



## Debt Ratios

The following table sets forth debt as a percentage of assessed valuation and per capita debt at the end of the following fiscal years. The table considers the principal amount of general obligation bonds of the Town. The table does not deduct anticipated state grant payments applicable to the principal amount of outstanding bonds or debt that may be supported in whole, or part, by non-tax revenues.

| Fiscal<br>Year End | General Obligation<br>Bonds Outstanding | Population<br>(2020<br>Federal<br>Census) | Local Assessed<br>Valuation | Per Capita<br>Debt | Debt as a<br>% of<br>Assessed<br>Valuation |
|--------------------|-----------------------------------------|-------------------------------------------|-----------------------------|--------------------|--------------------------------------------|
| 2024               | \$ 108,989,219                          | 32,091                                    | \$ 13,145,798,176           | \$ 3,396           | 0.83 %                                     |
| 2023               | 120,579,659                             | 32,091                                    | 12,247,868,326              | 3,757              | 0.98                                       |
| 2022               | 135,198,749                             | 32,091                                    | 11,311,678,964              | 4,213              | 1.20                                       |
| 2021               | 139,850,734                             | 32,091                                    | 11,045,730,479              | 4,358              | 1.27                                       |
| 2020               | 135,780,762                             | 32,091                                    | 10,803,763,473              | 4,231              | 1.26                                       |

## Principal Payments by Purpose

The following table sets forth the principal payments by purpose for the Town's outstanding bonds as of June 30, 2024.

### GENERAL OBLIGATION BONDS As of June 30, 2024

| Year         | General              | School               | Water               | Sewer               | Total (1)             |
|--------------|----------------------|----------------------|---------------------|---------------------|-----------------------|
| 2025         | \$ 5,508,000         | \$ 4,237,000         | \$ 485,633          | \$ 427,222          | \$ 10,657,855         |
| 2026         | 5,242,000            | 3,503,000            | 446,488             | 345,942             | 9,537,430             |
| 2027         | 5,232,000            | 3,048,000            | 447,359             | 352,809             | 9,080,168             |
| 2028         | 4,882,000            | 2,638,000            | 448,248             | 354,825             | 8,323,073             |
| 2029         | 4,872,000            | 2,278,000            | 236,029             | 336,993             | 7,723,022             |
| 2030         | 4,547,000            | 1,603,000            | 236,953             | 344,317             | 6,731,270             |
| 2031         | 4,477,000            | 1,603,000            | 237,898             | 351,800             | 6,669,698             |
| 2032         | 4,422,000            | 1,598,000            | 190,000             | 359,446             | 6,569,446             |
| 2033         | 4,422,000            | 1,598,000            | 185,000             | 367,258             | 6,572,258             |
| 2034         | 4,245,000            | 1,045,000            | 180,000             | -                   | 5,470,000             |
| 2035         | 3,875,000            | 1,045,000            | -                   | -                   | 4,920,000             |
| 2036         | 3,625,000            | 720,000              | -                   | -                   | 4,345,000             |
| 2037         | 3,625,000            | 720,000              | -                   | -                   | 4,345,000             |
| 2038         | 3,120,000            | 720,000              | -                   | -                   | 3,840,000             |
| 2039         | 2,955,000            | 720,000              | -                   | -                   | 3,675,000             |
| 2040         | 2,720,000            | 720,000              | -                   | -                   | 3,440,000             |
| 2041         | 1,830,000            | 720,000              | -                   | -                   | 2,550,000             |
| 2042         | 1,000,000            | 720,000              | -                   | -                   | 1,720,000             |
| 2043         | 460,000              | 720,000              | -                   | -                   | 1,180,000             |
| 2044         | 460,000              | 720,000              | -                   | -                   | 1,180,000             |
| 2045         | 460,000              | -                    | -                   | -                   | 460,000               |
| <b>TOTAL</b> | <b>\$ 71,979,000</b> | <b>\$ 30,676,000</b> | <b>\$ 3,093,607</b> | <b>\$ 3,240,612</b> | <b>\$ 108,989,219</b> |

(1) \$76,776,000 of principal and \$18,713,002 of interest has been voted exempt from Proposition 2½, subject to the limits imposed by Chapter 44, Section 20 of the General Laws.

## Debt Service Requirements

The following table sets forth the required principal and interest payments on the outstanding general obligation bonds of the Town as of June 30, 2024.

### GENERAL OBLIGATION DEBT As of June 30, 2024 (1)

| Fiscal<br>Year | Outstanding    |               | Total<br>Net Debt | Cumulative |
|----------------|----------------|---------------|-------------------|------------|
|                | Principal      | Interest      | Service           | % Retired  |
| 2025           | \$ 10,657,855  | \$ 3,664,124  | \$ 14,321,979     | 9.8 %      |
| 2026           | 9,537,430      | 3,233,881     | 12,771,311        | 18.5       |
| 2027           | 9,080,168      | 2,854,833     | 11,935,001        | 26.9       |
| 2028           | 8,323,073      | 2,486,980     | 10,810,053        | 34.5       |
| 2029           | 7,723,022      | 2,149,888     | 9,872,910         | 41.6       |
| 2030           | 6,731,270      | 1,846,103     | 8,577,373         | 47.8       |
| 2031           | 6,669,698      | 1,599,949     | 8,269,647         | 53.9       |
| 2032           | 6,569,446      | 1,371,297     | 7,940,743         | 59.9       |
| 2033           | 6,572,258      | 1,145,651     | 7,717,909         | 65.9       |
| 2034           | 5,470,000      | 955,103       | 6,425,103         | 71.0       |
| 2035           | 4,920,000      | 813,559       | 5,733,559         | 75.5       |
| 2036           | 4,345,000      | 694,019       | 5,039,019         | 79.5       |
| 2037           | 4,345,000      | 581,106       | 4,926,106         | 83.4       |
| 2038           | 3,840,000      | 472,794       | 4,312,794         | 87.0       |
| 2039           | 3,675,000      | 373,634       | 4,048,634         | 90.3       |
| 2040           | 3,440,000      | 280,753       | 3,720,753         | 93.5       |
| 2041           | 2,550,000      | 191,225       | 2,741,225         | 95.8       |
| 2042           | 1,720,000      | 125,650       | 1,845,650         | 97.4       |
| 2043           | 1,180,000      | 72,300        | 1,252,300         | 98.5       |
| 2044           | 1,180,000      | 33,300        | 1,213,300         | 99.6       |
| 2045           | 460,000        | 6,900         | 466,900           | 100.0      |
| Total          | \$ 108,989,219 | \$ 24,953,051 | \$ 133,942,270    |            |

(1) \$76,776,000 of principal and \$18,713,002 of interest has been voted exempt from Proposition 2½, subject to Chapter 44, Section 20 of the General Laws.

## Authorized Unissued Debt and Prospective Financing

The Town currently has the following authorized debt which has not been bonded:

| Amount               | Purpose                                                  | Original Authorization |
|----------------------|----------------------------------------------------------|------------------------|
| \$ 35,000            | Public Works Storage Facility Design & Construction      | \$ 3,503,000           |
| 55,000               | RTS Property Repairs                                     | 645,000                |
| 2,800,000            | Water Distribution Improvements                          | 4,500,000              |
| 1,340,000            | Public Safety Building and Fire Station #2               | 1,400,000              |
| 204,500              | Sewer Main Replacement                                   | 363,000                |
| 500,000              | Water Service Connections                                | 1,000,000              |
| 15,000               | Emery Grover Building Design and Renovation              | 1,475,000              |
| 9,604,000            | Emery Grover Building Addition and Renovation            | 14,150,000             |
| 1,295,000            | Additional Emery Grover Building Addition and Renovation | 1,295,000              |
| 8,970,000            | Broadmeadow and Eliot School Rooftop Unit Replacement    | 9,000,000              |
| 4,000,000            | South Street Water System Distribution Improvements      | 4,000,000              |
| <u>\$ 28,818,500</u> |                                                          |                        |

## Overlapping Debt

The Town is a member of the MWRA, the MBTA and the Minuteman Regional Vocational Technical School District. The following table sets forth the outstanding bonded debt, exclusive of temporary loans in anticipation of bonds or current revenue, of Norfolk County, the MWRA, the MBTA and the Minuteman Regional Vocational Technical School District, and the Town's estimated gross share of such debt and the estimated fiscal year 2025 dollar assessment for each.

| Overlapping Entity                                             | Outstanding Debt<br>as of 6/30/2024 | Needham's<br>Estimated Share (1) | Fiscal 2025 Dollar<br>Assessment (2) |
|----------------------------------------------------------------|-------------------------------------|----------------------------------|--------------------------------------|
| Norfolk County (3)                                             | \$ 14,600,000                       | 7.000 %                          | \$ 478,534                           |
| Massachusetts Water Resources<br>Authority (4)                 |                                     |                                  |                                      |
| Water                                                          | 1,867,871,000                       | 0.602                            | 1,212,985                            |
| Sewer                                                          | 2,640,386,000                       | 1.316                            | 7,445,411                            |
| Massachusetts Bay Transportation<br>Authority (5)              | 5,546,685,000                       | 0.446                            | 800,326                              |
| Minuteman Regional Vocational<br>Technical School District (6) | 92,295,000                          | N/A                              | 1,823,777                            |

(1) Estimated share based on debt service only.

(2) Estimated dollar assessment based upon total net operating expenses, inclusive (where applicable) of debt service.

(3) SOURCE: Norfolk County Treasurer. Debt as of June 30, 2024. County expenses including debt service on county bonds are assessed upon the cities and towns within the county in proportion to their taxable valuation as last equalized by the State Commissioner of Revenue. Amounts shown are based on the most recent equalized valuations. Legislation was enacted in 1997 abolishing the county governments of Franklin and Middlesex Counties as of July 1, 1997, with their assets, functions, debts and other obligations being assumed by the Commonwealth. The legislation also abolished the county governments of Hampden and Worcester counties as of July 1, 1998. Legislation enacted in 1998 abolished the county governments of Hampshire, Essex and Berkshire counties as of January 1, 1999, July 1, 1999 and July 1, 2000, respectively. The legislation also requires the state secretary for administration and finance to establish a plan to recover the Commonwealth's expenditures for the liabilities and other debts assumed and paid by the Commonwealth on behalf of an abolished county. Unless these provisions are changed by further legislation, the state treasurer shall assess upon each city and town within the jurisdiction of an abolished county an amount not exceeding or equal to the county tax paid by each such city and town for the fiscal year immediately prior to the abolishment of the county until such expenditures by the Commonwealth are recovered. It is possible that similar legislation will be sought to provide for the abolishment of county government in all the remaining counties.

(4) SOURCE: MWRA. The MWRA provides wholesale drinking water services and wastewater collection and treatment services to certain cities, towns and special purpose entities. Under its enabling legislation, as amended, the aggregate principal amount of all bonds issued by the MWRA for its corporate purposes may not exceed \$6.45 billion outstanding at any time. Its obligations are secured by revenues of the MWRA. The MWRA assesses member cities, towns and special purpose entities, which continue to provide direct retail water and sewer services to users. The cities, towns and other entities collect fees from the users to pay all or part of the assessments; some municipalities levy property taxes to pay part of the amounts assessed upon them.

(5) SOURCE: MBTA. Debt as of June 30, 2023. The MBTA was created in 1964 to finance and operate mass transportation facilities within the greater Boston metropolitan area. Under its enabling act, the MBTA is authorized to issue bonds for capital purposes. In addition, pursuant to certain of the Commonwealth's transportation bond bills, the MBTA is authorized to issue additional bonds for particular capital projects. The MBTA also is authorized to issue bonds of the purpose of refunding bonds. Under the MBTA's enabling act debt service, as well as other operating expenses of the MBTA, are to be financed by a dedicated revenue stream consisting of the amounts assessed on the cities and towns of the MBTA and a dedicated portion of the statewide sales tax. The amount assessed to each city and town is based on a weighted population formula as provided in the enabling act. The aggregate amount of such assessments is generally not permitted to increase by more than 2.5 percent per year. (See "Tax Limitations" under "PROPERTY TAX" below.)

(6) SOURCE: Minuteman Regional Vocational Technical School District. Towns may organize regional school districts to carry out general or specialized educational functions. Pursuant to special laws a number of cities may also participate in regional school districts, primarily for vocational education. The operating expenses and debt service of regional school districts are apportioned among the member municipalities in accordance with the agreements establishing the districts subject to the provisions of the Education Reform Act of 1993.

## Contractual Obligations

Municipal contracts are generally limited to currently available appropriations. A city or town generally has authority to enter into contracts for the exercise of any of its corporate powers for any period of time deemed to serve its best interest, but generally only when funds are available for the first fiscal year; obligations for succeeding fiscal years generally are expressly subject to availability and appropriation of funds. Municipalities have specific authority in relatively few cases to enter long-term contractual obligations that are not subject to annual appropriation, including contracts for refuse disposal and sewage treatment and disposal. Municipalities may also enter into long-term contracts in aid of housing

and renewal projects. There may be implied authority to make other long-term contracts required to carry out authorized municipal functions, such as contracts to purchase water from private water companies.

Municipal contracts relating to solid waste disposal facilities may contain provisions requiring the delivery of minimum amounts of waste and payments based thereon and requiring payments in certain circumstances without regard to the operational status of the facilities.

Municipal electric departments have statutory power to enter into long-term contracts for joint ownership and operation of generating and transmission facilities and for the purchase or sale of capacity, including contracts requiring payments without regard to the operational status of the facilities. The Town does not have an electric light department.

Pursuant to the Home Rule Amendment to the Massachusetts Constitution, cities and towns may also be empowered to make other contracts and leases.

The Town currently has a twenty-year contract with WIN Waste Innovation for transportation and disposal of solid waste expiring June 30, 2028. The tipping fee rate is \$79.92 per ton for fiscal year 2025. The cost of this contract was \$759,397 in fiscal 2024 and the Town budgeted \$766,404 for this purpose for fiscal 2025.

## **RETIREMENT PLAN**

The Massachusetts General Laws provide for the establishment of contributory retirement systems for state employees, for teachers and for county, city and town employees other than teachers. Teachers are assigned to a separate statewide teachers' system and not to the city and town systems. For all employees other than teachers, this law is subject to acceptance in each city and town. Substantially all employees of an accepting city or town are covered. If a town has a population of less than 10,000 when it accepts the statute, its non-teacher employees participate through the county system and its share of the county cost is proportionate to the aggregate annual rate of regular compensation of its covered employees. In addition to the contributory systems, cities and towns provide non-contributory pensions to a limited number of employees, primarily persons who entered service prior to July 1, 1937 and their dependents. The Public Employee Retirement Administration Commission ("PERAC") provides oversight and guidance for and regulates all state and local retirement systems.

The obligations of a city or town, whether direct or through a county system, are contractual legal obligations and are required to be included in the annual tax levy. If a city or town, or the county system of which it is a member, has not established a retirement system funding schedule as described below, the city or town is required to provide for the payment of the portion of its current pension obligations which is not otherwise covered by employee contributions and investment income. "Excess earnings," or earnings on individual employees' retirement accounts in excess of a predetermined rate, are required to be set aside in a pension reserve fund for future, not current, pension liabilities. Cities and towns may voluntarily appropriate to their system's pension reserve fund in any given year up to five percent of the preceding year's tax levy. The aggregate amount in the fund may not exceed ten percent of the equalized valuation of the city or town.

If a city or town, or each member city and town of a county retirement system, has accepted the applicable law, it is required to annually appropriate an amount sufficient to pay not only its current pension obligations, but also a portion of its future pension liability. The portion of each such annual payment allocable to future pension obligations is required to be deposited in the pension reserve fund. The amount of the annual city or town appropriation for each such system is prescribed by a retirement system funding schedule which is periodically reviewed and approved by PERAC. A system (other than the state employees' retirement system and the teachers' retirement system) which conducts an actuarial valuation as of January 1, 2009, or later, may establish a revised schedule which reduces the unfunded actuarial liability to zero by not later than June 30, 2040, subject to certain conditions. If the schedule is so extended under such provisions and a later updated valuation allows for the development of a revised schedule with reduced payments, the revised schedule shall be adjusted to provide that the appropriation for each year shall not be less than that for such year under the prior schedule, thus providing for a shorter schedule rather than reduced payments.

City, town and county systems may choose to participate in the Pension Reserves Investment Trust Fund (the "PRIT Fund"), which receives additional state funds to offset future pension costs of participating state and local systems. If a local system participates in the PRIT Fund, it must transfer ownership and control of all assets of its system to the Pension Reserves Investment Management Board, which manages the investment and reinvestment of the PRIT Fund. Cities and towns with systems participating in the PRIT Fund continue to be obligated to fund their pension obligations in the manner described above. The additional state appropriations to offset future pension liabilities of state and local systems participating in the PRIT Fund are required to total at least 1.3 percent of state payroll. Such additional state appropriations are deposited in the PRIT Fund and shared by all participating systems in proportion to their interests in the assets of the PRIT Fund as of July 1 for each fiscal year.

Cost-of-living increases for each local retirement system may be granted and funded only by the local system, and only if it has established a funding schedule. Those statutory provisions are subject to acceptance by the local retirement board and approval by the local legislative body, which acceptance may not be revoked.

The Town has its own retirement system, the Needham Contributory Retirement System ("NCRS"), a cost-sharing, multi-employer defined benefit public employee retirement system. The pension plan provides pension benefits, deferred allowances, and death and disability benefits. Substantially all employees of the Town are members of the NCRS, except teachers and administrators under contract employed by the school department, who are members of the Commonwealth of Massachusetts Teachers Contributory Retirement System, to which the Town does not contribute.

The following table sets forth the trend in the Town's pension appropriations to NCRS:

| <u>Year Ending</u>       | <u>Contributory</u> | <u>Non-Contributory</u> |
|--------------------------|---------------------|-------------------------|
| June 30, 2025 (budgeted) | \$ 13,305,237       | \$ -                    |
| June 30, 2024            | 12,319,665          | -                       |
| June 30, 2023            | 11,263,367          | -                       |
| June 30, 2022            | 10,276,804          | -                       |
| June 30, 2021            | 9,368,084           | -                       |
| June 30, 2020            | 8,577,048           | -                       |

The unfunded actuarial accrued liability of the NCRS as of January 1, 2024 was approximately \$73,118,725. The System is 76.8% funded according to the January 1, 2024 actuarial study. The Town's current funding schedule amortizes the unfunded actuarial accrued liability to zero by 2032 as shown below.

| <u>Fiscal<br/>Year<br/>Ended<br/>June 30</u> | <u>Employer Normal<br/>Cost</u> | <u>Amortization<br/>Payment of UAL</u> | <u>Net 3(8)(c )<br/>Transfers</u> | <u>Total Employer<br/>Cost</u> | <u>Unfunded Actuarial<br/>Accrued Liability at<br/>Beginning of Fiscal<br/>Year</u> |
|----------------------------------------------|---------------------------------|----------------------------------------|-----------------------------------|--------------------------------|-------------------------------------------------------------------------------------|
| 2025                                         | \$ 4,461,980                    | \$ 8,243,257                           | \$ 600,000                        | \$ 13,305,237                  | \$ 73,118,725                                                                       |
| 2026                                         | 4,506,853                       | 9,262,803                              | 600,000                           | 14,369,656                     | 69,191,689                                                                          |
| 2027                                         | 4,593,354                       | 10,325,876                             | 600,000                           | 15,519,230                     | 63,968,291                                                                          |
| 2028                                         | 4,741,518                       | 11,419,250                             | 600,000                           | 16,760,768                     | 57,322,640                                                                          |
| 2029                                         | 4,874,846                       | 12,626,783                             | 600,000                           | 18,101,629                     | 49,134,611                                                                          |
| 2030                                         | 5,035,883                       | 13,754,640                             | 600,000                           | 19,390,523                     | 39,190,134                                                                          |
| 2031                                         | 5,174,155                       | 14,304,826                             | 600,000                           | 20,078,981                     | 27,461,559                                                                          |
| 2032                                         | 5,319,301                       | 14,877,020                             | 600,000                           | 20,796,321                     | 14,432,829                                                                          |
| 2033                                         | 5,487,674                       | -                                      | 600,000                           | 6,087,674                      | -                                                                                   |

Notes:

- Actuarially determined contributions are assumed to be paid on July 1.
- Actuarially determined contribution for fiscal 2025 is set equal to the budgeted amount determined with prior valuation.
- Projected normal cost does not reflect the impact of pension reform for future hires.
- Amortization payments of unfunded actuarial accrued liability calculated to increase at 4.0% per year after phase-in.
- Projected unfunded actuarial accrued liability does not reflect deferred investment gains.

The foregoing data do not include the retirement system costs or liabilities of any larger entity, such as Norfolk County.

For additional information see Appendix A.

## Other Post-Employment Benefits (OPEB)

In addition to pension benefits, cities and towns may provide retired employees with health care and life insurance benefits. The portion of the cost of such benefits paid by cities or towns is generally provided on a pay-as-you-go basis. For the last twelve years, the Town has been appropriating its Annual Required Cost (ARC) to the OPEB fund and pays the annual healthcare costs from the fund.

The following table sets forth the trend in OPEB appropriations.

| Fiscal<br>Year           | OPEB<br>Contribution |
|--------------------------|----------------------|
| June 30, 2025 (budgeted) | \$ 8,141,306         |
| June 30, 2024            | 8,199,280            |
| June 30, 2023            | 8,844,474            |
| June 30, 2022            | 7,426,237            |
| June 30, 2021            | 7,197,713            |
| June 30, 2020            | 6,906,705            |

The Governmental Accounting Standards Board ("GASB") promulgated accounting standards that require public sector entities to report the future costs of these non-pension, post-employment benefits in their financial statements. These accounting standards do not require pre-funding the payment of these costs as the liability for such costs accrues, but the basis applied by the standards for measurement of costs and liabilities for these benefits is conservative if they continue to be funded on a pay-as-you-go basis and will result in larger yearly cost and liability accruals than if the cost of such benefits were pre-funded in a trust fund in the same manner as traditional pension benefits. Cities and towns that choose to self-insure all or a portion of the cost of the health care benefits they provide to employees and retirees may establish a trust fund for the purpose of paying claims. In addition, cities and towns may establish a trust fund for the purpose of pre-funding other post-employment benefits liability in the same manner as traditional pension benefits.

The Town was required to implement the GASB reporting requirements for other post-employment benefits beginning in fiscal year 2009. The Town has hired an outside firm which has completed the actuarial valuation of its post-employment benefit liability. The unfunded actuarial accrued liability (UAAL) for the Town was \$65,795,307 as of June 30, 2022 (net of the balance in the OPEB Trust Fund). The actuarial assumptions reflect a 6.50% investment rate of return. In fiscal year 2002 the Town began funding its post-retirement health insurance liability. The Town's Actuarially Determined Contribution (ADC) for fiscal year 2024 is \$7,761,016 at an assumed 6.25% discount rate. The balance in the OPEB Trust Fund as of June 30, 2024 was \$82,170,951.

## EMPLOYEE RELATIONS

The Town employs approximately 1,400 full-time equivalent employees (FTE), 1,001 FTEs employed by the School Department, 147 by the Public Works Department, 63 by the Police Department, 80 by the Fire Department, and the balance by various other Town Departments. Town employees (other than managerial and confidential employees) are entitled to join unions and bargain collectively on questions of wages, hours and other terms and conditions of employment. Approximately 1,233 (full and part time) Town employees are represented by unions including public works, general government, police, fire, teachers, and school administrators.

The Building Custodian Tradesman Independent Association (Building Maintenance Division) contract expires on June 30, 2026. The Needham Independent Public Employees Association (Public Works) contract expires June 30, 2027. The contracts with the Needham Firefighters Local 1706 (all units) expire on June 30, 2026. The Needham Police Union contract expires June 30, 2025, and the Needham Police Superior Officers Association contract expires on June 30, 2025. The Needham Independent Town Workers Association (various administrative, professional, and technical positions) contract expires June 30, 2027.

The Needham Public Schools have contracts in place with the Needham Education Association Unit A (teachers) through August 31, 2025, with the Needham Education Association Unit B (administrators) through June 30, 2025, with the Needham Education Association Unit C (Non DESE licensed staff) through June 30, 2026, and with the Needham Education Association Unit E (food service workers) through June 30, 2026. The contract with the Needham Education Association Unit D (clerical, secretarial and technical positions) expires June 30, 2026.



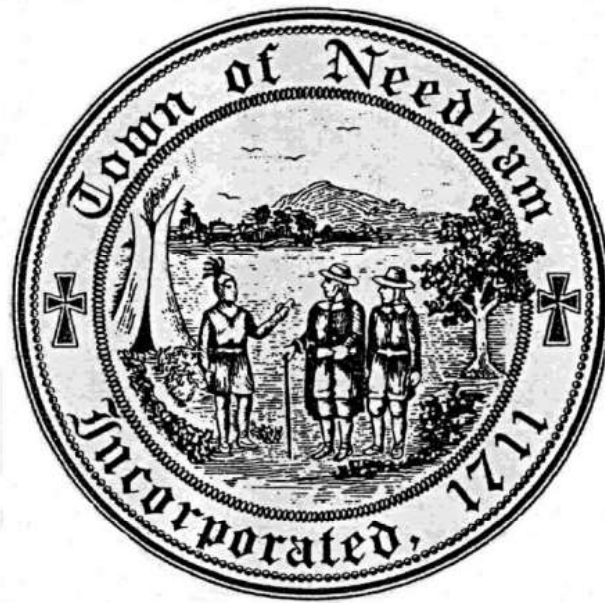
## LITIGATION

At present there are various cases pending in various courts throughout the Commonwealth in which the Town is a defendant. In the opinion of the Town, there is no litigation either pending or threatened, that is likely to result, either individually or in the aggregate, in final judgments against the Town that would materially affect its financial position or its ability to pay its obligations.

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TOWN OF NEEDHAM, MASSACHUSETTS  
/s/ Ellyse Glushkov, Town Treasurer

May 14, 2025



## **TOWN OF NEEDHAM, MASSACHUSETTS**

Financial Statements  
For the Year Ended June 30, 2023

(With Independent Auditors' Report Thereon)

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## INDEPENDENT AUDITORS' REPORT

To the Select Board  
**Town of Needham, Massachusetts**

### Report on the Audit of the Financial Statements

#### *Opinions*

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Town of Needham, Massachusetts (the Town), as of and for the year ended June 30, 2023, (except for the Needham Contributory Retirement System which is as of and for the year ended December 31, 2022), and the related notes to the financial statements, which collectively comprise the Town's basic financial statements as listed in the Table of Contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Town of Needham, Massachusetts, as of June 30, 2023, (except for the Needham Contributory Retirement System which is as of and for the year ended December 31, 2022) and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

#### *Basis for Opinions*

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States (*Government Auditing Standards*). Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Town and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

#### *Responsibilities of Management for the Financial Statements*

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Town's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

### ***Auditors' Responsibilities for the Audit of the Financial Statements***

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Town's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Town's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

### ***Required Supplementary Information***

Accounting principles generally accepted in the United States of America require that Management's Discussion and Analysis, the budgetary comparison for the General Fund, and certain pension and OPEB schedules be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate



operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

### ***Supplementary Information***

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Town's basic financial statements. The budgetary comparison schedules for proprietary funds appearing on pages 83 through 84 are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedules are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

### ***Other Reporting Required by Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated August 7, 2024, on our consideration of the Town's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Town's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Town's internal control over financial reporting and compliance.

*Marcum LLP*

Andover, MA  
August 7, 2024

## MANAGEMENT'S DISCUSSION AND ANALYSIS

As management of Town of Needham, Massachusetts (the Town), we offer readers this narrative overview and analysis of the financial activities of the Town for the fiscal year ended June 30, 2023.

### **Overview of the Financial Statements**

This discussion and analysis is intended to serve as an introduction to the basic financial statements. The basic financial statements comprise three components (1) government-wide financial statements, (2) fund financial statements, and (3) notes to financial statements. This report also contains required supplementary information and other supplementary information in addition to the basic financial statements themselves.

### ***Government-Wide Financial Statements***

The government-wide financial statements are designed to provide readers with a broad overview of our finances in a manner similar to a private-sector business.

The Statement of Net Position presents information on all assets, deferred outflows of resources, liabilities, and deferred inflows of resources, with the difference reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the Town's financial position is improving or deteriorating.

The Statement of Activities presents information showing how the Town's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes and earned but unused vacation leave).

Both of the government-wide financial statements distinguish functions that are principally supported by taxes and intergovernmental revenues (governmental activities) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (business-type activities). The governmental activities include general government, public safety, education, public works, building design and construction, health and human services, and culture and recreation. The business-type activities include sewer and water activities.

### ***Fund Financial Statements***

A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. Fund accounting is used to ensure and demonstrate compliance with finance-related legal requirements. All of the funds can be divided into three categories: governmental funds, proprietary funds and fiduciary funds.

### ***Governmental Funds***

Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

### ***Proprietary Funds***

Proprietary fund reporting focuses on the determination of operating income, changes in net position (or cost recovery), financial position, and cash flows. The proprietary fund category includes enterprise and internal service funds.

Enterprise funds are used to report activity for which a fee is charged to external users, and must be used when one of the following criteria are met: (1) activity is financed with debt that is secured solely by a pledge of the net revenues from fees and charges, (2) laws or regulations require the activity's costs of providing services be recovered with fees and charges, and (3) the pricing policies of the activity establish fees and charges designed to recover its costs, including capital costs such as depreciation or debt service. The primary focus on these criteria is on fees charged to external users. Enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial statements, only in more detail. Specifically, enterprise funds are used to account for sewer and water operations.

Internal service funds are an accounting device used to accumulate and allocate costs internally among various functions. Specifically, internal service funds are used to account for self-insured workers compensation programs and property and casualty insurance. Because these services predominantly benefit governmental rather than business-type functions, they have been included within governmental activities in the government-wide financial statements.

### ***Fiduciary Funds***

Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are not reflected in the government-wide financial statements because the resources of those funds are not available to support the Town's own programs. The accounting used for fiduciary funds is much like that used for proprietary funds. A complete copy of the Needham Contributory Retirement System financial statements can be obtained from the Retirement Board at Town Hall, 1471 Highland Avenue, Needham, Massachusetts 02492.

### ***Notes to Financial Statements***

The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements.

### ***Required and Other Supplementary Information***

In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information which is required to be disclosed by accounting principles generally accepted in the United States of America, and other supplementary information.

### **Financial Highlights**

- As of the close of the current fiscal year, net position in governmental activities was \$228,089,680, a change of \$13,287,841, and net position in business-type activities was \$64,707,505, a change of \$1,412,240 in comparison to the prior year.
- As of the close of the current fiscal year, governmental funds reported combined ending fund balances of \$103,753,701, a change of \$10,208,321 in comparison to the prior year.
- At the end of the current fiscal year, unassigned fund balance for the General Fund was \$35,727,556 a change of \$6,344,016 in comparison to the prior year.

## Government-Wide Financial Analysis

The following is a summary of condensed government-wide financial data for the current and prior fiscal year.

| <b><u>Net Position Summary</u></b>    |                                           |                              |                                            |                             |                              |                              |
|---------------------------------------|-------------------------------------------|------------------------------|--------------------------------------------|-----------------------------|------------------------------|------------------------------|
|                                       | <b><u>Governmental<br/>Activities</u></b> |                              | <b><u>Business-Type<br/>Activities</u></b> |                             | <b><u>Total</u></b>          |                              |
|                                       | <b><u>2023</u></b>                        | <b><u>2022</u></b>           | <b><u>2023</u></b>                         | <b><u>2022</u></b>          | <b><u>2023</u></b>           | <b><u>2022</u></b>           |
| <b>Assets</b>                         |                                           |                              |                                            |                             |                              |                              |
| Current and other assets              | \$ 127,777,012                            | \$ 116,168,029               | \$ 21,893,206                              | \$ 20,317,191               | \$ 149,670,218               | \$ 136,485,220               |
| Capital assets                        | <u>381,836,667</u>                        | <u>384,083,181</u>           | <u>58,216,072</u>                          | <u>56,012,570</u>           | <u>440,052,739</u>           | <u>440,095,751</u>           |
| <b>Total Assets</b>                   | <b><u>509,613,679</u></b>                 | <b><u>500,251,210</u></b>    | <b><u>80,109,278</u></b>                   | <b><u>76,329,761</u></b>    | <b><u>589,722,957</u></b>    | <b><u>576,580,971</u></b>    |
| <b>Deferred Outflows of Resources</b> | 34,550,392                                | 35,118,705                   | 1,032,106                                  | 709,843                     | 35,582,498                   | 35,828,548                   |
| <b>Liabilities</b>                    |                                           |                              |                                            |                             |                              |                              |
| Long-term liabilities                 | 285,986,307                               | 260,358,105                  | 11,758,710                                 | 11,802,934                  | 297,745,017                  | 272,161,039                  |
| Notes payable                         | 420,000                                   | -                            | 2,640,000                                  | -                           | 3,060,000                    | -                            |
| Other liabilities                     | <u>17,156,322</u>                         | <u>16,669,908</u>            | <u>1,704,515</u>                           | <u>413,131</u>              | <u>18,860,837</u>            | <u>17,083,039</u>            |
| <b>Total Liabilities</b>              | <b><u>303,562,629</u></b>                 | <b><u>277,028,013</u></b>    | <b><u>16,103,225</u></b>                   | <b><u>12,216,065</u></b>    | <b><u>319,665,854</u></b>    | <b><u>289,244,078</u></b>    |
| <b>Deferred Inflows of Resources</b>  | 12,511,762                                | 43,540,063                   | 330,654                                    | 1,528,274                   | 12,842,416                   | 45,068,337                   |
| <b>Net Position</b>                   |                                           |                              |                                            |                             |                              |                              |
| Net investment in capital assets      | 259,235,761                               | 246,539,416                  | 48,425,010                                 | 47,556,237                  | 307,660,771                  | 294,095,653                  |
| Restricted                            | 25,908,333                                | 23,964,123                   | -                                          | -                           | 25,908,333                   | 23,964,123                   |
| Unrestricted                          | <u>(57,054,414)</u>                       | <u>(55,701,700)</u>          | <u>16,282,495</u>                          | <u>15,739,028</u>           | <u>(40,771,919)</u>          | <u>(39,962,672)</u>          |
| <b>Total Net Position</b>             | <b><u>\$ 228,089,680</u></b>              | <b><u>\$ 214,801,839</u></b> | <b><u>\$ 64,707,505</u></b>                | <b><u>\$ 63,295,265</u></b> | <b><u>\$ 292,797,185</u></b> | <b><u>\$ 278,097,104</u></b> |

| <b>Changes in Net Position Summary</b>                       |                       |                       |                      |                      |                       |                       |
|--------------------------------------------------------------|-----------------------|-----------------------|----------------------|----------------------|-----------------------|-----------------------|
|                                                              | Governmental          |                       | Business-Type        |                      | Total                 |                       |
|                                                              | <u>Activities</u>     |                       | <u>Activities</u>    |                      |                       |                       |
|                                                              | <u>2023</u>           | <u>2022</u>           | <u>2023</u>          | <u>2022</u>          | <u>2023</u>           | <u>2022</u>           |
| <b>Revenues</b>                                              |                       |                       |                      |                      |                       |                       |
| Program revenues:                                            |                       |                       |                      |                      |                       |                       |
| Charges for services                                         | \$ 17,621,565         | \$ 14,580,256         | \$ 16,172,853        | \$ 16,360,428        | \$ 33,794,418         | \$ 30,940,684         |
| Operating grants and contributions                           | 40,396,897            | 56,624,617            | -                    | -                    | 40,396,897            | 56,624,617            |
| Capital grants and contributions                             | 495,511               | 65,390                | -                    | -                    | 495,511               | 65,390                |
| General revenues:                                            |                       |                       |                      |                      |                       |                       |
| Property taxes                                               | 181,891,049           | 173,522,492           | -                    | -                    | 181,891,049           | 173,522,492           |
| Excises                                                      | 7,163,249             | 6,039,590             | -                    | -                    | 7,163,249             | 6,039,590             |
| Penalties, interest and other taxes                          | 3,081,612             | 2,085,863             | -                    | -                    | 3,081,612             | 2,085,863             |
| Grants and contributions not restricted to specific programs | 3,378,098             | 3,050,246             | -                    | -                    | 3,378,098             | 3,050,246             |
| Investment income                                            | 2,593,799             | 106,240               | 9,995                | 22,614               | 2,603,794             | 128,854               |
| Other                                                        | 854,308               | 268,826               | 379                  | 5,000                | 854,687               | 273,826               |
| <b>Total Revenues</b>                                        | <u>257,476,088</u>    | <u>256,343,520</u>    | <u>16,183,227</u>    | <u>16,388,042</u>    | <u>273,659,315</u>    | <u>272,731,562</u>    |
| <b>Expenses</b>                                              |                       |                       |                      |                      |                       |                       |
| General government                                           | 11,886,158            | 9,685,500             | -                    | -                    | 11,886,158            | 9,685,500             |
| Public safety                                                | 32,985,312            | 23,663,981            | -                    | -                    | 32,985,312            | 23,663,981            |
| Education                                                    | 149,998,863           | 145,984,471           | -                    | -                    | 149,998,863           | 145,984,471           |
| Public works                                                 | 32,753,168            | 25,159,126            | -                    | -                    | 32,753,168            | 25,159,126            |
| Building design and construction                             | 360,042               | 433,239               | -                    | -                    | 360,042               | 433,239               |
| Health and human services                                    | 4,962,963             | 3,146,157             | -                    | -                    | 4,962,963             | 3,146,157             |
| Culture and recreation                                       | 5,288,710             | 4,376,264             | -                    | -                    | 5,288,710             | 4,376,264             |
| Interest on long-term debt                                   | 3,109,326             | 3,964,679             | -                    | -                    | 3,109,326             | 3,964,679             |
| Intergovernmental                                            | 1,555,971             | 1,572,207             | -                    | -                    | 1,555,971             | 1,572,207             |
| Other unallocated costs                                      | 1,384,277             | 1,144,286             | -                    | -                    | 1,384,277             | 1,144,286             |
| Sewer operations                                             | -                     | -                     | 9,256,075            | 8,856,703            | 9,256,075             | 8,856,703             |
| Water operations                                             | -                     | -                     | 5,418,369            | 5,975,243            | 5,418,369             | 5,975,243             |
| <b>Total Expenses</b>                                        | <u>244,284,790</u>    | <u>219,129,910</u>    | <u>14,674,444</u>    | <u>14,831,946</u>    | <u>258,959,234</u>    | <u>233,961,856</u>    |
| <b>Change in Net Position</b>                                |                       |                       |                      |                      |                       |                       |
| <b>Before Transfers</b>                                      | 13,191,298            | 37,213,610            | 1,508,783            | 1,556,096            | 14,700,081            | 38,769,706            |
| <b>Transfers in (Out)</b>                                    | <u>96,543</u>         | <u>881,047</u>        | <u>(96,543)</u>      | <u>(881,047)</u>     | <u>-</u>              | <u>-</u>              |
| <b>Change in Net Position</b>                                | 13,287,841            | 38,094,657            | 1,412,240            | 675,049              | 14,700,081            | 38,769,706            |
| <b>Net Position - Beginning of Year</b>                      | <u>214,801,839</u>    | <u>176,707,182</u>    | <u>63,295,265</u>    | <u>62,620,216</u>    | <u>278,097,104</u>    | <u>239,327,398</u>    |
| <b>Net Position - End of Year</b>                            | <u>\$ 228,089,680</u> | <u>\$ 214,801,839</u> | <u>\$ 64,707,505</u> | <u>\$ 63,295,265</u> | <u>\$ 292,797,185</u> | <u>\$ 278,097,104</u> |

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. At the close of the most recent fiscal year, total net position was \$292,797,185, a change of \$14,700,081, in comparison to the prior year.

The largest portion of net position \$307,660,771 reflects our investment in capital assets (e.g., land, buildings and improvements, machinery, equipment and furnishings, infrastructure, works of art, and construction in progress), less any related debt used to acquire those assets that is still outstanding. These capital assets are used to provide services to citizens; consequently, these assets are not available for future spending. Although the investment in capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

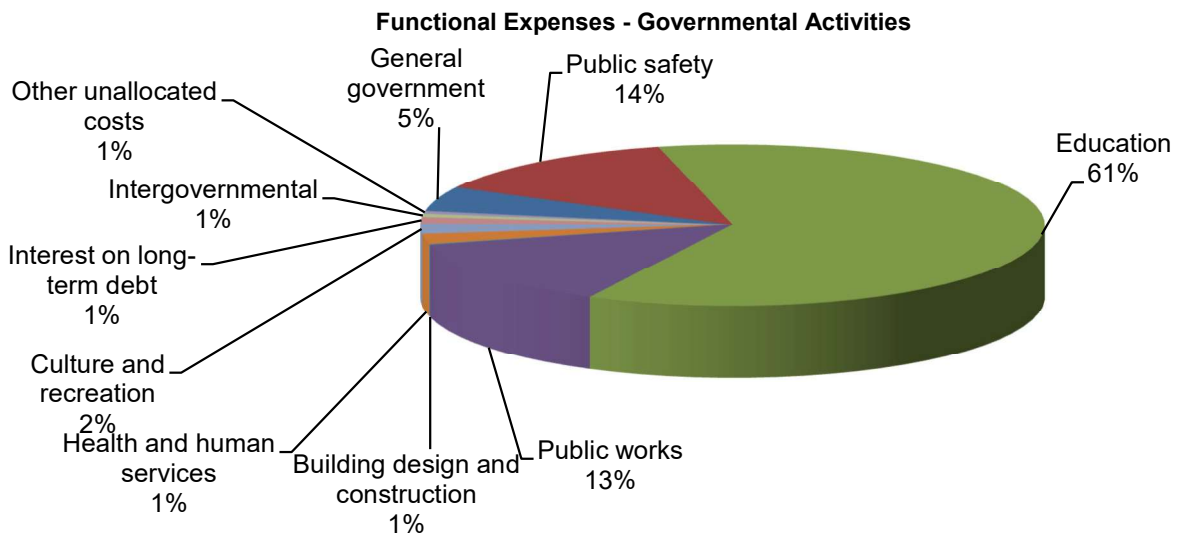


An additional portion of net position \$25,908,333 represents resources that are subject to external restrictions on how they may be used. The remaining balance is a deficit of \$(40,771,919) primarily resulting from unfunded pension and OPEB liabilities.

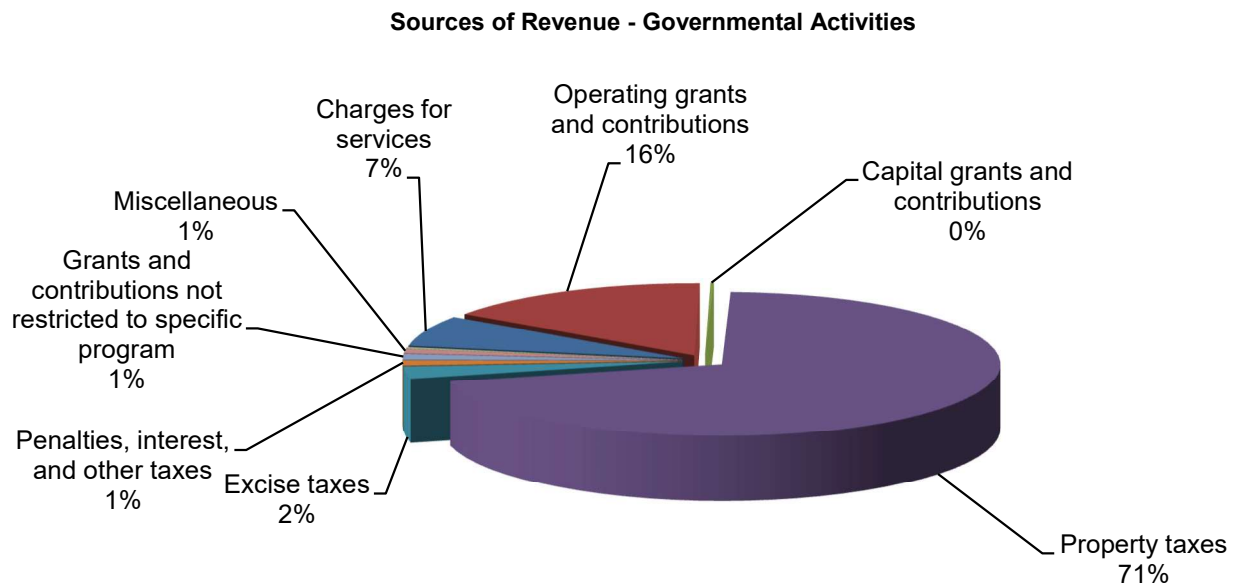
### ***Governmental Activities***

The overall net position of governmental activities increased by \$13,287,841, primarily from the Town's practice of funding capital acquisitions with current year raised revenues. The other most notable event was the increase in pension and OPEB expense.

The following graph presents the users of resources of the governmental activities. The total cost of all governmental programs and services increased by \$25.1 million, or 11.5% over the previous year.



As presented in the following graph, most of the Town's revenue comes from property taxes. Total revenues (excluding transfers) increased by \$1.1 million, or 0.44% over the prior year.



### ***Business-Type Activities***

Business-type activities for the year resulted in a change in net position of \$1,412,240. The increase in net position is a result the Town's continued practice of financing capital improvements with revenues.

### **Financial Analysis of the Town's Funds**

As noted earlier, fund accounting is used to ensure and demonstrate compliance with finance-related legal requirements.

### ***Governmental Funds***

The focus of governmental funds is to provide information on near-term inflows, outflows and balances of spendable resources. Such information is useful in assessing financing requirements. In particular, unassigned fund balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

### **General Fund**

The General Fund is the Town's chief operating fund. The unassigned fund balance at June 30, 2023 was \$35,727,556, while total fund balance was \$64,604,349. As a measure of the General Fund's liquidity, it may be useful to compare both unassigned fund balance and total fund balance to total General Fund expenditures. Refer to the following table:

| <u>General Fund</u>                                                      | <u>6/30/23</u> | <u>6/30/22</u> | <u>6/30/21</u> |
|--------------------------------------------------------------------------|----------------|----------------|----------------|
| Unassigned fund balance:                                                 | \$ 35,727,556  | \$ 29,383,540  | \$ 28,063,054  |
| General Fund                                                             | 31,062,457     | 24,833,428     | 23,570,661     |
| Stabilization Fund                                                       | 4,665,099      | 4,550,112      | 4,492,393      |
| Total fund balance                                                       | 64,604,349     | 56,348,359     | 52,376,805     |
|                                                                          |                |                |                |
|                                                                          | <u>6/30/23</u> | <u>6/30/22</u> | <u>6/30/21</u> |
| Unassigned fund balance as<br>of % of total general<br>fund expenditures | 18.1%          | 15.7%          | 15.4%          |
| Total fund balance as of %<br>total general fund<br>expenditures         | 32.7%          | 30.1%          | 28.8%          |

Expenditure amounts used to calculate the above percentages have been adjusted to exclude the on-behalf payment from the Commonwealth to the Massachusetts Teachers Retirement System of \$15,333,541.

The total fund balance of the General Fund changed by \$8,255,990 during the current fiscal year. Key factors in this change are as follows:

|                                                                                  |                     |
|----------------------------------------------------------------------------------|---------------------|
| Use of free cash, overlay surplus, and bond premium<br>for FY2023 appropriations | \$ (17,118,921)     |
| Revenues and transfers in excess of budget                                       | 15,119,923          |
| Expenditures less than budget                                                    | 8,324,509           |
| Change in stabilization accounts                                                 | 888,180             |
| Other                                                                            | <u>1,042,299</u>    |
| Total                                                                            | <u>\$ 8,255,990</u> |

Included in the total General Fund balance are the Town's committed accounts with the following balances:

|                                   | <u>6/30/23</u>       | <u>6/30/22</u>       | <u>Change</u>       |
|-----------------------------------|----------------------|----------------------|---------------------|
| Compensated absences              | \$ 733,109           | \$ 464,270           | \$ 268,839          |
| Continuing appropriations         | 3,863,857            | 3,248,691            | 615,166             |
| Capital improvement stabilization | 1,582,467            | 1,100,591            | 481,876             |
| Capital facility stabilization    | 2,006,084            | 1,927,853            | 78,231              |
| Athletic facility stabilization   | 1,104,008            | 978,607              | 125,401             |
| Debt service stabilization        | 2,248,681            | 2,160,996            | 87,685              |
| Subsequent year appropriations    | <u>9,446,607</u>     | <u>8,982,455</u>     | <u>464,152</u>      |
| Total                             | \$ <u>20,984,813</u> | \$ <u>18,863,463</u> | \$ <u>2,121,350</u> |

### ***Community Preservation Fund***

At the end of the current fiscal year, the community preservation fund had a total fund balance of \$11,935,151, a change of \$1,376,149 in comparison to the prior fiscal year. State legislation allows property taxes and state matching funds to finance projects such as preservation of historical buildings.

### ***Town Federal Grants Fund***

At the end of the current fiscal year, the town federal grants fund had a total fund balance of \$918,628, a change of \$(24,282) in comparison to the prior fiscal year primarily related to the timing differences between the receipt and disbursement of grant funds.

### ***Nonmajor Governmental Funds***

At the end of the current fiscal year, nonmajor governmental funds had a total fund balance of \$26,295,573, a change of \$600,464 in comparison to the prior fiscal year.

### ***Proprietary Funds***

Proprietary funds provide the same type of information found in the business-type activities reported in the government-wide financial statements, but in more detail. The Town maintains major funds for sewer and water enterprise fund operations.

Unrestricted net position by enterprise fund at the end of the year in comparison to the prior year is shown below:

|       | <u>6/30/23</u>       | <u>6/30/22</u>       | <u>Change</u>     |
|-------|----------------------|----------------------|-------------------|
| Sewer | \$ 5,959,969         | \$ 6,412,058         | \$ (452,089)      |
| Water | <u>10,322,526</u>    | <u>9,326,970</u>     | <u>995,556</u>    |
| Total | \$ <u>16,282,495</u> | \$ <u>15,739,028</u> | \$ <u>543,467</u> |

Factors concerning the finances of proprietary funds have already been addressed in the entity-wide discussion of business-type activities.

## General Fund Budgetary Highlights

Most all budgeted appropriations occur at the Annual Town Meeting which is held prior to the start of a fiscal year. Subsequent appropriations and line-item amendments are made at a special town meeting usually held in the fall. Often the subsequent actions are known or expected at the time of the Annual Town Meeting but are not presented or acted upon at that time because additional information or other requisite action is needed. Usually in May, prior to the June 30 fiscal year end, Town Meeting acts on other requests for budget line transfers and reallocation of operating resources to capital, other financial warrant articles, and formal reserves. The operating budget was approved at \$206,020,137 and inclusive of non-appropriated items, state and county charges, and other amounts to be provided totaled \$207,658,066. The final operating budget total for fiscal year 2023 was amended upward by \$168,023 from the original budget to \$206,188,160. The final state and county assessments decreased by \$37,228 from the Annual Town Meeting estimate to \$1,588,201 and there was no change for the other amounts to be provided (\$12,500). The total final General Fund budget was \$207,788,861 (Table E1).

The Town increased the appropriation for Debt Service by \$168,023. The Town opted to issue bonds related to the Public Safety Building project sooner and in a larger amount than was anticipated for fiscal year 2023 to lock in lower interest rates. Because the project was approved to be financed primarily by excluded debt, the lower interest rates benefit the taxpayers directly because the amount of debt to be paid by property taxes for the project will be less than they would have been had the Town not bonded when it did. Town Meeting also approved a line item transfer of \$90,000 from the Reserve Fund to the Classification Performance & Settlements account to fund the collective bargaining agreement between the Town and the Needham Fire Union.

Table E1  
General Fund

|                                             | Original        | Final           |
|---------------------------------------------|-----------------|-----------------|
| Town Meeting Operating Budget Appropriation | \$206,020,137   | \$206,188,160   |
| State and County Assessments                | \$1,625,429     | \$1,588,201     |
| Other Amounts to be Provided                | <u>\$12,500</u> | <u>\$12,500</u> |
| Total                                       | \$207,658,066   | \$207,788,861   |

During fiscal year 2023, the Town realized revenue in excess of budget of \$13.3 million and realized budget returns of \$8.3 million. General Fund revenue in excess of budget was \$5.4 million higher than fiscal year 2022. The \$8.3 million budget return was higher than the fiscal year 2022 return of \$7.7 million. General Fund revenue in excess of budget was higher primarily due to significant building activity in town which produced strong property tax collections, and increased motor vehicle excise.

The fiscal year 2023 budget return was also higher than the prior year by \$0.6 million primarily due to the greater percentage turnback from the operating budget. The operating budget return

for fiscal year 2023 was 4.0% of the final operating budget which compares to a return of 3.9% for fiscal year 2022.

Motor vehicle excise tax revenue was up 16.2% from prior year's actual receipts (\$6,779,778 for FY2023 vs \$5,837,070 for FY2022) and was higher than the actual receipts for fiscal year 2021 (\$5,129,306) (Table E2). Sales of new vehicles remained strong during 2022 and 2023 which contributed to the increased excise tax revenue for the fiscal year. The number of registered electric vehicles garaged in Needham continues to grow and the sticker prices for those vehicles generally are higher than comparable diesel/gas powered vehicles. The higher the sticker price the greater the excise revenue. The actual motor vehicle excise receipts for fiscal year 2023 were \$2.08 million over budget (Table E3), which compares to \$1.84 million for fiscal year 2022. The actual receipts for fiscal year 2021 were only \$0.13 million over budget, which was reflective of the impact that COVID had on the economy.

Table E2

|                           | Actual<br>FY2023     | Actual<br>FY2022     | Change<br>\$        | Change<br>% | Actual<br>FY2021     |
|---------------------------|----------------------|----------------------|---------------------|-------------|----------------------|
| Motor Vehicle Excise      | \$6,779,778          | \$5,837,070          | \$942,708           | 16.2%       | \$5,129,306          |
| Other Local Excises       | \$1,967,568          | \$1,415,760          | \$551,809           | 39.0%       | \$643,481            |
| Penalties and PILOT       | \$980,935            | \$663,304            | \$317,631           | 47.9%       | \$638,547            |
| Licenses & Permits Income | \$5,099,527          | \$2,771,497          | \$2,328,030         | 84.0%       | \$2,068,299          |
| All Other General Revenue | <u>\$202,316,195</u> | <u>\$189,748,143</u> | <u>\$12,568,052</u> | 6.6%        | <u>\$181,371,747</u> |
| Total                     | \$217,144,004        | \$200,435,775        | \$16,708,229        | 8.3%        | \$189,851,379        |

Revenue generated from other taxes, penalties, and payments in lieu of tax (PILOT) was approximately \$1.7 million over the budget for fiscal year 2023 (Table E3) which compares to \$1.2 million over the budget for fiscal year 2022. The increase in revenue resulted from a combination of a return to normalcy in the hospitality industry here in Needham and higher collections on overdue accounts. Meals excise revenue for fiscal year 2023 was \$599,284 compared to \$501,341 for the prior year; during fiscal year 2021 the Town received \$329,495. Hotel room excise revenue was \$1,368,285 for the year, up from the \$914,419 received during fiscal year 2022, and for fiscal year 2021 the amount received was \$313,986. The combination of the room and meals excise produced \$1,967,568 for the Town during fiscal year 2023 (Table E2), an increase of 39% over the prior year (\$1,415,760). Actual receipts from penalties (\$877,076) were much higher than the prior year as collections on prior year outstanding taxes improved. The amount paid during fiscal year 2022 was \$515,391. Payment in lieu of taxes (PILOT) declined by \$44,053 from \$147,913 during fiscal year 2022 to \$103,860 during fiscal year 2023. The decline was primarily a timing issue in the receipt of payments. The combined collections of penalties and PILOT for the fiscal year were \$980,935, a 47.9% increase (Table E2).

Total permit income for fiscal year 2023 was \$5,099,527 compared to \$2,771,497 for fiscal year 2022 and \$2,068,299 for fiscal year 2021 (Table E2). Residential construction permit activity continued to be solid and numerous, and the Children's Hospital new ambulatory surgery center which will be built in Needham, obtained the building permit in February 2023. The building



permit for that project was more than \$1.8 million. Licenses and permits income was 84% higher than fiscal year 2022, and 146.6% more than fiscal year 2021 (\$2,068,299).

Table E3

|                             | Actual<br>FY2023     | Budget<br>FY2023     | Variance<br>FY2023 | Percentage<br>of Total* |
|-----------------------------|----------------------|----------------------|--------------------|-------------------------|
| Motor Vehicle Excise        | \$6,779,778          | \$4,700,000          | \$2,079,778        | 15.7%                   |
| Other Taxes, Penalties, and | \$2,948,504          | \$1,280,000          | \$1,668,504        | 12.6%                   |
| Licenses & Permits          | \$5,099,527          | \$1,920,000          | \$3,179,527        | 23.9%                   |
| All Other General Revenues  | <u>\$202,316,195</u> | <u>\$195,955,553</u> | <u>\$6,360,642</u> | <u>47.9%</u>            |
| Total                       | \$217,144,004        | \$203,855,553        | \$13,288,451       | 100.0%                  |

\* represents the percent of the total surplus that the revenue category contributed.

Overall total actual General Fund revenue for fiscal year 2023 (\$217,144,004) was \$16,708,229 more than the total for the prior fiscal year (\$200,435,775), refer to Table E2. The increase was due to the growth in property taxes with \$8.7 million more in fiscal year 2023. The increase resulted from the high New Growth tax revenue, and collections on unpaid taxes outstanding from the prior fiscal years. The total for excluded debt, which is added to the tax levy, for projects previously approved by the voters of Needham declined for the second year in a row. This will continue because all the projects funded by debt exclusion have been completed and no additional borrowing is required. The excluded debt payments will decline each year, unless and until the Town approves a new project to be financed by excluded debt. The total General Fund revenue surplus for fiscal year 2023 (Table E3) was \$13,288,451 which was more (\$5,420,812) than the \$7,867,639 surplus for fiscal year 2022. The combination of motor vehicle excise revenue permit and license revenue, and other local tax receipts contributed approximately 52.1% of the total General Fund surplus for fiscal year 2023, down from the 52.8% that these sources comprised in fiscal year 2022, but higher than the 24.3% in fiscal year 2021.

The General Fund appropriated operating budget, excluding county and state assessments and other amounts to be provided, accounts for most of the expenditures, returned \$8,279,721 or approximately 4.0% of the operating budget appropriation; the return for fiscal year 2022 was \$7,658,330 or approximately 3.9% of the appropriation for that year.

Needham Public Schools returned \$2,427,599, which compares to \$2,045,756 returned for fiscal year 2022. The return was \$381,844 more than the return for fiscal year 2022. The budget return was higher due to employee turnover savings and unused operational reserves in the supply and service accounts. The turnover salary savings reflected the nationwide labor shortage for teaching assistants, substitutes, administrative support personnel, van/bus drivers and cafeteria staff, which made hiring and retaining those positions difficult. At various points during the year, the number of vacant positions ranged between 20 and 30, with some school department divisions experiencing continuous turnover and/or prolonged position vacancies. The budget returns in the non-salary accounts generally represented unused budgetary reserves, which had been set aside at the beginning of the fiscal year to support unanticipated enrollment and student support service needs, academic interventions, and ongoing COVID testing/PPE expenses. The

budget return represents just 2.8% of the final school budget of \$87,277,798, but accounted for 29.3% of the total General Fund budget return (Table E4).

The employee benefits budget return of \$2,298,849 was 13.3% of its final budget (\$17,255,396). The return was \$614,645 more than the prior year. The higher budget return was due to a lower increase in health insurance premiums than was anticipated, changes employees made with their health insurance selection due to the exit of one of the insurance providers, and lower unemployment costs. The number of active plans for FY2023 was slightly less than the prior year. Fiscal year 2022 there were 853 plans and fiscal year 2023 there were 850. The return represents 27.8% of the total operating budget return for the year.

Table E4

| Operating Budget                                                    | Final Budget        | Expended              | Returned           | % of Total | % of Final Budget |
|---------------------------------------------------------------------|---------------------|-----------------------|--------------------|------------|-------------------|
| 1) Needham Public Schools                                           | \$87,277,798        | (\$84,850,199)        | \$2,427,599        | 29.3%      | 2.8%              |
| 2) Group Health Insurance, Employee Benefits & Administrative Costs | \$17,255,396        | (\$14,956,547)        | \$2,298,849        | 27.8%      | 13.3%             |
| 3) Reserve Fund (transfers only)                                    | \$1,178,848         | \$0                   | \$1,178,848        | 14.2%      |                   |
| 4) Department of Public Works                                       | \$19,196,734        | (\$18,725,101)        | \$471,633          | 5.7%       | 2.5%              |
| 5) Fire Department                                                  | \$10,465,195        | (\$10,158,472)        | \$306,723          | 3.7%       | 2.9%              |
| Balance of the Townwide and Department Budgets (26)                 | <u>\$70,814,189</u> | <u>(\$69,218,121)</u> | <u>\$1,596,068</u> | 19.3%      | 2.3%              |
| Totals                                                              | \$206,188,160       | (\$197,908,439)       | \$8,279,721        | 100.0%     | 4.0%              |

The budgetary reserve fund (Reserve Fund) returned \$1,178,848 which represents 14.2% of the total General Fund operating budget return for the fiscal year 2023. The reserve fund budget amount returned was less than fiscal year 2022 reserve fund budget return (\$1,304,254), which was 17.0% of the total return in that year. The \$1,178,848 return of the reserve fund budget represents approximately 57.4% of the original voted reserve fund budget of \$2,052,091. There were three draws on the reserve fund during fiscal year 2023. The first was \$105,180 to the finance department's information technology center division which saw the departure of key personnel that required the Town to procure outside professional services to service critical network and technology systems and provide afterhours support for public safety. The second transfer was for \$40,000 to supplement the legal service budget to cover anticipated additional costs in connection with of the defense of the Planning Board's decision on a building project. The third transfer was for \$638,063 to the Needham electric light and gas program budget which due to the market and regulatory price increases during the year for electric and natural gas exceeded the amount budgeted for those expenses. As previously noted, there was also a Town

Meeting line item transfer of \$90,000 from the Reserve Fund to the Classification Performance & Settlements in May 2023.

The Department of Public Works had the fourth highest budget turnback returning \$471,633 or 2.5% of its budget which compares to \$577,929 or 3.2% of its fiscal year 2022 budget. Approximately 81% of the turn back (\$384,122) was from salary and wages. This was largely due to the amount of time it took to fill vacant positions during the year. The balance of the turnback (\$87,511) was a combination of expenses and operating capital. The department was not able to complete the purchase of capital equipment items before the end of the fiscal year, so it had to return the funds (\$33,100) budgeted for that purpose. The \$54,411 in returned budgeted expenses was the residual balance appropriated for contractors, services, materials, supplies, and other expenses for the fiscal year. This was 0.7% of the \$8,167,639 budgeted. The department budget turnback represented approximately 5.7% of the total operating budget return.

The fifth highest budget dollar return came from the Fire Department, with a return of \$306,723 of its \$10,465,195 final budget for fiscal year 2023. This represents 2.9% of the final budget. Most of the turnback (94%) was related to salary and wages (\$289,036). Although there was a transfer to the budget to pay the cost for the new collective bargaining agreement approved during the year, the department had several vacancies during the year which account for most of the return. The combination of the expense and operating capital budget returned \$17,687 (6% ) of the total return for the year. The Fire Department's return represents 3.7% of the total operating budget return for the year.

The other twenty-six (26) townwide-expense and departmental budgets returned in total \$1,596,068 or 2.3% of their combined amended budgets for the year. However, the General Fund debt budget was exceeded by \$5,627 because the Town paid more principal down than the supplemental appropriation covered. Excluding the deficit, these budgets would have returned \$1,601,695 or 2.3% of the related budgets. The Town added two new budget lines for fiscal year 2023. The first was for funding expenses relating to Injury on Duty benefits for public safety employees. The Town established a Special Injury Leave Indemnity Fund, which receives its funding from that appropriation's residual balance. The second budget is for the Needham Council for Arts and Culture (NCAC) to support community-based projects and activities in the performing and visual arts, humanities, and interpretive sciences. Last year the twenty-four budgets returned \$1,366,917 or 2.0% of their combined amended budgets for the year.

## **Capital Assets and Debt Administration**

### ***Capital Assets***

Total capital assets for governmental and business-type activities at year-end amounted to \$440,052,739 (net of accumulated depreciation), a change of \$(43,012) from the prior year. This investment in capital assets includes land, buildings and improvements, machinery, equipment and furnishings, vehicles, infrastructure, works of art and construction in progress.

Major capital asset events during the current fiscal year included the following:

Governmental Activities:

|                                                   |              |
|---------------------------------------------------|--------------|
| School building renovation                        | \$ 4,894,510 |
| Public safety complex & fire station construction | 2,115,044    |
| Town common renovation                            | 1,421,222    |

Business-Type Activities:

|                                       |              |
|---------------------------------------|--------------|
| Central ave water main replacement    | \$ 2,354,298 |
| Lake drive pump station refurbishment | 366,136      |

***Long-Term Debt***

At the end of the current fiscal year, total long-term bonds and loans outstanding, including unamortized bond premium, were \$129,911,638. The bonds are backed by the full faith and credit of the Town. The Town's general obligation bond rating continues to carry the highest rating possible, AAA, a rating that has been assigned by Standard & Poor's to the Town debt since 2000.

Additional information on capital assets and long-term debt can be found in the Notes to Financial Statements.

**Economic Factors and Next Year's Budgets And Rates**

The total General Fund balance for fiscal year 2023 was higher than fiscal year 2022. Fund balance was \$64.6 million for fiscal year 2023 compared to \$56.3 million for fiscal year 2022, approximately a 14.7% change. The unassigned portion of the General Fund increased from the prior fiscal year with a balance of \$35.7 million for fiscal year 2023 compared to \$29.4 million for fiscal year 2022. Starting with the fiscal year 2021 report, the unassigned portion includes the general stabilization fund. The State certified \$17,356,938 available as Free Cash for fiscal year 2023 of which the Town appropriated \$14,522,850 of that amount. Free Cash is essentially the portion of the unassigned General Fund balance that the Massachusetts Department of Revenue will allow the Town to appropriate. The Free Cash certified for the prior year was \$16,952,126.

The Town allocated \$9,236,607.00 of the Free Cash for capital equipment and projects for fiscal year 2024. The Free Cash appropriated for capital included \$1,310,000 for renovations to McCloud Field, \$260,000 to evaluate watershed area number four including known flooding areas to advise on a phosphorous control plan, and will design improvements previously identified in watershed area number two, \$250,000 to install a permanent generator at the Center at the Heights (senior center), \$250,000 for energy efficiency upgrades in Town facilities, \$135,000 for ventilation repairs to the tipping and loading areas of the Recycling and Transfer Station building, and \$55,000 for the replacement of video projection equipment in the Rosemary Recreation Complex (RRC). The Town also appropriated \$2,050,000 of the Free Cash for public roads and related infrastructure improvements with an additional \$581,500 from Overlay

Surplus. The Town also funded a study in the amount of \$35,000 from Free Cash to explore the feasibility of an action sports park.

Free Cash was also used to fund capital equipment which included \$4,035,263 in core fleet and special equipment, which includes the replacement of the fire ladder truck. The funding for the ladder truck also relied on an additional \$700,000 from Overlay Surplus for a total estimated cost of \$2,000,000. The Town appropriated \$555,129 from Free Cash for capital equipment, furnishings, and technology for the Needham Public Schools, \$130,000 for network switches in municipal buildings, \$50,000 for a telephone system replacement, and \$40,000 for office and meeting room furniture replacements in Town Hall and other administrative offices in town. Free Cash was also appropriated \$30,185 for the purchase of defibrillator/monitor systems for the ambulances and \$51,030 for personal protective gear for fire personnel.

The Town also allocated \$3,597,105 of Free Cash to the fiscal year 2024 operating budget. The Town's use of Free Cash for funding the subsequent fiscal year operating budget (2024) was in line with management's guidance of not more than two percent of the previous year's (2022) final budget (excluding the budgetary reserve fund) or the actual turn back, whichever is less. Two percent of the fiscal year 2022 operating budget excluding the budgetary reserve fund was \$3,874,475; the related budgetary return was \$7,099,273, which was more than the prior year turnback of \$6,354,076.

The Town adopted Massachusetts General Laws chapter 44, section 53F¾ which created a special revenue fund to set aside, and reserve monies received from the cable providers in accordance with the cable franchise agreements to be spent for Public, Educational, and Governmental (PEG) programming and access. These monies will become available for those purposes after a Town Meeting appropriation. The fund became operational on July 1, 2023. However, in order to provide funds to the local Cable Channel for fiscal year 2024, the Town appropriation was from Free Cash in the amount of \$671,850.

The Town also appropriated \$300,000 toward the Town's facility maintenance program, \$250,000 for the Town's compensated absence fund, \$150,000 for the refurbishments of certain high value fleet vehicles to extend the useful life, and \$100,000 for surveying of Town-owned property.

The Town established an Opioid Settlement Stabilization Fund (OSSF) to deposit monies that will be received over a number of years as a result of a nationwide settlement with opioid distributors. These funds must be used on programming and strategies for opioid use disorder prevention, harm reduction, treatment, and recovery under the terms of the legal settlement. The OSSF allows the Town to reserve the funds for future appropriation by Town Meeting and to track the use of the monies more easily. However, \$217,288 was received prior to the creation of the OSSF so in accordance with State law the funds were credited to the General Fund. The Town appropriated \$217,288 from Free Cash to credit to the fund to offset the amount that had to be credited to the General Fund. The \$2,834,088 balance in Free Cash was closed out at year end to fund balance. Management continues to recommend that the Free Cash certified be

directed to cash capital investment, formal reserves, and other non-recurring expenses and that a limited amount be used for ongoing operating budget expenses. The Select Board has endorsed this best practice.

Table G1

| Free Cash Uses                   |                  |
|----------------------------------|------------------|
| Capital Equipment & Improvements | \$9,236,607      |
| Operating Budget                 | \$3,597,105      |
| Other Appropriations             | \$1,471,850      |
| Reserves/Stabilization Funds     | <u>\$217,288</u> |
| Total Appropriations             | \$14,522,850     |
| Closed to Fund Balance           | \$2,834,088      |

Town Meeting voted to authorize the Select Board to borrow up to \$9,000,000 to replace the roof top units (RTUs) at the Broadmeadow and Eliot Schools. This project is anticipated to take two years to complete. Funds will be borrowed as needed for the work that is to be done. The Town also approved a debt authorization of \$4,000,000 plus \$2,500,000 from cash to fund improvements to the Town's water distribution system in the areas of South Street, Charles River Street, and Chestnut Street.

The Town had planned a multi-year phase in of rate changes to mitigate the revenue loss from the closure of the Coca Cola bottling production in Needham, and did make minor changes for fiscal year 2020, but chose not to change the rates for fiscal year 2021 or 2022 due to COVID. The Select Board approved increases to the domestic water (primarily indoor use), irrigation water, and sewer rates effective October 2022, followed by increases to the rates effective July 1, 2023. The July 1, 2023 step rate increases for water use, ranged between 1.8 to 2.0%, and for all the sewer rate steps, the increase was 3.0%. There will be a need to update the user rates again for the fiscal year 2025.

The Select Board also established a rate schedule for stormwater infrastructure improvements which will become effective during fiscal year 2024. The fee will be billed through the Town's water and sewer billing system. Under Article 35 of the May 2023 Annual Town Meeting, the Town voted to establish a stormwater stabilization fund and to authorize 100% of the related fees be deposited directly in the fund. These monies are reserved for future appropriation for stormwater related capital improvements. The first appropriation from the fund is not anticipated until 2025 or 2026 dependent on the amount collected.

The Town has identified major water and sewer capital infrastructure improvements that are essential over the next several years. The \$6,500,000 water distribution appropriation last year is the first of several. The Town's funding plan is to use American Rescue Plan Act (APRA) funds, cash reserves, and debt. However, this will require increases to the water and sewer user rates beyond that which are necessary for ongoing operations and maintenance. Commercial use of water and sewer remained low compared to several years ago, but consumption is higher than it was during the height of the COVID restrictions. Residential use increased during COVID as more



people were working from home and staying local, but during 2022 indoor water consumption began to trend downward, but use grew again during 2023, primarily due to increased irrigation. Enterprise fund revenue may decline due to timing issues, but recoverable in the longer term. There has been a greater reliance on retained earnings for operations, which is related in part to the delay in adjusting rates due to COVID, as well as the planned increase in capital spending on the critical infrastructure.

The Town procured a new revenue and billing system which will have all the major receivables (motor vehicle excise, property taxes, water and sewer, and general billing) converting from an on premise system to a cloud based environment. Motor vehicle excise billing went live in April 2023 and property tax billing became effective with fiscal year 2024. The water and sewer billing application will be rolled out during fiscal year 2024 and will impact the timing and issuance of the bills during the implementation period and may impact collections for the year. The Town is not only changing its utility billing software, but also upgrading its meter reading applications because the current version is not compatible with the new billing software because the Town had to use an older system to work with the legacy billing system. The last implementation phase will be during late fiscal year 2024 and early fiscal year 2025 which is to expand general billing to many Town and School departments.

We anticipate that overall local resources will remain solid for the next 12 to 24 months based on permitted private activity construction, but revenue growth could be less depending on actions taken by the Commonwealth to address its forecasted lower revenue growth, or possible declines. The strength in local receipts is attributable to the continued higher per capita incomes which results in new higher cost vehicles being purchased, and investment in new and existing homes. We anticipate that the higher annual percentage increases in residential property values will abate. Earnings on Town funds from higher interest rates will produce more revenue than initially projected, which will add to the fund balance. We anticipate having a greater amount of Free Cash rolling over to the following fiscal year or otherwise reserving the funds to provide a buffer should state aid be flat. The Town maintains an adequate reserve for property tax abatements and exemptions for the fiscal year as well as for uncollected taxes from prior fiscal years. We again caution that actions at the Federal level can have national consequences and may impact the regional economy.

### **Requests for Information**

This financial report is designed to provide a general overview of the Town of Needham's finances for all those with an interest in the Town's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to:

Town of Needham, Massachusetts  
Assistant Town Manager/Director of Finance  
1471 Highland Avenue  
Needham, Massachusetts 02492

**TOWN OF NEEDHAM, MASSACHUSETTS**

STATEMENT OF NET POSITION

JUNE 30, 2023

|                                                   | Governmental<br><u>Activities</u> | Business-Type<br><u>Activities</u> | <u>Total</u>       |
|---------------------------------------------------|-----------------------------------|------------------------------------|--------------------|
| <b>Assets</b>                                     |                                   |                                    |                    |
| <b>Current Assets</b>                             |                                   |                                    |                    |
| Cash and short-term investments                   | \$ 97,782,461                     | \$ 15,959,618                      | \$ 113,742,079     |
| Investments                                       | 22,918,949                        | -                                  | 22,918,949         |
| Receivables, net of allowance for uncollectibles: |                                   |                                    |                    |
| Property taxes                                    | 2,175,430                         | -                                  | 2,175,430          |
| Excises                                           | 924,652                           | -                                  | 924,652            |
| Utilities                                         | -                                 | 5,933,588                          | 5,933,588          |
| Departmental                                      | 2,013,760                         | -                                  | 2,013,760          |
| Intergovernmental                                 | 222,323                           | -                                  | 222,323            |
| Other                                             | 179,285                           | -                                  | 179,285            |
| <b>Total Current Assets</b>                       | <u>126,216,860</u>                | <u>21,893,206</u>                  | <u>148,110,066</u> |
| <b>Noncurrent Assets</b>                          |                                   |                                    |                    |
| Receivables, net of allowance for uncollectibles: |                                   |                                    |                    |
| Property taxes                                    | 1,560,152                         | -                                  | 1,560,152          |
| Capital assets non-depreciable                    | 49,505,958                        | 8,364,293                          | 57,870,251         |
| Capital assets depreciable, net                   | 332,330,709                       | 49,851,779                         | 382,182,488        |
| <b>Total Noncurrent Assets</b>                    | <u>383,396,819</u>                | <u>58,216,072</u>                  | <u>441,612,891</u> |
| <b>Total Assets</b>                               | <u>509,613,679</u>                | <u>80,109,278</u>                  | <u>589,722,957</u> |
| <b>Deferred Outflows of Resources</b>             |                                   |                                    |                    |
| Related to pension                                | 22,457,050                        | 857,842                            | 23,314,892         |
| Related to OPEB                                   | 12,093,342                        | 174,264                            | 12,267,606         |
| <b>Total Deferred Outflows of Resources</b>       | <u>34,550,392</u>                 | <u>1,032,106</u>                   | <u>35,582,498</u>  |

(continued)

The accompanying notes are an integral part of these financial statements.

(continued)

**TOWN OF NEEDHAM, MASSACHUSETTS**

**STATEMENT OF NET POSITION**

**JUNE 30, 2023**

|                                                 | <u>Governmental<br/>Activities</u> | <u>Business-Type<br/>Activities</u> | <u>Total</u>          |
|-------------------------------------------------|------------------------------------|-------------------------------------|-----------------------|
| <b>Liabilities</b>                              |                                    |                                     |                       |
| <b>Current Liabilities</b>                      |                                    |                                     |                       |
| Warrants and accounts payable                   | 4,316,923                          | 1,479,253                           | 5,796,176             |
| Accrued liabilities                             | 7,451,873                          | 225,262                             | 7,677,135             |
| Unearned revenue                                | 3,957,960                          | -                                   | 3,957,960             |
| Refunds payable                                 | 77,916                             | -                                   | 77,916                |
| Notes payable                                   | 420,000                            | 2,640,000                           | 3,060,000             |
| Other liabilities                               | 1,351,650                          | -                                   | 1,351,650             |
| Current portion of long-term liabilities:       |                                    |                                     |                       |
| Bonds payable                                   | 11,638,274                         | 905,439                             | 12,543,713            |
| Compensated absences                            | 1,774,985                          | -                                   | 1,774,985             |
| Landfill liability                              | 56,415                             | -                                   | 56,415                |
| <b>Total Current Liabilities</b>                | <u>31,045,996</u>                  | <u>5,249,954</u>                    | <u>36,295,950</u>     |
| <b>Noncurrent Liabilities</b>                   |                                    |                                     |                       |
| Bonds and loans payable, net of current portion | 111,033,705                        | 6,334,220                           | 117,367,925           |
| Net pension liability                           | 83,968,779                         | 3,207,538                           | 87,176,317            |
| Net OPEB liability                              | 71,907,115                         | 1,036,177                           | 72,943,292            |
| Compensated absences, net of current portion    | 5,324,956                          | 275,336                             | 5,600,292             |
| Landfill liability, net of current portion      | 282,078                            | -                                   | 282,078               |
| <b>Total Noncurrent Liabilities</b>             | <u>272,516,633</u>                 | <u>10,853,271</u>                   | <u>283,369,904</u>    |
| <b>Total Liabilities</b>                        | <u>303,562,629</u>                 | <u>16,103,225</u>                   | <u>319,665,854</u>    |
| <b>Deferred Inflows of Resources</b>            |                                    |                                     |                       |
| Related to pension                              | 6,368,545                          | 243,273                             | 6,611,818             |
| Related to OPEB                                 | 6,063,891                          | 87,381                              | 6,151,272             |
| Taxes paid in advance                           | 79,326                             | -                                   | 79,326                |
| <b>Total Deferred Inflows of Resources</b>      | <u>12,511,762</u>                  | <u>330,654</u>                      | <u>12,842,416</u>     |
| <b>Net Position</b>                             |                                    |                                     |                       |
| Net investment in capital assets                | 259,235,761                        | 48,425,010                          | 307,660,771           |
| Restricted for:                                 |                                    |                                     |                       |
| Permanent funds:                                |                                    |                                     |                       |
| Nonexpendable                                   | 204,780                            | -                                   | 204,780               |
| Expendable                                      | 3,322,843                          | -                                   | 3,322,843             |
| Grants and other statutory restrictions         | 22,380,710                         | -                                   | 22,380,710            |
| Unrestricted                                    | (57,054,414)                       | 16,282,495                          | (40,771,919)          |
| <b>Total Net Position</b>                       | <u>\$ 228,089,680</u>              | <u>\$ 64,707,505</u>                | <u>\$ 292,797,185</u> |

The accompanying notes are an integral part of these financial statements.

**TOWN OF NEEDHAM, MASSACHUSETTS**

STATEMENT OF ACTIVITIES

FOR THE YEAR ENDED JUNE 30, 2023

|                                  |                       | <u>Program Revenues</u>         |                                                   |                                                 | <u>Net (Expenses)<br/>Revenues</u> |
|----------------------------------|-----------------------|---------------------------------|---------------------------------------------------|-------------------------------------------------|------------------------------------|
|                                  | <u>Expenses</u>       | <u>Charges for<br/>Services</u> | <u>Operating<br/>Grants and<br/>Contributions</u> | <u>Capital<br/>Grants and<br/>Contributions</u> |                                    |
| <b>Governmental Activities</b>   |                       |                                 |                                                   |                                                 |                                    |
| General government               | \$ 11,886,158         | \$ 599,944                      | \$ 835,806                                        | \$ -                                            | \$ (10,450,408)                    |
| Public safety                    | 32,985,312            | 7,899,085                       | 96,355                                            | -                                               | (24,989,872)                       |
| Education                        | 149,998,863           | 4,211,714                       | 37,592,400                                        | -                                               | (108,194,749)                      |
| Public works                     | 32,753,168            | 3,262,679                       | -                                                 | 495,511                                         | (28,994,978)                       |
| Building design and construction | 360,042               | -                               | -                                                 | -                                               | (360,042)                          |
| Health and human services        | 4,962,963             | 287,703                         | 1,735,704                                         | -                                               | (2,939,556)                        |
| Culture and recreation           | 5,288,710             | 1,360,440                       | 136,632                                           | -                                               | (3,791,638)                        |
| Interest on debt service         | 3,109,326             | -                               | -                                                 | -                                               | (3,109,326)                        |
| Intergovernmental                | 1,555,971             | -                               | -                                                 | -                                               | (1,555,971)                        |
| Other unallocated costs          | <u>1,384,277</u>      | <u>-</u>                        | <u>-</u>                                          | <u>-</u>                                        | <u>(1,384,277)</u>                 |
| Total Governmental Activities    | 244,284,790           | 17,621,565                      | 40,396,897                                        | 495,511                                         | (185,770,817)                      |
| <b>Business-Type Activities</b>  |                       |                                 |                                                   |                                                 |                                    |
| Sewer services                   | 9,256,075             | 9,127,092                       | -                                                 | -                                               | (128,983)                          |
| Water services                   | <u>5,418,369</u>      | <u>7,045,761</u>                | <u>-</u>                                          | <u>-</u>                                        | <u>1,627,392</u>                   |
| Total Business-Type Activities   | <u>14,674,444</u>     | <u>16,172,853</u>               | <u>-</u>                                          | <u>-</u>                                        | <u>1,498,409</u>                   |
| Total                            | <u>\$ 258,959,234</u> | <u>\$ 33,794,418</u>            | <u>\$ 40,396,897</u>                              | <u>\$ 495,511</u>                               | <u>(184,272,408)</u>               |

(continued)

The accompanying notes are an integral part of these financial statements.

(continued)

**TOWN OF NEEDHAM, MASSACHUSETTS**

**STATEMENT OF ACTIVITIES**

**FOR THE YEAR ENDED JUNE 30, 2023**

|                                                                 | <u>Governmental<br/>Activities</u> | <u>Business-<br/>Type<br/>Activities</u> | <u>Total</u>          |
|-----------------------------------------------------------------|------------------------------------|------------------------------------------|-----------------------|
| Change in Net (Expenses) Revenues from Previous Page            | (185,770,817)                      | 1,498,409                                | (184,272,408)         |
| <b>General Revenues</b>                                         |                                    |                                          |                       |
| Property taxes                                                  | 181,891,049                        | -                                        | 181,891,049           |
| Excises                                                         | 7,163,249                          | -                                        | 7,163,249             |
| Penalties, interest, and other taxes                            | 3,081,612                          | -                                        | 3,081,612             |
| Grants and contributions not restricted<br>to specific programs | 3,378,098                          | -                                        | 3,378,098             |
| Investment income                                               | 2,593,799                          | 9,995                                    | 2,603,794             |
| Miscellaneous                                                   | 854,308                            | 379                                      | 854,687               |
| <b>Transfers, net</b>                                           | <u>96,543</u>                      | <u>(96,543)</u>                          | <u>-</u>              |
| <b>Total General Revenues and Transfers</b>                     | <u>199,058,658</u>                 | <u>(86,169)</u>                          | <u>198,972,489</u>    |
| <b>Change in Net Position</b>                                   | 13,287,841                         | 1,412,240                                | 14,700,081            |
| <b>Net Position</b>                                             |                                    |                                          |                       |
| Beginning of year                                               | <u>214,801,839</u>                 | <u>63,295,265</u>                        | <u>278,097,104</u>    |
| End of year                                                     | <u>\$ 228,089,680</u>              | <u>\$ 64,707,505</u>                     | <u>\$ 292,797,185</u> |

The accompanying notes are an integral part of these financial statements.

**TOWN OF NEEDHAM, MASSACHUSETTS**

GOVERNMENTAL FUNDS

BALANCE SHEET

JUNE 30, 2023

|                                                                            | General<br><u>Fund</u>      | Community<br>Preservation<br><u>Fund</u> | Town<br>Federal Grants<br><u>Fund</u> | Nonmajor<br>Governmental<br><u>Funds</u> | Total<br>Governmental<br><u>Funds</u> |
|----------------------------------------------------------------------------|-----------------------------|------------------------------------------|---------------------------------------|------------------------------------------|---------------------------------------|
| <b>Assets</b>                                                              |                             |                                          |                                       |                                          |                                       |
| Cash and short-term investments                                            | \$ 60,141,601               | \$ 3,847,853                             | \$ 3,143,158                          | \$ 27,978,524                            | \$ 95,111,136                         |
| Investments                                                                | 11,619,850                  | 8,087,620                                | -                                     | 3,211,479                                | 22,918,949                            |
| Receivables:                                                               |                             |                                          |                                       |                                          |                                       |
| Property taxes                                                             | 3,693,372                   | 42,210                                   | -                                     | -                                        | 3,735,582                             |
| Excises                                                                    | 924,652                     | -                                        | -                                     | -                                        | 924,652                               |
| Departmental                                                               | 1,419,548                   | -                                        | -                                     | 594,212                                  | 2,013,760                             |
| Intergovernmental                                                          | -                           | -                                        | 83,581                                | 138,742                                  | 222,323                               |
| Other                                                                      | <u>179,285</u>              | <u>-</u>                                 | <u>-</u>                              | <u>-</u>                                 | <u>179,285</u>                        |
| <b>Total Assets</b>                                                        | <b><u>\$ 77,978,308</u></b> | <b><u>\$ 11,977,683</u></b>              | <b><u>\$ 3,226,739</u></b>            | <b><u>\$ 31,922,957</u></b>              | <b><u>\$ 125,105,687</u></b>          |
| <b>Liabilities</b>                                                         |                             |                                          |                                       |                                          |                                       |
| Warrants and accounts payable                                              | \$ 1,681,933                | \$ -                                     | \$ 33,954                             | \$ 2,535,550                             | \$ 4,251,437                          |
| Unearned revenue                                                           | -                           | -                                        | 2,179,721                             | 1,778,239                                | 3,957,960                             |
| Accrued liabilities                                                        | 4,961,968                   | 322                                      | 10,855                                | 29,462                                   | 5,002,607                             |
| Notes payable                                                              | -                           | -                                        | -                                     | 420,000                                  | 420,000                               |
| Refunds payable                                                            | 77,916                      | -                                        | -                                     | -                                        | 77,916                                |
| Other liabilities                                                          | <u>1,218,675</u>            | <u>-</u>                                 | <u>-</u>                              | <u>132,975</u>                           | <u>1,351,650</u>                      |
| <b>Total Liabilities</b>                                                   | <b>7,940,492</b>            | <b>322</b>                               | <b>2,224,530</b>                      | <b>4,896,226</b>                         | <b>15,061,570</b>                     |
| <b>Deferred Inflows of Resources:</b>                                      |                             |                                          |                                       |                                          |                                       |
| Unavailable revenues                                                       | 5,354,141                   | 42,210                                   | 83,581                                | 731,158                                  | 6,211,090                             |
| Taxes paid in advance                                                      | <u>79,326</u>               | <u>-</u>                                 | <u>-</u>                              | <u>-</u>                                 | <u>79,326</u>                         |
| <b>Total Deferred Inflows of Resources</b>                                 | <b>5,433,467</b>            | <b>42,210</b>                            | <b>83,581</b>                         | <b>731,158</b>                           | <b>6,290,416</b>                      |
| <b>Fund Balances</b>                                                       |                             |                                          |                                       |                                          |                                       |
| Nonspendable                                                               | -                           | -                                        | -                                     | 204,780                                  | 204,780                               |
| Restricted                                                                 | 565,811                     | 11,935,151                               | 1,011,043                             | 11,942,620                               | 25,454,625                            |
| Committed                                                                  | 20,984,813                  | -                                        | -                                     | 15,826,630                               | 36,811,443                            |
| Assigned                                                                   | 7,326,169                   | -                                        | -                                     | -                                        | 7,326,169                             |
| Unassigned                                                                 | <u>35,727,556</u>           | <u>-</u>                                 | <u>(92,415)</u>                       | <u>(1,678,457)</u>                       | <u>33,956,684</u>                     |
| <b>Total Fund Balances</b>                                                 | <b><u>64,604,349</u></b>    | <b><u>11,935,151</u></b>                 | <b><u>918,628</u></b>                 | <b><u>26,295,573</u></b>                 | <b><u>103,753,701</u></b>             |
| <b>Total Liabilities, Deferred Inflows of Resources, and Fund Balances</b> | <b><u>\$ 77,978,308</u></b> | <b><u>\$ 11,977,683</u></b>              | <b><u>\$ 3,226,739</u></b>            | <b><u>\$ 31,922,957</u></b>              | <b><u>\$ 125,105,687</u></b>          |

The accompanying notes are an integral part of these financial statements.



**TOWN OF NEEDHAM, MASSACHUSETTS**

**RECONCILIATION OF TOTAL GOVERNMENTAL FUND  
BALANCES TO NET POSITION OF GOVERNMENTAL  
ACTIVITIES IN THE STATEMENT OF NET POSITION**

JUNE 30, 2023

|                                                                                                                                                                                                                                                                    |                              |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------|
| <b>Total Governmental Fund Balances</b>                                                                                                                                                                                                                            | <b>\$ 103,753,701</b>        |
| Capital assets used in governmental activities are not financial resources and, therefore, are not reported in governmental funds                                                                                                                                  | 381,836,667                  |
| Revenues are reported on the accrual basis of accounting and are not deferred until collection                                                                                                                                                                     | 6,211,090                    |
| Deferred outflows of resources to be recognized as an increase to pension and OPEB expense in future periods:                                                                                                                                                      |                              |
| Related to pension                                                                                                                                                                                                                                                 | 22,457,050                   |
| Related to OPEB                                                                                                                                                                                                                                                    | 12,093,342                   |
| Internal service funds are used by management to account for workers' compensation and property and casualty self-insurance. The assets and liabilities of the internal service funds are included in the governmental activities in the Statement of Net Position | 2,057,523                    |
| In the Statement of Activities, interest is accrued on outstanding long-term debt, whereas in governmental funds interest is not reported until due                                                                                                                | (1,900,950)                  |
| Long-term liabilities are not due and payable in the current period and, therefore, are not reported in the governmental funds:                                                                                                                                    |                              |
| Bonds and loans payable                                                                                                                                                                                                                                            | (122,671,979)                |
| Net pension liability                                                                                                                                                                                                                                              | (83,968,779)                 |
| Net OPEB liability                                                                                                                                                                                                                                                 | (71,907,115)                 |
| Compensated absences payable                                                                                                                                                                                                                                       | (7,099,941)                  |
| Landfill                                                                                                                                                                                                                                                           | (338,493)                    |
| Deferred inflows of resources to be recognized as a decrease to pension and OPEB expense in future periods:                                                                                                                                                        |                              |
| Related to pension                                                                                                                                                                                                                                                 | (6,368,545)                  |
| Related to OPEB                                                                                                                                                                                                                                                    | <u>(6,063,891)</u>           |
| <b>Net Position of Governmental Activities</b>                                                                                                                                                                                                                     | <b>\$ <u>228,089,680</u></b> |

The accompanying notes are an integral part of these financial statements.

**TOWN OF NEEDHAM, MASSACHUSETTS**

GOVERNMENTAL FUNDS

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES

FOR THE YEAR ENDED JUNE 30, 2023

|                                                              | General<br><u>Fund</u> | Community<br>Preservation<br><u>Fund</u> | Town<br>Federal Grants<br><u>Fund</u> | Nonmajor<br>Governmental<br><u>Funds</u> | Total<br>Governmental<br><u>Funds</u> |
|--------------------------------------------------------------|------------------------|------------------------------------------|---------------------------------------|------------------------------------------|---------------------------------------|
| <b>Revenues</b>                                              |                        |                                          |                                       |                                          |                                       |
| Property taxes                                               | \$ 179,124,962         | \$ 3,107,298                             | \$ -                                  | \$ -                                     | \$ 182,232,260                        |
| Excises                                                      | 6,779,778              | -                                        | -                                     | -                                        | 6,779,778                             |
| Penalties, interest, and other taxes                         | 2,948,504              | 6,187                                    | -                                     | -                                        | 2,954,691                             |
| Charges for services                                         | 4,742,161              | -                                        | -                                     | 6,454,263                                | 11,196,424                            |
| Departmental                                                 | 932,565                | -                                        | -                                     | -                                        | 932,565                               |
| Licenses and permits                                         | 5,099,563              | -                                        | -                                     | -                                        | 5,099,563                             |
| Intergovernmental                                            | 30,683,167             | 1,131,787                                | 1,344,840                             | 11,391,389                               | 44,551,183                            |
| Investment income                                            | 1,886,145              | 305,643                                  | -                                     | 402,011                                  | 2,593,799                             |
| Fines and forfeitures                                        | 101,457                | -                                        | -                                     | -                                        | 101,457                               |
| Contributions                                                | -                      | -                                        | -                                     | 429,790                                  | 429,790                               |
| Other                                                        | <u>822,164</u>         | <u>-</u>                                 | <u>-</u>                              | <u>32,144</u>                            | <u>854,308</u>                        |
| <b>Total Revenues</b>                                        | 233,120,466            | 4,550,915                                | 1,344,840                             | 18,709,597                               | 257,725,818                           |
| <b>Expenditures</b>                                          |                        |                                          |                                       |                                          |                                       |
| Current:                                                     |                        |                                          |                                       |                                          |                                       |
| General government                                           | 8,610,711              | 2,205,134                                | 588,616                               | 279,427                                  | 11,683,888                            |
| Public safety                                                | 24,765,986             | -                                        | 7,536                                 | 1,468,121                                | 26,241,643                            |
| Education                                                    | 122,778,849            | -                                        | -                                     | 13,836,069                               | 136,614,918                           |
| Public works                                                 | 27,757,727             | -                                        | 30,176                                | 161,737                                  | 27,949,640                            |
| Building design and construction                             | 223,038                | -                                        | -                                     | -                                        | 223,038                               |
| Health and human services                                    | 3,319,995              | -                                        | 465,534                               | 746,137                                  | 4,531,666                             |
| Culture and recreation                                       | 3,983,868              | -                                        | -                                     | 584,373                                  | 4,568,241                             |
| Employee benefits                                            | 823,474                | -                                        | -                                     | -                                        | 823,474                               |
| Other                                                        | 802,155                | -                                        | -                                     | -                                        | 802,155                               |
| Capital outlay                                               | -                      | -                                        | -                                     | 14,197,463                               | 14,197,463                            |
| Debt service:                                                |                        |                                          |                                       |                                          |                                       |
| Principal                                                    | 13,500,000             | -                                        | -                                     | -                                        | 13,500,000                            |
| Interest                                                     | 4,491,943              | -                                        | -                                     | -                                        | 4,491,943                             |
| Intergovernmental                                            | <u>1,555,971</u>       | <u>-</u>                                 | <u>-</u>                              | <u>-</u>                                 | <u>1,555,971</u>                      |
| <b>Total Expenditures</b>                                    | <u>212,613,717</u>     | <u>2,205,134</u>                         | <u>1,091,862</u>                      | <u>31,273,327</u>                        | <u>247,184,040</u>                    |
| <b>Excess (deficiency) of revenues<br/>over expenditures</b> | 20,506,749             | 2,345,781                                | 252,978                               | (12,563,730)                             | 10,541,778                            |
| <b>Other Financing Sources (Uses)</b>                        |                        |                                          |                                       |                                          |                                       |
| Transfers in                                                 | 2,719,542              | -                                        | -                                     | 14,089,991                               | 16,809,533                            |
| Transfers out                                                | <u>(14,970,301)</u>    | <u>(969,632)</u>                         | <u>(277,260)</u>                      | <u>(925,797)</u>                         | <u>(17,142,990)</u>                   |
| <b>Total Other Financing Sources (Uses)</b>                  | <u>(12,250,759)</u>    | <u>(969,632)</u>                         | <u>(277,260)</u>                      | <u>13,164,194</u>                        | <u>(333,457)</u>                      |
| <b>Change in Fund Balance</b>                                | 8,255,990              | 1,376,149                                | (24,282)                              | 600,464                                  | 10,208,321                            |
| <b>Fund Balances at Beginning of Year, as Reclassified</b>   | <u>56,348,359</u>      | <u>10,559,002</u>                        | <u>942,910</u>                        | <u>25,695,109</u>                        | <u>93,545,380</u>                     |
| <b>Fund Balances at End of Year</b>                          | \$ <u>64,604,349</u>   | \$ <u>11,935,151</u>                     | \$ <u>918,628</u>                     | \$ <u>26,295,573</u>                     | \$ <u>103,753,701</u>                 |

The accompanying notes are an integral part of these financial statements.

**TOWN OF NEEDHAM, MASSACHUSETTS**

RECONCILIATION OF THE STATEMENT OF REVENUES,  
EXPENDITURES, AND CHANGES IN FUND BALANCES OF  
GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES

FOR THE YEAR ENDED JUNE 30, 2023

|                                                                |                      |
|----------------------------------------------------------------|----------------------|
| <b>Net Changes in Fund Balances - Total Governmental Funds</b> | <b>\$ 10,208,321</b> |
|----------------------------------------------------------------|----------------------|

Governmental funds report capital outlays as expenditures. However, in the Statement of Activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense:

|                |              |
|----------------|--------------|
| Capital outlay | 14,182,266   |
| Depreciation   | (16,428,780) |

Revenues in the Statement of Activities that do not provide current financial resources are fully deferred in the Statement of Revenues, Expenditures and Changes in Fund Balances. Therefore, the recognition of revenue for various types of accounts receivable (real estate and personal property, motor vehicle excise, etc.) differ between the two statements. This amount represents the net change in deferred revenue and allowance for doubtful accounts.

|  |           |
|--|-----------|
|  | (431,496) |
|--|-----------|

The issuance of long-term debt provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the financial resources of governmental funds. Neither transaction, however, has any affect on the changes in net position:

|                                                  |            |
|--------------------------------------------------|------------|
| Repayments of general obligation bonds and loans | 13,500,000 |
|--------------------------------------------------|------------|

In the Statement of Activities, interest is accrued on outstanding long-term debt, whereas in governmental funds interest is not reported until due.

|  |         |
|--|---------|
|  | 429,344 |
|--|---------|

Some expenses reported in the Statement of Activities do not require the use of current financial resources and therefore, are not reported as expenditures in the governmental funds.

|                                        |             |
|----------------------------------------|-------------|
| Change in pension expense from GASB 68 | (1,688,513) |
| Change in OPEB expense from GASB 75    | (7,344,550) |
| Change in compensated absences         | (819,792)   |
| Change in landfill liability           | 56,415      |
| Bond premium amortization              | 953,274     |

Internal service funds are used by management to account for self-insurance activities. The net activity of internal service funds is reported with Governmental Activities.

|  |                |
|--|----------------|
|  | <u>671,352</u> |
|--|----------------|

|                                                          |                             |
|----------------------------------------------------------|-----------------------------|
| <b>Change in Net Position of Governmental Activities</b> | <b>\$ <u>13,287,841</u></b> |
|----------------------------------------------------------|-----------------------------|

The accompanying notes are an integral part of these financial statements.

**TOWN OF NEEDHAM, MASSACHUSETTS**

PROPRIETARY FUNDS

STATEMENT OF NET POSITION

JUNE 30, 2023

|                                             | Business-Type Activities<br>Enterprise Funds |                      |                      | Governmental<br>Activities   |
|---------------------------------------------|----------------------------------------------|----------------------|----------------------|------------------------------|
|                                             | Sewer<br>Fund                                | Water<br>Fund        | Total                | Internal<br>Service<br>Funds |
| <b>Assets</b>                               |                                              |                      |                      |                              |
| <b>Current Assets</b>                       |                                              |                      |                      |                              |
| Cash and short-term investments             | \$ 5,550,648                                 | \$ 10,408,970        | \$ 15,959,618        | \$ 2,671,325                 |
| User fees receivable                        | 3,104,983                                    | 2,828,605            | 5,933,588            | -                            |
| <b>Total Current Assets</b>                 | <u>8,655,631</u>                             | <u>13,237,575</u>    | <u>21,893,206</u>    | <u>2,671,325</u>             |
| <b>Noncurrent Assets</b>                    |                                              |                      |                      |                              |
| Capital assets non-depreciable              | 3,515,988                                    | 4,848,305            | 8,364,293            | -                            |
| Capital assets depreciable, net             | 21,121,386                                   | 28,730,393           | 49,851,779           | -                            |
| <b>Total Noncurrent Assets</b>              | <u>24,637,374</u>                            | <u>33,578,698</u>    | <u>58,216,072</u>    | <u>-</u>                     |
| <b>Total Assets</b>                         | <u>33,293,005</u>                            | <u>46,816,273</u>    | <u>80,109,278</u>    | <u>2,671,325</u>             |
| <b>Deferred Outflows of Resources</b>       |                                              |                      |                      |                              |
| Related to pension                          | 337,009                                      | 520,833              | 857,842              | -                            |
| Related to OPEB                             | 94,032                                       | 80,232               | 174,264              | -                            |
| <b>Total Deferred Outflows of Resources</b> | <u>431,041</u>                               | <u>601,065</u>       | <u>1,032,106</u>     | <u>-</u>                     |
| <b>Liabilities</b>                          |                                              |                      |                      |                              |
| <b>Current Liabilities</b>                  |                                              |                      |                      |                              |
| Accounts payable                            | 731,898                                      | 747,355              | 1,479,253            | 65,486                       |
| Accrued liabilities                         | 185,599                                      | 39,663               | 225,262              | 548,316                      |
| Notes payable                               | -                                            | 2,640,000            | 2,640,000            | -                            |
| Current portion of long-term liabilities:   |                                              |                      |                      |                              |
| Bonds payable                               | 420,644                                      | 484,795              | 905,439              | -                            |
| <b>Total Current Liabilities</b>            | <u>1,338,141</u>                             | <u>3,911,813</u>     | <u>5,249,954</u>     | <u>613,802</u>               |
| <b>Noncurrent Liabilities</b>               |                                              |                      |                      |                              |
| Bonds payable, net of current portion       | 3,240,612                                    | 3,093,608            | 6,334,220            | -                            |
| Compensated absences                        | 158,671                                      | 116,665              | 275,336              | -                            |
| Net pension liability                       | 1,260,104                                    | 1,947,434            | 3,207,538            | -                            |
| Net OPEB liability                          | 559,113                                      | 477,064              | 1,036,177            | -                            |
| <b>Total Noncurrent Liabilities</b>         | <u>5,218,500</u>                             | <u>5,634,771</u>     | <u>10,853,271</u>    | <u>-</u>                     |
| <b>Total Liabilities</b>                    | <u>6,556,641</u>                             | <u>9,546,584</u>     | <u>16,103,225</u>    | <u>613,802</u>               |
| <b>Deferred Inflows of Resources</b>        |                                              |                      |                      |                              |
| Related to pension                          | 95,571                                       | 147,702              | 243,273              | -                            |
| Related to OPEB                             | 47,150                                       | 40,231               | 87,381               | -                            |
| <b>Total Deferred Inflows of Resources</b>  | <u>142,721</u>                               | <u>187,933</u>       | <u>330,654</u>       | <u>-</u>                     |
| <b>Net Position</b>                         |                                              |                      |                      |                              |
| Net investment in capital assets            | 21,064,715                                   | 27,360,295           | 48,425,010           | -                            |
| Unrestricted                                | 5,959,969                                    | 10,322,526           | 16,282,495           | 2,057,523                    |
| <b>Total Net Position</b>                   | <u>\$ 27,024,684</u>                         | <u>\$ 37,682,821</u> | <u>\$ 64,707,505</u> | <u>\$ 2,057,523</u>          |

The accompanying notes are an integral part of these financial statements.

**TOWN OF NEEDHAM, MASSACHUSETTS**

**PROPRIETARY FUNDS**

**STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET POSITION**

**FOR THE YEAR ENDED JUNE 30, 2023**

|                                                    | <b>Business-Type Activities<br/>Enterprise Funds</b> |                       |                      | <b>Governmental<br/>Activities</b>    |
|----------------------------------------------------|------------------------------------------------------|-----------------------|----------------------|---------------------------------------|
|                                                    | <b>Sewer<br/>Fund</b>                                | <b>Water<br/>Fund</b> | <b>Total</b>         | <b>Internal<br/>Service<br/>Funds</b> |
| <b>Operating Revenues</b>                          |                                                      |                       |                      |                                       |
| Charges for services                               | \$ 9,127,092                                         | \$ 7,042,499          | \$ 16,169,591        | \$ -                                  |
| Other                                              | <u>-</u>                                             | <u>3,262</u>          | <u>3,262</u>         | <u>1,025,839</u>                      |
| <b>Total Operating Revenues</b>                    | <u>9,127,092</u>                                     | <u>7,045,761</u>      | <u>16,172,853</u>    | <u>1,025,839</u>                      |
| <b>Operating Expenses</b>                          |                                                      |                       |                      |                                       |
| Personnel services                                 | 909,083                                              | 804,988               | 1,714,071            | 784,487                               |
| Non-personnel services                             | 535,524                                              | 1,159,403             | 1,694,927            | -                                     |
| Depreciation                                       | 970,113                                              | 1,904,291             | 2,874,404            | -                                     |
| Intergovernmental assessments                      | <u>6,760,857</u>                                     | <u>1,464,186</u>      | <u>8,225,043</u>     | <u>-</u>                              |
| <b>Total Operating Expenses</b>                    | <u>9,175,577</u>                                     | <u>5,332,868</u>      | <u>14,508,445</u>    | <u>784,487</u>                        |
| <b>Operating Income (Loss)</b>                     | <u>(48,485)</u>                                      | <u>1,712,893</u>      | <u>1,664,408</u>     | <u>241,352</u>                        |
| <b>Nonoperating Revenues (Expenses)</b>            |                                                      |                       |                      |                                       |
| Investment income                                  | 9,995                                                | -                     | 9,995                | -                                     |
| Other revenue                                      | 379                                                  | -                     | 379                  | -                                     |
| Interest expense                                   | <u>(80,498)</u>                                      | <u>(85,501)</u>       | <u>(165,999)</u>     | <u>-</u>                              |
| <b>Total Nonoperating Revenues (Expenses), Net</b> | <u>(70,124)</u>                                      | <u>(85,501)</u>       | <u>(155,625)</u>     | <u>-</u>                              |
| <b>Income Before Contributions and Transfers</b>   | (118,609)                                            | 1,627,392             | 1,508,783            | 241,352                               |
| Transfers in                                       | 835,251                                              | 284,721               | 1,119,972            | 430,000                               |
| Transfers out                                      | <u>(500,948)</u>                                     | <u>(715,567)</u>      | <u>(1,216,515)</u>   | <u>-</u>                              |
| <b>Change in Net Position</b>                      | 215,694                                              | 1,196,546             | 1,412,240            | 671,352                               |
| <b>Net Position at Beginning of Year</b>           | <u>26,808,990</u>                                    | <u>36,486,275</u>     | <u>63,295,265</u>    | <u>1,386,171</u>                      |
| <b>Net Position at End of Year</b>                 | \$ <u>27,024,684</u>                                 | \$ <u>37,682,821</u>  | \$ <u>64,707,505</u> | \$ <u>2,057,523</u>                   |

The accompanying notes are an integral part of these financial statements.

**TOWN OF NEEDHAM, MASSACHUSETTS**

PROPRIETARY FUNDS

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED JUNE 30, 2023

|                                                                                               | Business-Type Activities<br>Enterprise Funds |                      |                      | Governmental<br>Activities<br>Internal<br>Service<br>Fund |
|-----------------------------------------------------------------------------------------------|----------------------------------------------|----------------------|----------------------|-----------------------------------------------------------|
|                                                                                               | Sewer<br>Fund                                | Water<br>Fund        | Total                |                                                           |
| <b>Cash Flows From Operating Activities</b>                                                   |                                              |                      |                      |                                                           |
| Receipts from customers and users                                                             | \$ 9,295,912                                 | \$ 7,495,697         | \$ 16,791,609        | \$ -                                                      |
| Employer contributions                                                                        | -                                            | -                    | -                    | 1,025,839                                                 |
| Payments of utility assessments                                                               | (6,760,857)                                  | (1,464,186)          | (8,225,043)          | -                                                         |
| Payments to vendors and contractors                                                           | (23,698)                                     | (527,261)            | (550,959)            | -                                                         |
| Payments of employee salaries, benefits, and related expenses                                 | <u>(1,020,804)</u>                           | <u>(1,170,134)</u>   | <u>(2,190,938)</u>   | <u>(724,667)</u>                                          |
| <b>Net Cash Provided By Operating Activities</b>                                              | <u>1,490,553</u>                             | <u>4,334,116</u>     | <u>5,824,669</u>     | <u>301,172</u>                                            |
| <b>Cash Flows From Noncapital Financing Activities</b>                                        |                                              |                      |                      |                                                           |
| Transfers from other funds                                                                    | 835,251                                      | 284,721              | 1,119,972            | 430,000                                                   |
| Transfers to other funds                                                                      | <u>(500,948)</u>                             | <u>(715,567)</u>     | <u>(1,216,515)</u>   | <u>-</u>                                                  |
| <b>Net Cash Provided by (Used For) Noncapital Financing Activities</b>                        | <u>334,303</u>                               | <u>(430,846)</u>     | <u>(96,543)</u>      | <u>430,000</u>                                            |
| <b>Cash Flows From Capital and Related Financing Activities</b>                               |                                              |                      |                      |                                                           |
| Acquisition and construction of capital assets                                                | (600,560)                                    | (4,146,308)          | (4,746,868)          | -                                                         |
| Proceeds from issuance of notes                                                               | -                                            | 2,640,000            | 2,640,000            | -                                                         |
| Principal payments on bonds and loans                                                         | (520,117)                                    | (598,974)            | (1,119,091)          | -                                                         |
| Other non-operating income                                                                    | 379                                          | -                    | 379                  | -                                                         |
| Interest expense                                                                              | <u>(80,498)</u>                              | <u>(85,501)</u>      | <u>(165,999)</u>     | <u>-</u>                                                  |
| <b>Net Cash (Used For) Capital and Related Financing Activities</b>                           | <u>(1,200,796)</u>                           | <u>(2,190,783)</u>   | <u>(3,391,579)</u>   | <u>-</u>                                                  |
| <b>Cash Flows From Investing Activities</b>                                                   |                                              |                      |                      |                                                           |
| Investment income                                                                             | <u>9,995</u>                                 | <u>-</u>             | <u>9,995</u>         | <u>-</u>                                                  |
| <b>Net Cash Provided By Investing Activities</b>                                              | <u>9,995</u>                                 | <u>-</u>             | <u>9,995</u>         | <u>-</u>                                                  |
| <b>Net Change in Cash and Short-Term Investments</b>                                          | 634,055                                      | 1,712,487            | 2,346,542            | 731,172                                                   |
| <b>Cash and Short-Term Investments, Beginning of Year</b>                                     | <u>4,916,593</u>                             | <u>8,696,483</u>     | <u>13,613,076</u>    | <u>1,940,153</u>                                          |
| <b>Cash and Short-Term Investments, End of Year</b>                                           | \$ <u>5,550,648</u>                          | \$ <u>10,408,970</u> | \$ <u>15,959,618</u> | \$ <u>2,671,325</u>                                       |
| <b>Reconciliation of Operating Income (Loss) to Net Cash Provided by Operating Activities</b> |                                              |                      |                      |                                                           |
| Operating income (loss)                                                                       | \$ (48,485)                                  | \$ 1,712,893         | \$ 1,664,408         | \$ 241,352                                                |
| Adjustments to reconcile operating income to net cash provided by operating activities:       |                                              |                      |                      |                                                           |
| Depreciation                                                                                  | 970,113                                      | 1,904,291            | 2,874,404            | -                                                         |
| Changes in assets, liabilities, and deferred outflows/inflows:                                |                                              |                      |                      |                                                           |
| User fees                                                                                     | 320,591                                      | 449,936              | 770,527              | -                                                         |
| Deferred outflows - related to pension                                                        | (117,186)                                    | (479,441)            | (596,627)            | -                                                         |
| Deferred outflows - related to OPEB                                                           | 130,282                                      | 144,082              | 274,364              | -                                                         |
| Warrants and accounts payable                                                                 | 347,705                                      | 632,142              | 979,847              | 65,486                                                    |
| Accrued liabilities                                                                           | 150,348                                      | (18,078)             | 132,270              | (5,666)                                                   |
| Refunds payable                                                                               | (151,771)                                    | -                    | (151,771)            | -                                                         |
| Compensated absences                                                                          | 5,880                                        | (335)                | 5,545                | -                                                         |
| Net pension liability                                                                         | 597,134                                      | 922,844              | 1,519,978            | -                                                         |
| Net OPEB liability                                                                            | (234,016)                                    | (216,640)            | (450,656)            | -                                                         |
| Deferred inflows - related to pension                                                         | (454,610)                                    | (685,227)            | (1,139,837)          | -                                                         |
| Deferred inflows - related to OPEB                                                            | <u>(25,432)</u>                              | <u>(32,351)</u>      | <u>(57,783)</u>      | <u>-</u>                                                  |
| <b>Net Cash Provided By Operating Activities</b>                                              | \$ <u>1,490,553</u>                          | \$ <u>4,334,116</u>  | \$ <u>5,824,669</u>  | \$ <u>301,172</u>                                         |
| <b>Schedule of Non-Cash Capital and Related Financing Activities</b>                          |                                              |                      |                      |                                                           |
| Acquisition and construction of capital assets on account                                     | \$ 331,038                                   | \$ -                 | \$ -                 | \$ -                                                      |

The accompanying notes are an integral part of these financial statements.



**TOWN OF NEEDHAM, MASSACHUSETTS**

FIDUCIARY FUNDS

STATEMENT OF FIDUCIARY NET POSITION

JUNE 30, 2023

|                                                                                                  | Pension<br>Trust Fund<br>(As of<br><u>December 31, 2022</u> ) | Other Post-<br>Employment<br>Benefit<br><u>Trust Fund</u> | Private<br>Purpose<br><u>Trust Funds</u> | Custodial<br><u>Funds</u> |
|--------------------------------------------------------------------------------------------------|---------------------------------------------------------------|-----------------------------------------------------------|------------------------------------------|---------------------------|
| <b>ASSETS</b>                                                                                    |                                                               |                                                           |                                          |                           |
| Cash and short-term investments                                                                  | \$ 6,049,136                                                  | \$ 576,743                                                | \$ -                                     | \$ 393,189                |
| Investments:                                                                                     |                                                               |                                                           |                                          |                           |
| PRIT - external investment pool                                                                  | 207,840,994                                                   | -                                                         | -                                        | -                         |
| SRBT - external investment pool                                                                  | -                                                             | 69,557,712                                                | -                                        | -                         |
| Other                                                                                            | <u>-</u>                                                      | <u>-</u>                                                  | <u>6,446,080</u>                         | <u>-</u>                  |
| <b>TOTAL ASSETS</b>                                                                              | <u>213,890,130</u>                                            | <u>70,134,455</u>                                         | <u>6,446,080</u>                         | <u>393,189</u>            |
| <b>LIABILITIES</b>                                                                               |                                                               |                                                           |                                          |                           |
| Accounts payable                                                                                 | 38,409                                                        | -                                                         | 4,000                                    | 22,919                    |
| Accrued liabilities                                                                              | <u>-</u>                                                      | <u>-</u>                                                  | <u>-</u>                                 | <u>2,082</u>              |
| <b>TOTAL LIABILITIES</b>                                                                         | <u>38,409</u>                                                 | <u>-</u>                                                  | <u>4,000</u>                             | <u>25,001</u>             |
| <b>NET POSITION</b>                                                                              |                                                               |                                                           |                                          |                           |
| Total net position restricted for pension, other<br>post employment benefits, and other purposes | \$ <u>213,851,721</u>                                         | \$ <u>70,134,455</u>                                      | \$ <u>6,442,080</u>                      | \$ <u>368,188</u>         |

The accompanying notes are an integral part of these financial statements.

**TOWN OF NEEDHAM, MASSACHUSETTS**

FIDUCIARY FUNDS

STATEMENT OF CHANGES IN FIDUCIARY NET POSITION

FOR THE YEAR ENDED JUNE 30, 2023

|                                                    | Pension<br>Trust Fund<br>(For the Year Ended<br>December 31, 2022) | Other Post-<br>Employment<br>Benefit<br>Trust Fund | Private<br>Purpose<br>Trust Funds | Custodial<br>Funds |
|----------------------------------------------------|--------------------------------------------------------------------|----------------------------------------------------|-----------------------------------|--------------------|
| <b>Additions</b>                                   |                                                                    |                                                    |                                   |                    |
| Contributions:                                     |                                                                    |                                                    |                                   |                    |
| Employers                                          | \$ 11,407,096                                                      | \$ 10,909,594                                      | \$ -                              | \$ -               |
| Plan members                                       | 5,126,860                                                          | -                                                  | -                                 | -                  |
| Other                                              | <u>153,288</u>                                                     | <u>-</u>                                           | <u>85,446</u>                     | <u>425,651</u>     |
| Total contributions                                | 16,687,244                                                         | 10,909,594                                         | 85,446                            | 425,651            |
| Investment income (loss):                          |                                                                    |                                                    |                                   |                    |
| Earnings and change in fair value of investments   | (26,027,543)                                                       | 3,576,485                                          | 747,921                           | 960                |
| Less: management fees                              | <u>(1,091,984)</u>                                                 | <u>-</u>                                           | <u>-</u>                          | <u>-</u>           |
| Net investment income (loss)                       | <u>(27,119,527)</u>                                                | <u>3,576,485</u>                                   | <u>747,921</u>                    | <u>960</u>         |
| <b>Total Additions</b>                             | (10,432,283)                                                       | 14,486,079                                         | 833,367                           | 426,611            |
| <b>Deductions</b>                                  |                                                                    |                                                    |                                   |                    |
| Benefit payments to plan members and beneficiaries | 15,428,617                                                         | 5,735,280                                          | -                                 | -                  |
| Refunds to plan members                            | 2,298,673                                                          | -                                                  | -                                 | -                  |
| Administrative expenses                            | 334,819                                                            | -                                                  | -                                 | -                  |
| Other                                              | <u>-</u>                                                           | <u>-</u>                                           | <u>274,557</u>                    | <u>483,573</u>     |
| <b>Total Deductions</b>                            | <u>18,062,109</u>                                                  | <u>5,735,280</u>                                   | <u>274,557</u>                    | <u>483,573</u>     |
| <b>Change in Net Position</b>                      | (28,494,392)                                                       | 8,750,799                                          | 558,810                           | (56,962)           |
| <b>Restricted Net Position</b>                     |                                                                    |                                                    |                                   |                    |
| Beginning of year                                  | <u>242,346,113</u>                                                 | <u>61,383,656</u>                                  | <u>5,883,270</u>                  | <u>425,150</u>     |
| End of year                                        | <u>\$ 213,851,721</u>                                              | <u>\$ 70,134,455</u>                               | <u>\$ 6,442,080</u>               | <u>\$ 368,188</u>  |

The accompanying notes are an integral part of these financial statements.

## TOWN OF NEEDHAM, MASSACHUSETTS

### Notes to Financial Statements

#### 1. Summary of Significant Accounting Policies

The accounting policies of the Town of Needham (the Town) conform to generally accepted accounting principles (GAAP) as applicable to governmental units. The following is a summary of the more significant policies:

##### ***Reporting Entity***

The Town is a municipal corporation governed by an elected Select Board. As required by generally accepted accounting principles, these financial statements present the Town and applicable component units for which the Town is considered to be financially accountable.

##### ***Fiduciary Component Units***

The Needham Contributory Retirement System (the System) which was established to provide retirement benefits primarily to employees and their beneficiaries. The System is presented using the accrual basis of accounting and is reported as a pension trust fund in the fiduciary fund financial statements. Additional financial information of the System and complete financial statements can be obtained by contacting the System located at Town of Needham, Massachusetts, Town Hall, Needham, Massachusetts 02492.

##### ***Government-Wide and Fund Financial Statements***

###### ***Government-Wide Financial Statements***

The government-wide financial statements (i.e., the Statement of Net Position and the Statement of Activities) report information on all of the nonfiduciary activities of the primary government. For the most part, the effect of interfund activity has been removed from these statements. *Governmental activities*, which normally are supported by taxes and intergovernmental revenues, are reported separately from *business-type activities*, which rely to a significant extent on fees and charges for support. Likewise, the primary government is reported separately from certain legally separate component units for which the primary government is financially accountable.

The Statement of Activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. *Direct expenses* are those that are clearly identifiable with a specific function or segment. Program revenues include (1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and (2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as *general revenues*.

### *Fund Financial Statements*

Separate financial statements are provided for governmental funds, proprietary funds and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements.

### ***Measurement Focus, Basis of Accounting, and Financial Statement Presentation***

#### *Government-Wide Financial Statements*

The government-wide financial statements are reported using the *economic resources measurement focus* and the *accrual basis of accounting*, as are the proprietary fund and fiduciary fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met. As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements.

Amounts reported as *program revenues* include (1) charges to customers or applicants for goods, services, or privileges provided, (2) operating grants and contributions, and (3) capital grants and contributions, including special assessments. Internally dedicated resources are reported as *general revenues* rather than as program revenues. Likewise, general revenues include all taxes and excises.

### *Fund Financial Statements*

Governmental fund financial statements are reported using the *current financial resources measurement focus* and the *modified accrual basis of accounting*. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the Town considers property tax revenues to be available if they are collected within 60 days of the end of the current fiscal period. All other revenue items are considered to be measurable and available only when cash is received by the government. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, certain expenditures such as debt service, claims and judgments, compensated absences, OPEB, and pension are recorded only when payment is due.

The Town reports the following major governmental funds:

- The *General Fund* is the Town's primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund.

- The *Community Preservation Fund* was adopted on November 2, 2004 by a state-wide act enabling legislation to allow Cities and Towns to choose to create a new funding source that can be used to address three core community concerns:
  - Acquisition and preservation of open space
  - Creation and support of affordable housing
  - Acquisition and preservation of historic buildings and landscapes
- The *Town Federal Grants Fund* is used to account for the Town's activities related to federal grants.

The proprietary fund financial statements are reported using the *economic resources measurement* focus and the *accrual basis of accounting*. Under this method, revenues are recognized when earned and expenses are recorded when liabilities are incurred.

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the enterprise fund are charges to customers for sales and services. Operating expenses for enterprise funds include the cost of sales and services, administrative expenses and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

The Town reports the following major proprietary funds:

- The *Sewer Fund* is used to report the Town's sewer enterprise fund operations.
- The *Water Fund* is used to report the Town's water enterprise fund operations.

The self-insured employee workers compensation and property and casualty insurance is reported as an *Internal Service Fund* in the accompanying financial statements.

The fiduciary fund financial statements are reported using the *economic resources measurement focus* and the *accrual basis of accounting*. Under this method, revenues are recognized when earned and expenses are recorded when liabilities are incurred.

The Town reports the following fiduciary funds:

- The *Pension Trust Fund* accounts for the activities of the Needham Retirement System (NRS), which accumulates resources for pension benefit payments to qualified employees.

- The *Other Post-Employment Benefits Trust Fund* is used to accumulate resources for health and life insurance benefits for retired employees.
- The *Private-Purpose Trust Fund* is used to account for trust arrangements, other than those properly reported in the pension trust fund or permanent funds, under which principal and investment income exclusively benefit individuals, private organizations, or other governments.
- The *Custodial Funds* account for fiduciary assets held by the Town in a custodial capacity as an agent on behalf of others and are not required to be reported elsewhere on the financial statements. Custodial funds include Student Activity Funds.

### ***Deposits and Investments***

A cash and investment pool is maintained that is available for use by all funds, except those required to be segregated by law. Each fund's portion of this pool is reflected on the combined financial statements under the caption "cash and short-term investments." The interest earnings attributable to each fund type are included under investment income.

For purpose of the statement of cash flows, the proprietary funds consider investments with original maturities of three months or less to be cash equivalents.

The Town's short-term investments also include their share of the Massachusetts Municipal Depository Trust (MMDT) cash portfolio, an external investment pool overseen by the Treasurer of the Commonwealth of Massachusetts. The fund is not Securities and Exchange Commission (SEC) registered. In accordance with GASB Statement No. 79, *Certain External Investment Pools and Pool Participants*, MMDT's portfolio securities are valued at amortized cost.

Where applicable, fair values are based on quotations from national securities exchanges, except for certain investments that are required to be presented using net asset value (NAV). The NAV per share is the amount of net assets attributable to each share outstanding at the close of the period. Investments measured using NAV for fair value are not subject to a level classification.

Investments are carried at fair value, except non-negotiable certificates of deposits which are reported at cost.

Investments in the Needham Retirement System are held in the Pension Reserve Investment Trust Fund (PRIT). Investments in the OPEB Trust Fund are held in the Massachusetts State Retiree Benefits Trust Fund (SBRT). Both are maintained by the Massachusetts Pension Reserves Investment Management Board (PRIM). Fair value of the investments held in PRIT and SBRT are the same as the value of the pool shares.

### ***Property Tax Limitations***

Legislation known as "Proposition 2½" limits the amount of revenue that can be derived from property taxes. The prior fiscal year's tax levy limit is used as a base and cannot



increase by more than 2.5 percent (excluding new growth), unless an override or debt exemption is voted.

### ***Capital Assets***

Capital assets, which include property, plant, equipment, and infrastructure assets are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined by the Town as assets with an estimated useful life in excess of five years. The Town has a capitalization policy with the following established thresholds for capitalization:

| <u>Assets</u>                                    | <u>Threshold</u> |
|--------------------------------------------------|------------------|
| Land improvements                                | \$ 5,000         |
| Buildings and facilities                         | \$ 50,000        |
| Building improvements                            | \$ 25,000        |
| Furniture, fixtures, machinery,<br>and equipment | \$ 5,000         |
| Vehicles                                         | \$ 5,000         |
| Road work                                        | \$ 75,000        |
| Water and sewer systems                          | \$ 75,000        |

Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at acquisition value.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized.

Major outlays for capital assets and improvements are capitalized as projects are constructed. Interest incurred during the construction phase of capital assets of business-type activities is included as part of the capitalized value of the assets constructed.

Capital assets are depreciated using the straight-line method over the following estimated useful lives:

| <u>Assets</u>                         | <u>Years</u> |
|---------------------------------------|--------------|
| Buildings and improvements            | 40 - 50      |
| Machinery, equipment, and furnishings | 5 - 10       |
| Vehicles                              | 5            |
| Infrastructure                        | 20 - 40      |

***Compensated Absences***

Based on provisions contained in the Town's personnel policy or collective bargaining agreement, employees are eligible to accumulate earned but unused vacation and sick leave benefits. Vacation time accrues either annually or monthly based on years of service and is considered vested at the time it is earned. Employees are limited in their ability to carry unused vacation leave from one year to the next. Personal leave is not cumulative and is not carried forward to the next year. Sick leave is accrued either monthly or annually and accumulates without limit. Some employees whose employment terminates by retirement, disability, or death are entitled to payment upon termination at their current rate of pay for twenty-five percent of accrued sick leave. Some employees are subject to a 960-hour cap for the purposes of sick leave buy-back, and some employees are ineligible to participate in the program.

All vested personal and vacation pay is accrued when incurred in the government-wide financial statements. Twenty-five percent of vested sick leave is accrued when incurred in the government-wide financial statements, based on an estimate number of employees expected to retire. A liability for these amounts is reported in governmental funds only if the employee has met the requirements to be eligible for buy-back of sick leave upon a qualifying event.

***Long-Term Obligations***

In the government-wide financial statements, and proprietary fund types in the fund financial statements, long-term debt, and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type Statement of Net Position.

***Fund Equity***

Fund equity at the governmental fund financial reporting level is classified as "fund balance". Fund equity for all other reporting is classified as "net position".

***Fund Balance***

Generally, fund balance represents the difference between the current assets/deferred outflows and current liabilities/deferred inflows. The Town has implemented GASB Statement No. 54 (GASB 54), *Fund Balance Reporting and Governmental Fund Type Definitions*, which enhances the usefulness of fund balance information by providing clearer fund balance classifications that can be more consistently applied and by clarifying existing governmental fund type definitions, as follows:

***Nonspendable***

Represents amounts that cannot be spent because they are either (1) not in spendable form or (2) legally or contractually required to be maintained intact. This fund balance classification includes nonmajor governmental fund reserves for the principal portion of permanent trust funds.

### *Restricted*

Represents amounts that are restricted to specific purposes by constraints imposed by creditors, grantors, contributors, or laws or regulations of other governments, or constraints imposed by law through constitutional provisions or enabling legislation. This fund balance classification includes various special revenue funds, capital projects funds, and the income portion of permanent funds.

### *Committed*

Represents amounts that can only be used for specific purposes pursuant to constraints imposed by formal action of the Town's highest level of decision making authority. This fund balance classification includes special purpose stabilization accounts set aside by Town Meeting vote for future capital acquisitions and improvements, various capital project fund articles approved at Town Meeting, as well as reserve accounts for compensated absences. A similar action is needed to modify or rescind a commitment.

### *Assigned*

Represents funds that are used for specific purposes as established by management. These funds, which include encumbrances, have been assigned for specific goods and services ordered but not yet paid for. This account also includes fund balance (free cash) voted to be used in the subsequent fiscal year.

### *Unassigned*

Represents amounts that are available to be spent in future periods, the Town's general stabilization account, and deficit balances. The General Fund is the only fund that reports a positive unassigned fund balance.

When an expenditure is incurred that would qualify for payment from multiple fund balance types, the Town uses the following order to liquidate liabilities: restricted, committed, assigned, and unassigned.

### *Net Position*

Net position represents the difference between assets/deferred outflows of resources and liabilities/deferred inflows of resources. Net investment in capital assets, consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowing used for the acquisition, construction or improvement of those assets. Net position is reported as restricted when there are limitations imposed on use either through enabling legislation adopted by the Town or through external restrictions imposed by creditors, grantors, or laws or regulations of other governments. The remaining net position is reported as unrestricted.

### ***Use of Estimates***

The preparation of basic financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures for contingent assets

and liabilities at the date of the basic financial statements, and the reported amounts of the revenues and expenditures/expenses during the fiscal year. Actual results could vary from estimates that were used.

## **2. Stewardship, Compliance, and Accountability**

### ***Budgetary Information***

At the annual town meeting, the Finance Committee presents an operating budget for the proposed expenditures of the fiscal year commencing the following July 1. The budget, as enacted by town meeting, establishes the legal level of control and specifies that certain appropriations are to be funded by particular revenues. The original budget is amended during the fiscal year at special town meetings as required by changing conditions. In cases of extraordinary or unforeseen expenses, the Finance Committee is empowered to transfer funds from the Reserve Fund (a contingency appropriation) to a departmental appropriation. "Extraordinary" includes expenses which are not in the usual line, or are great or exceptional. "Unforeseen" includes expenses which are not foreseen as of the time of the annual meeting when appropriations are voted.

Departments are limited to the line items as voted. Certain items may exceed the line item budget as approved if it is for an emergency and for the safety of the general public. These items are limited by the Massachusetts General Laws and must be raised in the next year's tax rate.

Formal budgetary integration is employed as a management control device during the year for the General Fund and Proprietary Funds. Effective budgetary control is achieved for all other funds through provisions of Massachusetts General Laws.

At year-end, appropriation balances lapse, except for certain unexpended capital items and encumbrances, which will be honored during the subsequent year.

### ***Deficit Fund Equity***

Certain individual funds reflect deficit balances as of June 30, 2023. The deficits in these funds will be eliminated through future intergovernmental revenues, transfers from other funds, and issuance of long-term debt.

### ***New Pronouncements***

In fiscal year 2023, the Town implemented GASB Statement No. 94, *Public-Private and Public-Public Partnerships and Availability Payment Arrangements* and Statement No. 96, *Subscription-Based Information Technology Arrangements*. Management has determined the effect of these pronouncements to be immaterial to the users of the financial statements.

### 3. Deposits and Investments

#### ***Town (Excluding the Pension and OPEB Trust Fund)***

Custodial credit risk is the risk that in the event of a bank failure, the Town's deposits may not be returned. Massachusetts General Laws (MGL) Chapter 44, Section 55, limits deposits "in a bank or trust company or banking company to an amount not exceeding sixty percent of the capital and surplus of such bank or trust company or banking company, unless satisfactory security is given to it by such bank or trust company or banking company for such excess." The Town's custodial credit risk policy allows unlimited amounts to be deposited in certificates of deposits with a maximum maturity as set by Massachusetts General Laws (MGL) and full collateralization through a third-party agreement. The policy also allows unlimited deposits in Massachusetts State pooled fund and limits the remaining unsecured deposits to 5% of any institution's assets and no more than 25% of the Town's assets. The Town's policy was designed to limit exposure to only those institutions with a proven financial strength, capital adequacy of the firm, and overall affirmative reputation in the municipal industry. Further, all securities not held directly by the Town will be held in the Town's name and the tax identification number by a third-party custodian approved by the Treasurer and evidenced by safekeeping receipts showing individual CUSIP numbers for each security. The Town does not have a deposit policy for custodial credit risk.

As of June 30, 2023, \$30,180,711, of the Town's bank balance of \$120,589,183, was exposed to custodial credit risk as uninsured and uncollateralized, and \$32,020,370, was collateralized by securities held by the pledging financial institution's trust department or agent.

#### ***Investments***

The following is a summary of the Town's investments, including private-purpose trust funds, as of June 30, 2023:

| <u>Investment Type</u>                 | <u>Amount</u>        |
|----------------------------------------|----------------------|
| U.S. Treasury notes                    | \$ 7,141,544         |
| Federal agencies                       | 936,443              |
| Corporate bonds                        | 6,887,397            |
| Fixed income mutual funds              | 106,286              |
| Corporate equities                     | 5,888,282            |
| Equity mutual funds                    | 4,142,019            |
| Market-linked certificates of deposits | <u>4,263,058</u>     |
| Total investments                      | \$ <u>29,365,029</u> |

#### ***Credit Risk***

Generally, credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. For short-term investments that were purchased using

surplus revenues, MGL, Chapter 44, Section 55, limits investments to the top rating issued by at least one nationally recognized statistical rating organization (NRSROs).

Presented below is the actual rating as of year-end for debt related investments of the Town, as rated by S&P Global Ratings:

| <u>Investment Type</u>    | <u>Ratings as of Year End</u> |                   |                     |                     |                     |                   |
|---------------------------|-------------------------------|-------------------|---------------------|---------------------|---------------------|-------------------|
|                           | <u>Amount</u>                 | <u>AAA</u>        | <u>AA</u>           | <u>A</u>            | <u>BBB</u>          | <u>Unrated</u>    |
| Federal agencies          | \$ 936,443                    | \$ 372,181        | \$ 564,262          | \$ -                | \$ -                | \$ -              |
| Corporate bonds           | 6,887,397                     | 620,689           | 460,763             | 3,130,426           | 2,675,519           | -                 |
| Fixed income mutual funds | 106,286                       | -                 | -                   | -                   | -                   | 106,286           |
| Total                     | <u>\$ 7,930,126</u>           | <u>\$ 992,870</u> | <u>\$ 1,025,025</u> | <u>\$ 3,130,426</u> | <u>\$ 2,675,519</u> | <u>\$ 106,286</u> |

#### *Custodial Credit Risk*

The custodial credit risk for investments is the risk that, in the event of the failure of the counterparty (e.g., broker-dealer) to a transaction, the Town will not be able to recover the value of its investment or collateral securities that are in the possession of another party. The Town's custodial credit risk policy allows unlimited investments in U.S. agency obligations, certificates of deposits secured through a third party, and other investments allowable by MGL. Investments are held in the Town's name, except for \$5,776,539, which are held by counterparty.

#### *Concentration of Credit Risk*

The Town manages concentration of credit risk by diversifying the investment portfolio so that the impact of potential losses from any type of security or issuer will be minimized. With the exception U.S. Treasury obligations or investments fully collateralized by U.S. agencies, and the state pool (MMDT), no more than 10% of the Town's investments shall be invested in a single financial institution.

As of June 30, 2023, the Town did not have an investment in one issuer greater than 5% of total investments.

#### *Interest Rate Risk*

Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment, the greater the sensitivity of its fair value to changes in market interest rates. The Town addresses interest rate risk by managing duration.



Information about the sensitivity of the fair values of the Town's investments to market interest rate fluctuations is as follows:

| Investment Type                        | Amount        | Less         |               |              |
|----------------------------------------|---------------|--------------|---------------|--------------|
|                                        |               | Than 1       | 1-5           | 6-10         |
| U.S. Treasury notes                    | \$ 7,141,544  | \$ 3,054,433 | \$ 3,856,997  | \$ 230,114   |
| Federal agencies                       | 936,443       | -            | 936,443       | -            |
| Corporate bonds                        | 6,887,397     | 1,076,518    | 4,920,136     | 890,743      |
| Fixed income mutual funds              | 106,286       | 106,286      | -             | -            |
| Market-linked certificates of deposits | 4,263,058     | 3,580,905    | 682,153       | -            |
| Total                                  | \$ 19,334,728 | \$ 7,818,142 | \$ 10,395,729 | \$ 1,120,857 |

#### *Foreign Currency Risk*

Foreign currency risk is the risk that changes in foreign exchange rates will adversely affect the fair value of an investment. The Town will not invest in any investment exposed to foreign currency risk.

#### *Fair Value*

The Town categorizes its fair value measurements within the fair value hierarchy established by Governmental Accounting Standards Board Statement No. 72, *Fair Value Measurement and Application* (GASB 72). The hierarchy is based on the valuation inputs used to measure the fair value of the asset and give the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (level 1 measurements) and the lowest priority to unobservable inputs (level 3 measurements).

Level 1 - Unadjusted quoted prices for identical instruments in active markets.

Level 2 – Quoted prices for similar instruments in active markets; quoted prices for identical or similar instruments in markets that are not active; and model-derived valuations in which all significant inputs are observable.

Level 3 – Valuations derived from valuation techniques in which significant inputs are unobservable.

Investments that are measured at fair value using net asset value per share (or its equivalent) as a practical expedient are not classified in the fair value hierarchy.

In instances where inputs used to measure fair value fall into different levels in the fair value hierarchy, fair value measurements in their entirety are categorized based on the lowest level input that is significant to the valuation. The Town's and OPEB Plan's assessment of the significance of particular inputs to these fair value measurements requires judgment and considers factors specific to each asset or liability.

Equity securities classified in Level 1 are valued using prices quoted in active markets for those securities.

Debt securities classified in Level 2 are valued using either a bid evaluation or a matrix pricing technique. Bid evaluations may include market quotations, yields, maturities, call features, and ratings. Matrix pricing is used to value securities based on the securities relationship to benchmark quote prices. Level 2 debt securities have non-proprietary information that was readily available to market participants, from multiple independent sources, which are known to be actively involved in the market.

As of June 30, 2023, the Town had the following fair value measurements:

| <u>Description</u>                    | <u>Fair Value Measurements Using:</u> |                                                                            |                                                  |
|---------------------------------------|---------------------------------------|----------------------------------------------------------------------------|--------------------------------------------------|
|                                       |                                       | Quoted prices<br>in active<br>markets for<br>identical assets<br>(Level 1) | Significant<br>observable<br>inputs<br>(Level 2) |
| Investments by fair value level:      |                                       |                                                                            |                                                  |
| U.S Treasury notes                    | \$ 7,141,544                          | \$ 7,141,544                                                               | \$ -                                             |
| Federal agencies                      | 936,443                               | -                                                                          | 936,443                                          |
| Corporate bonds                       | 6,887,397                             | -                                                                          | 6,887,397                                        |
| Fixed income mutual funds             | 106,286                               | 106,286                                                                    | -                                                |
| Market-linked certificates of deposit | 4,263,058                             | -                                                                          | 4,263,058                                        |
| Equity securities:                    |                                       |                                                                            |                                                  |
| Corporate equities                    | 5,888,282                             | 5,888,282                                                                  | -                                                |
| Equity mutual funds                   | 4,142,019                             | 4,142,019                                                                  | -                                                |
| Total                                 | \$ 29,365,029                         | \$ 17,278,131                                                              | \$ 12,086,898                                    |

#### 4. Investments – OPEB Trust Fund

Generally, the Town’s OPEB Trust investment policies mirror that of the Town as discussed in the previous note.

As of June 30, 2023, the OPEB Trust Fund maintained its investments of \$69,557,712 in the State Retirees Benefits Trust Fund (SRBT), an external investment pool managed by PRIM.

##### *Custodial Credit Risk*

As of June 30, 2023, the OPEB Trust Fund did not have any investments exposed to custodial credit risk as all investments in external investment pools are not exposed to custodial credit risk because their existence is not evidenced by securities that exist in physical or book entry form.

#### *Credit Risk*

As of June 30, 2023, all of the OPEB Trust Fund's investments were invested in external investment pools and unrated.

#### *Concentration of Credit Risk*

As of June 30, 2023, the OPEB Trust Fund did not have any investments subject to concentration of credit risk as investments in external investment pools are excluded from concentration of credit risk disclosure.

#### *Interest Rate Risk*

As of June 30, 2023, all OPEB Trust Fund investments had maturities of less than one year.

#### *Foreign Currency Risk*

As of June 30, 2023, none of the OPEB Trust Fund's investments were exposed to foreign currency risk exposure.

#### *Fair Value*

As of June 30, 2023, the OPEB Trust Fund's investments were valued at net asset value (NAV). There were no unfunded commitments. The redemption frequency is monthly with a 30-day redemption notice period. Investments in the SRBT are invested along with retirement funds in the PRIT fund, as discussed in the following note.

## **5. Investments - Retirement System**

As of December 31, 2022, all of the System's investments of \$207,840,994, were invested in the State Investment Pool (PRIT)\* fund.

*\*Fair value is the same as the value of the pool share. The Pension Reserve Investment Trust (PRIT) was created under Massachusetts General Laws, Chapter 32, Section 22, in December 1983. PRIT is operated under contract with a private investment advisor, approved by the Pension Reserves Investment Management Board (PRIM). PRIM shall choose an investment advisor by requesting proposals from advisors and reviewing such proposals based on criteria adopted under Massachusetts General Laws, Chapter 30B.*

#### *Credit Risk*

Massachusetts General Laws (MGL), Chapter 32, Section 23, limits the investment of System funds, to the extent not required for current disbursements, in the PRIT Fund or in securities, other than mortgages or collateral loans, which are legal for the investment of funds in savings banks under the laws of the Commonwealth of Massachusetts, provided that no more than the established percentage of assets, is invested in any one security. The System does not have formal investment policies related to credit risk.

As of December 31, 2022, all of the System's investments were unrated by nationally recognized statistical rating organizations.

#### *Custodial Credit Risk*

The System does not have formal investment policies related to custodial credit risk.

As of December 31, 2022, the System did not have any investments exposed to custodial credit risk as all investments in external investment pools are not exposed to custodial credit risk because their existence is not evidenced by securities that exist in physical or book entry form.

#### *Concentration of Credit Risk*

Massachusetts General Laws, Chapter 32, Section 23 limit the amount the System may invest in any one issuer or security type, with the exception of PRIT. The System does not have formal investment policies related to concentration of credit risk.

As of December 31, 2022, the System did not have any investments subject to concentration of credit risk as investments in external investment pools are excluded from concentration of credit risk disclosure.

#### *Interest Rate Risk*

The System does not have formal investment policies limiting investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates.

As of December 31, 2022, all of the System's investments had maturities of less than one year.

#### *Foreign Currency Risk*

The System does not have formal investment policies related to foreign currency risk. However, as of December 31, 2022, the System did not have any investments exposed to foreign currency risk.

#### *Fair Value*

As of December 31, 2022, the System's investments were measured using NAV, there were no unfunded commitments, and the redemption frequency was monthly with a 30-day redemption notice period. PRIT maintains a diversified portfolio of active and passive investment strategies. A significant portion of the fund is allocated to global equity investments, which typically generate higher returns, but can also experience more volatility. To offset potential volatility and diversify the fund, investments are made in alternative asset classes that demonstrate little correlation to equities, serving to generate more consistent returns while reducing portfolio volatility.

## **6. Property Taxes and Excises Receivable**

Real estate and personal property taxes are levied and based on values assessed on January 1st of every year. Assessed values are established by the Board of Assessors for

100% of the estimated fair market value. Taxes are due on a quarterly basis and are subject to penalties and interest if they are not paid by the respective due date. Real estate and personal property taxes levied are recorded as receivables in the fiscal year they relate to. The actual fiscal year 2023 tax levy reflected an excess capacity of \$1,175,906.

Fourteen days after the due date for the final tax bill for real estate taxes (May 1), a demand notice may be sent to the delinquent taxpayer. Fourteen days after the demand notice has been sent, the tax collector may proceed to file a lien against the delinquent taxpayers' property. The Town has an ultimate right to foreclose on property for unpaid taxes. Personal property taxes cannot be secured through the lien process.

Motor vehicle excise taxes are assessed annually for every motor vehicle and trailer registered in the Commonwealth of Massachusetts. The Registry of Motor Vehicles annually calculates the value of all registered motor vehicles for the purpose of excise assessment. The amount of motor vehicle excise tax due is calculated using a fixed rate of \$25 per \$1,000 of value.

Property tax and excises receivable at June 30, 2023 consisted of the following:

|                         | Gross<br>Amount     | Allowance for<br>Doubtful<br>Accounts | Net<br>Amount       |
|-------------------------|---------------------|---------------------------------------|---------------------|
| Current:                |                     |                                       |                     |
| Real estate taxes       | \$ 2,026,185        | \$ -                                  | \$ 2,026,185        |
| Personal property taxes | 936,035             | (829,000)                             | 107,035             |
| CPA                     | 42,210              | -                                     | 42,210              |
| Total Current           | <u>3,004,430</u>    | <u>(829,000)</u>                      | <u>2,175,430</u>    |
| Noncurrent:             |                     |                                       |                     |
| Tax liens               | 820,505             | -                                     | 820,505             |
| Deferred taxes          | 739,647             | -                                     | 739,647             |
| Total Noncurrent        | <u>1,560,152</u>    | <u>-</u>                              | <u>1,560,152</u>    |
| Total property taxes    | <u>\$ 4,564,582</u> | <u>\$ (829,000)</u>                   | <u>\$ 3,735,582</u> |
| Motor Vehicle Excise    | \$ 1,354,652        | \$ (430,000)                          | \$ 924,652          |

The allowance amount is estimated using varying percentages that the Town believes are not collectible based on year of levy.

### ***Departmental Receivables***

Departmental receivables are primarily comprised of ambulance and waste removal receivables. Departmental receivables in the accompanying financial statements reflect an estimated allowance for doubtful accounts of \$207,000.

## **7. Interfund Transfers**

The Town reports interfund transfers various funds. The sum of all transfers presented in the following table agrees with the sum of interfund transfers presented in the governmental and proprietary fund financial statements.

| <b>Governmental Funds</b>            | <u>Transfers In</u>  | <u>Transfers Out</u> |
|--------------------------------------|----------------------|----------------------|
| General Fund                         | \$ 2,719,542         | \$ 14,970,301        |
| Community Preservation Fund          | -                    | 969,632              |
| Town Federal Grants                  | -                    | 277,260              |
| Nonmajor Governmental Funds:         |                      |                      |
| Special Revenue Funds:               |                      |                      |
| Town state grants                    | -                    | 26,072               |
| Receipts reserved for appropriation  | -                    | 449,992              |
| Affordable housing trust fund        | -                    | 24,177               |
| Capital Project Funds:               |                      |                      |
| Emery grover building                | 3,710,000            | -                    |
| Pollard locker room                  | 1,068,500            | -                    |
| Public works infrastructure          | 3,951,000            | -                    |
| Fire ladder truck                    | 2,000,000            | -                    |
| Other capital project funds          | 3,336,314            | 425,556              |
| Affordable housing trust fund        | <u>24,177</u>        | <u>-</u>             |
| Subtotal Nonmajor Governmental Funds | 14,089,991           | 925,797              |
| Internal Service Fund                | 430,000              | -                    |
| <b>Enterprise Funds</b>              |                      |                      |
| Sewer Fund                           | 835,251              | 500,948              |
| Water Fund                           | <u>284,721</u>       | <u>715,567</u>       |
| Subtotal Enterprise Funds            | <u>1,119,972</u>     | <u>1,216,515</u>     |
| Total                                | <u>\$ 18,359,505</u> | <u>\$ 18,359,505</u> |

The \$1,216,515 from the sewer and water funds were transferred to the General Fund primarily for the operating budget and special articles.

The \$1,119,972 transfer from the General Fund into the enterprise funds represents a subsidy to the sewer fund to cover storm water expenses funded by general revenues. Most of the transfers out of the General Fund represent the Town's practice of using *free cash* (available unassigned fund balance as certified by the Massachusetts Department of Revenue) and overlay surplus to the various non-major capital project funds.

Transfers out of the General Fund represent the Town's practice of funding capital activity with current year revenues as well as paying down some capital projects short-term notes payable with debt service appropriation.

Other transfers are used to (1) move revenues from the fund that statute or budget requires to collect them to the fund that statute or budget requires to expend them, (2) use unrestricted revenues collected in the General Fund to finance various programs accounted for in other funds in accordance with budgetary authorizations.

## 8. Capital Assets

Capital asset activity for the year ended June 30, 2023 was as follows:

|                                             | Beginning<br><u>Balance</u> | <u>Increases</u>     | <u>Decreases</u>       | Ending<br><u>Balance</u> |
|---------------------------------------------|-----------------------------|----------------------|------------------------|--------------------------|
| <b>Governmental Activities</b>              |                             |                      |                        |                          |
| Capital assets, depreciable                 |                             |                      |                        |                          |
| Buildings and improvements                  | \$ 335,171,024              | \$ 77,041,972        | \$ -                   | \$ 412,212,996           |
| Machinery, equipment, and furnishings       | 21,799,298                  | 3,667,620            | (188,312)              | 25,278,606               |
| Vehicles                                    | 8,359,864                   | 317,281              | (597,225)              | 8,079,920                |
| Infrastructure                              | <u>50,596,889</u>           | <u>4,560,375</u>     | <u>-</u>               | <u>55,157,264</u>        |
| Total capital assets, depreciable           | 415,927,075                 | 85,587,248           | (785,537)              | 500,728,786              |
| Less accumulated depreciation for:          |                             |                      |                        |                          |
| Buildings and improvements                  | (100,964,909)               | (10,915,885)         | -                      | (111,880,794)            |
| Machinery, equipment, and furnishings       | (15,505,508)                | (3,003,352)          | 188,312                | (18,320,548)             |
| Vehicles                                    | (7,453,344)                 | (475,360)            | 597,225                | (7,331,479)              |
| Infrastructure                              | <u>(28,831,073)</u>         | <u>(2,034,183)</u>   | <u>-</u>               | <u>(30,865,256)</u>      |
| Total accumulated depreciation              | <u>(152,754,834)</u>        | <u>(16,428,780)</u>  | <u>785,537</u>         | <u>(168,398,077)</u>     |
| Capital assets, depreciable, net            | 263,172,241                 | 69,158,468           | -                      | 332,330,709              |
| Capital assets, non-depreciable             |                             |                      |                        |                          |
| Land                                        | 37,355,248                  | -                    | -                      | 37,355,248               |
| Works of art                                | 119,773                     | -                    | -                      | 119,773                  |
| Construction in progress                    | <u>83,435,919</u>           | <u>9,013,775</u>     | <u>(80,418,757)</u>    | <u>12,030,937</u>        |
| Total capital assets, non-depreciable       | <u>120,910,940</u>          | <u>9,013,775</u>     | <u>(80,418,757)</u>    | <u>49,505,958</u>        |
| Governmental activities capital assets, net | <u>\$ 384,083,181</u>       | <u>\$ 78,172,243</u> | <u>\$ (80,418,757)</u> | <u>\$ 381,836,667</u>    |



|                                              | Beginning<br>Balance | Increases           | Decreases      | Ending<br>Balance    |
|----------------------------------------------|----------------------|---------------------|----------------|----------------------|
| <b>Business-Type Activities</b>              |                      |                     |                |                      |
| Capital assets, depreciable                  |                      |                     |                |                      |
| Buildings and improvements                   | \$ 21,137,038        | \$ -                | \$ (562,349)   | \$ 20,574,689        |
| Plant                                        | 6,600,000            | -                   | -              | 6,600,000            |
| Machinery, equipment, and furnishings        | 3,458,119            | 92,981              | (29,600)       | 3,521,500            |
| Vehicles                                     | 977,963              | 39,985              | (31,495)       | 986,453              |
| Infrastructure                               | <u>82,802,396</u>    | <u>-</u>            | <u>-</u>       | <u>82,802,396</u>    |
| Total capital assets, depreciable            | 114,975,516          | 132,966             | (623,444)      | 114,485,038          |
| Less accumulated depreciation for:           |                      |                     |                |                      |
| Buildings and improvements                   | (6,012,563)          | (944,065)           | 562,349        | (6,394,279)          |
| Plant                                        | (4,672,360)          | (214,183)           | -              | (4,886,543)          |
| Machinery, equipment, and furnishings        | (2,627,134)          | (214,565)           | 29,600         | (2,812,099)          |
| Vehicles                                     | (934,873)            | (35,694)            | 31,495         | (939,072)            |
| Infrastructure                               | <u>(48,135,369)</u>  | <u>(1,465,897)</u>  | <u>-</u>       | <u>(49,601,266)</u>  |
| Total accumulated depreciation               | <u>(62,382,299)</u>  | <u>(2,874,404)</u>  | <u>623,444</u> | <u>(64,633,259)</u>  |
| Capital assets, depreciable, net             | 52,593,217           | (2,741,438)         | -              | 49,851,779           |
| Capital assets, non-depreciable              |                      |                     |                |                      |
| Land                                         | 267,609              | -                   | -              | 267,609              |
| Construction in progress                     | <u>3,151,744</u>     | <u>4,944,940</u>    | <u>-</u>       | <u>8,096,684</u>     |
| Total capital assets, non-depreciable        | <u>3,419,353</u>     | <u>4,944,940</u>    | <u>-</u>       | <u>8,364,293</u>     |
| Business-type activities capital assets, net | <u>\$ 56,012,570</u> | <u>\$ 2,203,502</u> | <u>\$ -</u>    | <u>\$ 58,216,072</u> |

Depreciation expense was charged to functions of the Town as follows:

**Governmental Activities:**

|                                  |                      |
|----------------------------------|----------------------|
| General government               | \$ 1,782,281         |
| Public safety                    | 3,108,986            |
| Education                        | 7,260,628            |
| Public works                     | 3,459,962            |
| Building design and construction | 129,717              |
| Health and human services        | 236,729              |
| Culture and recreation           | <u>450,477</u>       |
| Total                            | <u>\$ 16,428,780</u> |

**Business-Type Activities:**

|       |                     |
|-------|---------------------|
| Sewer | \$ 970,113          |
| Water | <u>1,904,291</u>    |
| Total | <u>\$ 2,874,404</u> |

## 9. Deferred Outflows of Resources

Deferred outflows of resources represent the consumption of net assets by the Town that apply to future reporting periods. Deferred outflows of resources have a positive effect on net position, similar to assets. Deferred outflows of resources related to pensions and OPEB, in accordance with GASB Statements No. 68 and 75, are more fully discussed in the corresponding pension and OPEB notes.

## 10. Accrued Liabilities

Accrued liabilities primarily represent accrued payroll and withholdings. In the government-wide Statement of Net Position, accrued liabilities also include accrued interest for bonds and anticipation notes.

Accrued liabilities reported in the Internal Service Fund represent an estimate of incurred but not reported workers' compensation claims.

## 11. Refunds Payable

This balance consists of an estimate of refunds due to property taxpayers for potential abatements. These cases are currently pending with the state Appellate Tax Board.

## 12. Notes Payable

The following summarizes activity in notes payable during fiscal year 2023:

| <u>Governmental Activities</u>                | <u>Interest<br/>Rate %</u> | <u>Date of<br/>Issue</u> | <u>Date of<br/>Maturity</u> | <u>Balance at<br/>6/30/23</u> |
|-----------------------------------------------|----------------------------|--------------------------|-----------------------------|-------------------------------|
| Emery grover building addition and renovation | 4.50                       | 05/26/23                 | 10/16/23                    | \$ <u>420,000</u>             |
| Total Governmental Activities                 |                            |                          |                             | \$ <u>420,000</u>             |
| <u>Business Type Activities</u>               | <u>Interest<br/>Rate %</u> | <u>Date of<br/>Issue</u> | <u>Date of<br/>Maturity</u> | <u>Balance at<br/>6/30/23</u> |
| Water distribution improvements               | 4.50                       | 05/26/23                 | 10/16/23                    | 2,440,000                     |
| Water service connections                     | 4.50                       | 05/26/23                 | 10/16/23                    | <u>200,000</u>                |
| Total Business Type Activities                |                            |                          |                             | \$ <u>2,640,000</u>           |

|                                                     | Balance<br>Beginning<br>of Year | New<br>Issues | Maturities     | Balance<br>End of<br>Year |
|-----------------------------------------------------|---------------------------------|---------------|----------------|---------------------------|
| <u>Governmental Activities</u>                      |                                 |               |                |                           |
| Public works storage facility design & construction | \$ -                            | \$ 35,000     | \$ (35,000)    | \$ -                      |
| Emery grover building design                        | -                               | 990,000       | (990,000)      | -                         |
| Emery grover building addition and renovation       | -                               | 1,290,000     | (1,290,000)    | -                         |
| Emery grover building addition and renovation       | -                               | 420,000       | -              | 420,000                   |
| Total Governmental Activities                       | \$ -                            | \$ 2,735,000  | \$ (2,315,000) | \$ 420,000                |
| <u>Business Type Activities</u>                     |                                 |               |                |                           |
| Water distribution improvements                     | \$ -                            | \$ 260,000    | \$ (260,000)   | \$ -                      |
| Water service connections                           | -                               | 300,000       | (300,000)      | -                         |
| RTS property repairs                                | -                               | 65,000        | (65,000)       | -                         |
| Water distribution improvements                     | -                               | 2,440,000     | -              | 2,440,000                 |
| Water service connections                           | -                               | 200,000       | -              | 200,000                   |
| Total Business Type Activities                      | \$ -                            | \$ 3,265,000  | \$ (625,000)   | \$ 2,640,000              |

### 13. Long-Term Debt

#### ***General Obligation Bonds and Loans***

The Town issues general obligation bonds and loans to provide funds for the acquisition and construction of major capital facilities. General obligation bonds and loans have been issued for both governmental and business-type activities. General obligation bonds and loans (issuances through the MA Water Resources Authority) outstanding are as follows:

|                                | Original<br>Amount | Interest<br>Rate(s) % | Date of<br>Issue | Date of<br>Maturity | Amount<br>Outstanding |
|--------------------------------|--------------------|-----------------------|------------------|---------------------|-----------------------|
| <u>Governmental Activities</u> |                    |                       |                  |                     |                       |
| General Obligation Bonds       |                    |                       |                  |                     |                       |
| Public Offerings:              |                    |                       |                  |                     |                       |
| Town Hall, Parking and Bridge  | \$ 2,460,000       | 2.00 - 3.125          | 10/05/11         | 08/01/26            | \$ 420,000            |
| GOB - Refunding 2012           | 10,995,000         | 2.00 - 4.00           | 06/06/12         | 11/01/23            | 630,000               |
| Municipal Purpose 2013         | 12,244,000         | 2.00 - 4.00           | 10/03/12         | 07/15/32            | 4,920,000             |
| Municipal Purpose 2013         | 5,945,000          | 2.00 - 4.00           | 06/18/13         | 11/01/32            | 2,830,000             |
| Municipal Purpose 2014         | 6,085,000          | 3.00 - 4.00           | 12/02/13         | 07/15/33            | 2,755,000             |
| Municipal Purpose 2014         | 5,032,000          | 2.00 - 2.50           | 06/02/14         | 05/15/34            | 635,000               |
| Municipal Purpose 2015         | 13,425,000         | 2.00 - 4.00           | 04/01/15         | 11/15/33            | 2,620,000             |
| GOB - Refunding 2016           | 6,645,000          | 2.00 - 4.00           | 06/16/16         | 08/01/27            | 2,810,000             |
| Municipal Purpose 2017         | 10,945,000         | 3.00 - 4.00           | 01/05/17         | 01/15/42            | 6,380,000             |
| Municipal Purpose 2018         | 31,000,000         | 3.00 - 4.00           | 07/17/18         | 07/15/38            | 23,120,000            |
| Municipal Purpose 2020         | 27,500,000         | 2.625 - 5.00          | 10/01/19         | 08/01/44            | 21,725,000            |
| Municipal Purpose 2020         | 25,185,000         | 2.00 - 5.00           | 06/25/20         | 02/01/40            | 19,370,000            |
| Municipal Purpose 2021         | 4,668,000          | 2.00 - 5.00           | 04/14/21         | 06/30/41            | 3,355,000             |
| Municipal Purpose 2021         | 19,407,000         | 2.00 - 5.00           | 04/14/21         | 06/30/41            | 15,000,000            |
| Municipal Purpose 2022         | 9,970,000          | 2.00 - 5.00           | 04/14/22         | 08/15/36            | 6,770,000             |
| Total Governmental Activities  |                    |                       |                  |                     | \$ 113,340,000        |

| <u>Business-Type Activities</u>          | <u>Original<br/>Amount</u> | <u>Interest<br/>Rate(s) %</u> | <u>Date of<br/>Issue</u> | <u>Date of<br/>Maturity</u> | <u>Amount<br/>Outstanding</u> |
|------------------------------------------|----------------------------|-------------------------------|--------------------------|-----------------------------|-------------------------------|
| General Obligation Bonds                 |                            |                               |                          |                             |                               |
| Public Offerings:                        |                            |                               |                          |                             |                               |
| Municipal Purpose 2014                   | \$ 5,032,000               | 2.00 - 2.50                   | 06/02/14                 | 05/15/34                    | \$ 1,095,000                  |
| Municipal Purpose 2015                   | 13,425,000                 | 2.00 - 4.00                   | 04/01/15                 | 11/15/33                    | 1,060,000                     |
| Municipal Purpose 2020                   | 25,185,000                 | 2.00 - 5.00                   | 06/25/20                 | 02/01/28                    | 25,000                        |
| Municipal Purpose 2022                   | 145,000                    | 2.00 - 5.00                   | 04/14/22                 | 08/15/27                    | 120,000                       |
| Total Public Offerings                   |                            |                               |                          |                             | <u>2,300,000</u>              |
| Loans - Direct Borrowings                |                            |                               |                          |                             |                               |
| Massachusetts Water Resources Authority: |                            |                               |                          |                             |                               |
| MA Water Resources Authority             | 765,335                    | 2.00                          | 06/01/12                 | 07/15/30                    | 357,770                       |
| MA Water Resources Authority             | 9,055,822                  | 2.00                          | 05/22/13                 | 01/15/33                    | 3,340,256                     |
| MA Water Resources Authority             | 2,310,813                  | 3.00 - 4.00                   | 05/11/17                 | 01/15/28                    | 1,065,633                     |
| MA Water Resources Authority             | 440,000                    | 0.00                          | 11/26/19                 | 11/15/24                    | 176,000                       |
| Total Loans - Direct Borrowings          |                            |                               |                          |                             | <u>4,939,659</u>              |
| Total Business-Type Activities           |                            |                               |                          |                             | <u>\$ 7,239,659</u>           |

### ***Future Debt Service***

The annual payments to retire all general obligation and direct borrowing long-term debt outstanding as of June 30, 2023 are as follows:

| <u>General Obligation Bonds</u> |                       |                      |                       |
|---------------------------------|-----------------------|----------------------|-----------------------|
| <u>Governmental</u>             | <u>Principal</u>      | <u>Interest</u>      | <u>Total</u>          |
| 2024                            | \$ 10,685,000         | \$ 4,001,025         | \$ 14,686,025         |
| 2025                            | 9,745,000             | 3,534,775            | 13,279,775            |
| 2026                            | 8,745,000             | 3,119,725            | 11,864,725            |
| 2027                            | 8,280,000             | 2,755,172            | 11,035,172            |
| 2028                            | 7,520,000             | 2,401,569            | 9,921,569             |
| 2029 - 2033                     | 31,420,000            | 7,887,422            | 39,307,422            |
| 2034 - 2038                     | 22,740,000            | 3,511,981            | 26,251,981            |
| 2039 - 2043                     | 12,565,000            | 1,043,563            | 13,608,563            |
| 2044 - 2045                     | <u>1,640,000</u>      | <u>40,200</u>        | <u>1,680,200</u>      |
| Total                           | <u>\$ 113,340,000</u> | <u>\$ 28,295,432</u> | <u>\$ 141,635,432</u> |

| <u>General Obligation Bonds</u> |                     |                   |                     |
|---------------------------------|---------------------|-------------------|---------------------|
| <u>Business-Type</u>            | <u>Principal</u>    | <u>Interest</u>   | <u>Total</u>        |
| 2024                            | \$ 260,000          | \$ 71,900         | \$ 331,900          |
| 2025                            | 260,000             | 62,700            | 322,700             |
| 2026                            | 220,000             | 54,550            | 274,550             |
| 2027                            | 220,000             | 47,250            | 267,250             |
| 2028                            | 215,000             | 40,350            | 255,350             |
| 2029 - 2033                     | 945,000             | 114,100           | 1,059,100           |
| 2034                            | 180,000             | 4,600             | 184,600             |
| Total                           | <u>\$ 2,300,000</u> | <u>\$ 395,450</u> | <u>\$ 2,695,450</u> |

| <u>MWRA Direct Borrowings</u> |                     |                   |                     |
|-------------------------------|---------------------|-------------------|---------------------|
| <u>Business-Type</u>          | <u>Principal</u>    | <u>Interest</u>   | <u>Total</u>        |
| 2024                          | \$ 645,439          | \$ 73,544         | \$ 718,983          |
| 2025                          | 652,855             | 66,649            | 719,504             |
| 2026                          | 572,430             | 59,606            | 632,036             |
| 2027                          | 580,168             | 52,411            | 632,579             |
| 2028                          | 588,073             | 45,062            | 633,135             |
| 2029 - 2033                   | 1,900,694           | 111,366           | 2,012,060           |
| Total                         | <u>\$ 4,939,659</u> | <u>\$ 408,638</u> | <u>\$ 5,348,297</u> |

### ***Bond Authorizations***

Long-term debt authorizations which have not been issued or rescinded as of June 30, 2023, are as follows:

| <u>Date Authorized</u> | <u>Purpose</u>                                      | <u>Amount</u>        |
|------------------------|-----------------------------------------------------|----------------------|
| 5/7/2018               | Public Works Storage Facility Design & Consturction | \$ 35,000            |
| 5/7/2018               | RTS Property Repairs                                | 120,000              |
| 5/6/2019               | Water Distribution Improvements                     | 1,300,000            |
| 5/1/2021               | Public Safety Building and Fire Station #2          | 1,400,000            |
| 5/1/2021               | Sewer Main Replacement                              | 204,500              |
| 5/1/2021               | Water Service Connections                           | 500,000              |
| 10/5/2021              | Emery Grover Building Design                        | 15,000               |
| 5/4/2022               | Emery Grover Building Addition and Renovation       | 12,440,000           |
| 10/24/2022             | Additional Emery Grover Building Addition           | 1,295,000            |
| 10/24/2022             | Charles River Street Land Acquisition               | 2,500,000            |
| 5/1/2023               | Broadmeadow and Eliot School Rooftop Unit           | 9,000,000            |
| 5/1/2023               | South Street Water System Distribution Improvements | 4,000,000            |
| Total                  |                                                     | <u>\$ 32,809,500</u> |

### ***Changes in Long-Term Liabilities***

During the year ended June 30, 2023, the following changes occurred in long-term liabilities:

|                                  | Total<br>Balance<br><u>7/1/22</u> | Additions            | Reductions             | Total<br>Balance<br><u>6/30/23</u> | Less<br>Current<br>Portion | Equals<br>Long-Term<br>Portion<br><u>6/30/23</u> |
|----------------------------------|-----------------------------------|----------------------|------------------------|------------------------------------|----------------------------|--------------------------------------------------|
| <b>Governmental Activities</b>   |                                   |                      |                        |                                    |                            |                                                  |
| Bonds payable - public offerings | \$ 126,840,000                    | \$ -                 | \$ (13,500,000)        | \$ 113,340,000                     | \$ (10,685,000)            | \$ 102,655,000                                   |
| Unamortized bond premium         | <u>10,285,253</u>                 | <u>-</u>             | <u>(953,274)</u>       | <u>9,331,979</u>                   | <u>(953,274)</u>           | <u>8,378,705</u>                                 |
| Subtotal bonds and loans payable | 137,125,253                       | -                    | (14,453,274)           | 122,671,979                        | (11,638,274)               | 111,033,705                                      |
| Net pension liability            | 44,177,894                        | 39,790,885           | -                      | 83,968,779                         | -                          | 83,968,779                                       |
| Net OPEB liability               | 72,379,901                        | -                    | (472,786)              | 71,907,115                         | -                          | 71,907,115                                       |
| Compensated absences             | 6,280,149                         | 819,792              | -                      | 7,099,941                          | (1,774,985)                | 5,324,956                                        |
| Landfill closure                 | <u>394,908</u>                    | <u>-</u>             | <u>(56,415)</u>        | <u>338,493</u>                     | <u>(56,415)</u>            | <u>282,078</u>                                   |
| Total Long-Term Liabilities      | <u>\$ 260,358,105</u>             | <u>\$ 40,610,677</u> | <u>\$ (14,982,475)</u> | <u>\$ 285,986,307</u>              | <u>\$ (13,469,674)</u>     | <u>\$ 272,516,633</u>                            |
| <b>Business-Type Activities</b>  |                                   |                      |                        |                                    |                            |                                                  |
| Bonds payable - public offerings | \$ 2,745,000                      | \$ -                 | \$ (445,000)           | \$ 2,300,000                       | \$ (260,000)               | \$ 2,040,000                                     |
| Loans - direct borrowings        | <u>5,613,750</u>                  | <u>-</u>             | <u>(674,091)</u>       | <u>4,939,659</u>                   | <u>(645,439)</u>           | <u>4,294,220</u>                                 |
| Subtotal bonds and loans payable | 8,358,750                         | -                    | (1,119,091)            | 7,239,659                          | (905,439)                  | 6,334,220                                        |
| Net pension liability            | 1,687,560                         | 1,519,978            | -                      | 3,207,538                          | -                          | 3,207,538                                        |
| Net OPEB liability               | 1,486,833                         | -                    | (450,656)              | 1,036,177                          | -                          | 1,036,177                                        |
| Compensated absences             | <u>269,791</u>                    | <u>5,545</u>         | <u>-</u>               | <u>275,336</u>                     | <u>-</u>                   | <u>275,336</u>                                   |
| Total Long-Term Liabilities      | <u>\$ 11,802,934</u>              | <u>\$ 1,525,523</u>  | <u>\$ (1,569,747)</u>  | <u>\$ 11,758,710</u>               | <u>\$ (905,439)</u>        | <u>\$ 10,853,271</u>                             |

### ***Prior Year Refundings***

In prior years, the Town has defeased various bond issues by creating separate irrevocable trust funds. The proceeds from the new issuance of the general obligation bonds were used to purchase U.S. government securities, and those securities were deposited in an irrevocable trust with an escrow agent to provide debt service payments until the refunded bonds mature. For financial reporting purposes, the debt has been considered defeased and therefore removed as a liability from the Town's balance sheet. As of June 30, 2023, the amount of defeased debt outstanding but removed from the governmental activities and business-type activities was \$5,290,000.

## **14. Landfill Postclosure Care Costs**

State and Federal laws and regulations require the Town to perform certain maintenance and monitoring functions at the site for thirty years after closure.

The \$338,493 reported as postclosure care liability at June 30, 2023, represents the estimated costs to maintain and monitor the site for the remainder of the thirty years. These amounts are based on what it would cost to perform all postclosure care in fiscal year 2023. Actual cost may be higher due to inflation, changes in technology, or changes in regulations.

## **15. Deferred Inflows of Resources**

Deferred inflows of resources represent the acquisitions of net assets by the Town that are applicable to future reporting periods. Deferred inflows of resources have a negative effect on net position, similar to liabilities. The Town reports three items as deferred inflows of resources: one which is attributable to changes in the net pension liability, changes in OPEB liability, and the other one which arises from the current financial resources measurement focus and the modified accrual basis of accounting in governmental funds. Deferred inflows of resources related to pension and OPEB will be recognized as expense in future years and are more fully described in the corresponding pension and OPEB notes. Unavailable revenues are reported in the governmental funds balance sheet in connection with receivables for which revenues are not considered available to liquidate liabilities of the current year.



## 16. Governmental Funds - Balances

The Town's fund balances at June 30, 2023 were comprised of the following:

|                                    | General<br>Fund | Community<br>Preservation<br>Fund | Town<br>Federal Grants<br>Fund | Nonmajor<br>Governmental<br>Funds | Total<br>Governmental<br>Funds |
|------------------------------------|-----------------|-----------------------------------|--------------------------------|-----------------------------------|--------------------------------|
| Nonspendable:                      |                 |                                   |                                |                                   |                                |
| Permanent funds                    | \$ -            | \$ -                              | \$ -                           | \$ 204,780                        | \$ 204,780                     |
| Total Nonspendable                 | -               | -                                 | -                              | 204,780                           | 204,780                        |
| Restricted:                        |                 |                                   |                                |                                   |                                |
| Debt service                       | 565,811         | -                                 | -                              | -                                 | 565,811                        |
| Community preservation             | -               | 11,935,151                        | -                              | -                                 | 11,935,151                     |
| Town federal grants                | -               | -                                 | 1,011,043                      | -                                 | 1,011,043                      |
| Permanent funds                    | -               | -                                 | -                              | 3,322,843                         | 3,322,843                      |
| Capital projects                   | -               | -                                 | -                              | 101,840                           | 101,840                        |
| Special revenue funds:             |                 |                                   |                                |                                   |                                |
| Circuit Breaker                    | -               | -                                 | -                              | 1,410,000                         | 1,410,000                      |
| School lunch                       | -               | -                                 | -                              | 1,314,747                         | 1,314,747                      |
| Parks and recreation revolving     | -               | -                                 | -                              | 781,899                           | 781,899                        |
| RRFA - bond premiums               | -               | -                                 | -                              | 432,999                           | 432,999                        |
| BOH immunization/education         | -               | -                                 | -                              | 343,540                           | 343,540                        |
| Facility activity use              | -               | -                                 | -                              | 321,255                           | 321,255                        |
| Insurance loss replacement         | -               | -                                 | -                              | 271,106                           | 271,106                        |
| RRFA - parking meter fund          | -               | -                                 | -                              | 244,224                           | 244,224                        |
| Other special revenue funds        | -               | -                                 | -                              | 3,398,167                         | 3,398,167                      |
| Total Restricted                   | 565,811         | 11,935,151                        | 1,011,043                      | 11,942,620                        | 25,454,625                     |
| Committed:                         |                 |                                   |                                |                                   |                                |
| Continuing appropriations articles | 3,863,857       | -                                 | -                              | -                                 | 3,863,857                      |
| Compensated absences               | 733,109         | -                                 | -                              | -                                 | 733,109                        |
| Capital improvement stabilization  | 1,582,467       | -                                 | -                              | -                                 | 1,582,467                      |
| Capital facility stabilization     | 2,006,084       | -                                 | -                              | -                                 | 2,006,084                      |
| Athletic facility stabilization    | 1,104,008       | -                                 | -                              | -                                 | 1,104,008                      |
| Debt service stabilization         | 2,248,681       | -                                 | -                              | -                                 | 2,248,681                      |
| Next year's appropriations         | 9,446,607       | -                                 | -                              | -                                 | 9,446,607                      |
| Capital projects                   | -               | -                                 | -                              | 15,826,630                        | 15,826,630                     |
| Total Committed                    | 20,984,813      | -                                 | -                              | 15,826,630                        | 36,811,443                     |
| Assigned:                          |                 |                                   |                                |                                   |                                |
| Encumbrances                       | 3,216,564       | -                                 | -                              | -                                 | 3,216,564                      |
| Next year's operating budget       | 4,097,105       | -                                 | -                              | -                                 | 4,097,105                      |
| Other                              | 12,500          | -                                 | -                              | -                                 | 12,500                         |
| Total Assigned                     | 7,326,169       | -                                 | -                              | -                                 | 7,326,169                      |
| Unassigned:                        |                 |                                   |                                |                                   |                                |
| Operating fund                     | 31,062,457      | -                                 | -                              | -                                 | 31,062,457                     |
| General stabilization fund         | 4,665,099       | -                                 | -                              | -                                 | 4,665,099                      |
| Deficit funds                      | -               | -                                 | (92,415)                       | (1,678,457)                       | (1,770,872)                    |
| Total Unassigned                   | 35,727,556      | -                                 | (92,415)                       | (1,678,457)                       | 33,956,684                     |
| Total Fund Balances                | \$ 64,604,349   | \$ 11,935,151                     | \$ 918,628                     | \$ 26,295,573                     | \$ 103,753,701                 |

### ***Stabilization Fund Arrangements***

In accordance with Massachusetts General Laws, Section 5B of Chapter 40, as amended by Section 22 of Chapter 218 of the Acts of 2016, the Town maintains five stabilization

funds. Per Chapter 218, balances in the stabilization funds can be expended only upon appropriation at Town Meeting. Additionally, transfers to the stabilization funds are required to be approved at Town Meeting. The Town maintains the following stabilization funds:

- General stabilization – established around 1970, for general purposes.
- Capital improvement stabilization – established in May 2004, to reserve funds for the acquisition of new equipment, and/or the replacement of existing equipment (in both cases relating to equipment for which the Town may borrow for 5 years, or more), and/or for building/facility improvements with a cost of less than \$250,000.
- Capital facility stabilization – established in May 2007, to reserve funds for design, maintenance, renovation or reconstruction relating to the structural integrity of the capital facilities.
- Athletic facility stabilization – established in May 2012, to reserve funds for the renovation and reconstruction of the Town’s athletic facilities.
- Debt service stabilization – established in November 2015, to reserve funds to pay certain debt obligations, when necessary. The fund is intended to be part of the Town’s overall planning strategy for addressing capital facility needs.

## 17. Restricted Net Position

The Town’s restricted net position at June 30, 2023 were comprised of the following:

| Purpose                    | Governmental<br>Activities |
|----------------------------|----------------------------|
| Community preservation     | \$ 11,935,151              |
| Permanent funds            | 3,322,843                  |
| Circuit breaker            | 1,410,000                  |
| School lunch               | 1,314,747                  |
| Park & recreation 53D      | 781,899                    |
| Debt service               | 565,811                    |
| FEMA safer                 | 514,056                    |
| RRFA - bond premiums       | 432,999                    |
| Facility activity use      | 410,647                    |
| Insurance loss replacement | 271,106                    |
| RRFA - parking meter fund  | 244,224                    |
| Other                      | 4,704,850                  |
| Total                      | <u>\$ 25,908,333</u>       |

## **18. Needham Contributory Retirement System**

The Town follows the provisions of GASB Statement No. 68, *Accounting and Financial Reporting for Pensions – an amendment of GASB Statement No. 27*, with respect to the employees' retirement funds.

### ***Plan Description***

Employees of the Town (except teachers and administrators under contract employed by the School Department) who meet the membership eligibility requirements of Chapter 32 of the Massachusetts General Laws are members of the Needham Contributory Retirement System (the System), a cost-sharing, multiple-employer public employee defined benefit retirement system (PERS). Eligibility includes employees working over twenty hours per week and excludes part-time and seasonal employees. Eligible employees must participate in the System. The pension plan provides pension benefits, deferred allowances, and death and disability benefits. Chapter 32 of the Massachusetts General Laws establishes the authority of the System, contribution percentages and benefits paid. The System Retirement Board does not have the authority to amend benefit provisions. Additional information is disclosed in the System's annual financial reports publicly available from the System located at 1471 Highland Avenue, Needham, Massachusetts 02492.

### ***Participant Retirement Benefits***

The System provides for retirement allowance benefits up to a maximum of 80% of a member's highest 3-year average annual rate of regular compensation for those hired prior to April 2, 2012 and the highest five-year average annual rate of regular compensation for those first becoming members of the System on or after that date. However, per Chapter 176 of the Acts of 2011, for members who retire on or after April 2, 2012, if in the five years of creditable service immediately preceding retirement, the difference in the annual rate of regular compensation between any 2 consecutive years exceeds 100 percent, the normal yearly amount of the retirement allowance shall be based on the average annual rate of regular compensation received by the member during the period of 5 consecutive years preceding retirement. Benefit payments are based upon a member's age, length of creditable service, level of compensation and group classification.

If a participant was a member prior to February 2012, a retirement allowance may be received at any age, upon attaining 20 years of service. The plan also provides for retirement at age 55 if the participant was a member prior to January 1, 1978, with no minimum vesting requirements. If the participant was a member on or after January 1, 1978 and a member of Groups 1 or 2, then a retirement allowance may be received if the participant (1) has at least 10 years of creditable service, (2) is age 55, (3) voluntarily left Town employment on or after that date, and (4) left accumulated annuity deductions in the fund. Members of Group 4 have no minimum vesting requirements, however, must be at

least age 55. Groups 2 and 4 require that participants perform the duties of the Group position for at least 12 months immediately prior to retirement.

A participant who became a member on or after April 2, 2012 is eligible for a retirement allowance upon 10 years creditable service and reaching ages 60 or 55 for Groups 1 and 2, respectively. Participants in Group 4 must be at least age 55. Groups 2 and 4 require that participants perform the duties of the Group position for at least 12 months immediately prior to retirement.

A retirement allowance consists of two parts: an annuity and a pension. A member's accumulated total deductions and a portion of the interest they generate constitute the annuity. The difference between the total retirement allowance and the annuity is the pension. The average retirement benefit is approximately 80-85% pension and 15-20% annuity.

#### *Participant Refunds*

Employees who resign from service and who are not eligible to receive a retirement allowance are entitled to request a refund of their accumulated total deductions. Members voluntarily withdrawing with at least 10 years of service or involuntarily withdrawing, receive 100% of the regular interest that has accrued on those accumulated total deductions. Members voluntarily withdrawing with less than 10 years of service get credited interest each year at a rate of 3%.

#### *Participants' Contributions*

Participants contribute a set percentage of their gross regular compensation annually. Employee contribution percentages are specified in Chapter 32 of the Massachusetts General Laws. The employee's individual contribution percentage is determined by their date of entry into the system. In addition, all employees hired on or after January 1, 1979 contribute an additional 2% on all gross regular compensation over the rate of \$30,000 per year. The percentages are as follows:

|                                     |                                                   |
|-------------------------------------|---------------------------------------------------|
| Before January 1, 1975              | 5.00%                                             |
| January 1, 1975 - December 31, 1983 | 7.00%                                             |
| January 1, 1984 - June 30, 1996     | 8.00%                                             |
| Beginning July 1, 1996              | 9.00%                                             |
| 1979- present                       | An additional 2% of salary in excess of \$30,000. |

For those members entering a System on or after April 2, 2012 in Group 1, the contribution rate will be reduced to 6% when at least 30 years of creditable service has been attained.

#### *Employer Contributions*

Employers are required to contribute at actuarially determined rates as accepted by the Public Employee Retirement Administration Commission (PERAC).

The Town's contribution to the System for the year ended June 30, 2023, was \$11,263,367, which was equal to its annual required contribution.

***Summary of Significant Accounting Policies***

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pension, and pension expense, information about the fiduciary net position of the System and additions to/deductions from System's fiduciary net position have been determined on the same basis as they are reported by System. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with benefit terms. Investments are reported at fair value.

***Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred (Inflows) of Resources Related to Pensions***

At June 30, 2023, the Town reported a liability of \$87,176,317 for its proportionate share of the net pension liability. The net pension liability was measured as of December 31, 2022, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of January 1, 2023. The Town's proportion of the net pension liability was based on a projection of the Town's long-term share of contributions to the pension plan relative to the projected contributions of all participating employers, actuarially determined. At December 31, 2022, the Town's proportion was 98.74%, previously 98.65%.

For the year ended June 30, 2023, the Town recognized pension expense of \$13,016,376. In addition, the Town reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

|                                                                                  | Deferred<br>Outflows of<br>Resources | Deferred<br>(Inflows) of<br>Resources |
|----------------------------------------------------------------------------------|--------------------------------------|---------------------------------------|
| Differences between expected and actual experience                               | \$ 2,911,389                         | \$ (6,539,716)                        |
| Changes of assumptions                                                           | 9,189,339                            | -                                     |
| Changes in proportion                                                            | 169,388                              | (72,102)                              |
| Net difference between projected and actual earnings on pension plan investments | 11,044,776                           | -                                     |
| Total                                                                            | <u>\$ 23,314,892</u>                 | <u>\$ (6,611,818)</u>                 |

Amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized as an increase (decrease) in pension expense as follows:

| Year ended June 30: | Deferred<br>Outflows<br>(Inflows) of<br>Resources |
|---------------------|---------------------------------------------------|
| 2024                | \$ 2,695,394                                      |
| 2025                | 1,456,748                                         |
| 2026                | 3,456,315                                         |
| 2027                | 9,029,440                                         |
| 2027                | <u>65,177</u>                                     |
| Total               | <u>\$ 16,703,074</u>                              |

### ***Actuarial Assumptions***

A summary of the actuarial assumptions as of the latest actuarial valuation is shown below:

|                                           |                                                                                                                                                                         |
|-------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Valuation date                            | 1/1/2023                                                                                                                                                                |
| Actuarial cost methods                    | Individual Entry Age Normal                                                                                                                                             |
| Actuarial assumptions:                    |                                                                                                                                                                         |
| Investment rate of return                 | 6.25%                                                                                                                                                                   |
| Projected salary increases                | Ranging from 6.00%<br>decreasing to 3.75% for Group 1<br>Ranging from 6.00%<br>decreasing to 4.00% for Group 2<br>Ranging from 7.00%<br>decreasing to 4.25% for Group 4 |
| Inflation rate                            | 2.4% per year                                                                                                                                                           |
| Payroll growth                            | 3.5% per year                                                                                                                                                           |
| Post-retirement cost-of-living adjustment | 3% of the first \$16,000                                                                                                                                                |

Actuarial valuation of the System involves estimates of the reported amounts and assumptions about probability of occurrence of events far into the future. Examples include assumptions about future employment mortality and future salary increases. Amounts determined regarding the net pension liability are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future.

Mortality rates were based on RP-2014 Blue Collar Employee Mortality Table with full generational mortality improvement using Scale MP-2016. For disabled members, RP-

2014 Blue Collar Mortality Table set forward one year with full generational mortality improvement using Scale MP-2016.

### ***Target Allocations***

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimates ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in the System's targeted asset allocation as of June 30, 2023, are summarized in the following table:

| <u>Asset Class</u>         | <u>Target<br/>Asset<br/>Allocation</u> | <u>Long-term<br/>Expected<br/>Real Rate<br/>of Return</u> |
|----------------------------|----------------------------------------|-----------------------------------------------------------|
| Global equity              | 38.00%                                 | 4.74%                                                     |
| Core fixed income          | 15.00%                                 | 2.10%                                                     |
| Private equity             | 15.00%                                 | 7.60%                                                     |
| Real estate                | 10.00%                                 | 3.10%                                                     |
| Portfolio Completion (PCS) | 10.00%                                 | 3.90%                                                     |
| Value-Added fixed income   | 8.00%                                  | 5.20%                                                     |
| Timberland                 | <u>4.00%</u>                           | 4.40%                                                     |
| Total                      | <u><u>100.00%</u></u>                  |                                                           |

### ***Discount Rate***

The discount rate used to measure the total pension liability was 6.25%. The projection of cash flows used to determine the discount rate assumed that the plan member contributions will be made at the current contribution rate and that employer contributions will be made at contractually required rates, actuarially determined. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments to current active and inactive plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.



***Sensitivity of the Proportionate Share of the Net Pension Liability to Changes in the Discount Rate***

The following presents the Town's proportionate share of the net pension liability calculated using the discount rate of 6.25%, as well as what the Town's proportionate share of the net pension liability would be if it were calculated using a discount rate that is one percentage-point lower or one percentage-point higher than the current rate:

| 1%<br>Decrease<br>(5.25%) | Current<br>Discount Rate<br>(6.25%) | 1%<br>Increase<br>(7.25%) |
|---------------------------|-------------------------------------|---------------------------|
| \$ 123,651,052            | \$ 87,176,317                       | \$ 56,610,691             |

***Pension Plan Fiduciary Net Position***

Detailed information about the pension plan's fiduciary net position is available in the System's separately issued financial report.

**19. Massachusetts Teachers' Retirement System (MTRS)**

***Plan Description***

The Massachusetts Teachers' Retirement System (MTRS) is a public employee retirement system (PERS) that administers a cost-sharing multi-employer defined benefit plan, as defined in Governmental Accounting Standards Board (GASB) Statement No. 67, *Financial Reporting for Pension Plans*. MTRS is managed by the Commonwealth of Massachusetts on behalf of municipal teachers and municipal teacher retirees. The Commonwealth of Massachusetts is a nonemployer contributor and is responsible for all contributions and future benefit requirements of the MTRS. The MTRS covers certified teachers in cities (except Boston), towns, regional school districts, charter schools, educational collaboratives, and Quincy College. The MTRS is part of the Commonwealth of Massachusetts' reporting entity and does not issue a stand-alone audited financial report.

Management of MTRS is vested in the Massachusetts Teachers' Retirement Board (MTRB), which consists of seven members—two elected by the MTRS members, one who is chosen by the six other MTRB members, the State Treasurer (or their designee), the State Auditor (or their designee), a member appointed by the Governor, and the Commissioner of Education (or their designee), who serves ex-officio as the Chairman of the MTRB.

***Benefits Provided***

MTRS provides retirement, disability, survivor, and death benefits to members and their beneficiaries. Massachusetts General Laws (MGL) establishes uniform benefit and contribution requirements for all contributory PERS. These requirements provide for superannuation retirement allowance benefits up to a maximum of 80% of a member's highest three-year average annual rate of regular compensation. For employees hired

after April 1, 2012, retirement allowances are calculated on the basis of the last five years or any five consecutive years, whichever is greater in terms of compensation. Benefit payments are based upon a member's age, length of creditable service, and group creditable service, and group classification. The authority for amending these provisions rests with the Legislature.

Members become vested after ten years of creditable service. A superannuation retirement allowance may be received upon the completion of twenty years of creditable service or upon reaching the age of 55 with ten years of service. Normal retirement for most employees occurs at age 65. Most employees who joined the system after April 1, 2012 cannot retire prior to age 60.

The MTRS' funding policies have been established by Chapter 32 of the MGL. The Legislature has the authority to amend these policies. The annuity portion of the MTRS retirement allowance is funded by employees, who contribute a percentage of their regular compensation. Costs of administering the plan are funded out of plan assets.

### ***Contributions***

Member contributions for MTRS vary depending on the most recent date of membership:

| <u>Membership Date</u> | <u>% of Compensation</u>                                                                                                        |
|------------------------|---------------------------------------------------------------------------------------------------------------------------------|
| Prior to 1975          | 5% of regular compensation                                                                                                      |
| 1975 to 1983           | 7% of regular compensation                                                                                                      |
| 1984 to 6/30/1996      | 8% of regular compensation                                                                                                      |
| 7/1/1996 to present    | 9% of regular compensation                                                                                                      |
| 7/1/2001 to present    | 11% of regular compensation (for teachers hired after 7/1/01 and those accepting provisions of Chapter 114 of the Acts of 2000) |
| 1979 to present        | An additional 2% of regular compensation in excess of \$30,000                                                                  |

In addition, members who join MTRS on or after April 2, 2012 will have their withholding rates reduced to 8% for those participating in retirement, otherwise the withholdings are reduced to 6% plus 2% on earnings over \$30,000 a year after achieving 30 years of creditable service.

### ***Actuarial Assumptions***

The net pension liability for the June 30, 2022 measurement date was determined by an actuarial valuation as of January 1, 2022 rolled forward to June 30, 2022. This valuation used the following assumptions:

- (a) 7.00% investment rate of return, (b) 3.50% interest rate credited to the annuity savings fund and (c) 3.00% cost of living increase on the first \$13,000 per year.

- Salary increases are based on analyses of past experience but range from 4.00% to 7.50% depending on length of service.
- Experience study is dated July 21, 2014 and encompasses the period January 1, 2006 to December 31, 2011, updated to reflect post-retirement mortality from 2012-2020.

Mortality rates were as follows:

- Pre-retirement – reflects RP-2010 Teachers Employees mortality table (headcount weighted) projected generationally with Scale MP-2020 (gender distinct).
- Post-retirement – reflects RP-2010 Teachers Retirees mortality table (headcount weighted) projected generationally with Scale MP-2020 (gender distinct).
- Disability – assumed to be in accordance with the Pub-2010 Teachers Retirees Mortality Table (headcount weighted) projected generationally with Scale MP-2020 (gender distinct).

### ***Target Allocation***

Investment assets of the MTRS are with the Pension Reserves Investment Trust (PRIT) Fund. The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future rates of return are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future rates of return by the target asset allocation percentage. Best estimates of geometric rates of return for each major asset class included in the PRIT Fund's target asset allocation as of June 30, 2022 are summarized in the following table:

| <u>Asset Class</u>              | <u>Target Allocation</u> | <u>Long-Term Expected Real Rate of Return</u> |
|---------------------------------|--------------------------|-----------------------------------------------|
| Global equity                   | 38.00%                   | 4.20%                                         |
| Core fixed income               | 15.00%                   | 0.50%                                         |
| Private equity                  | 15.00%                   | 7.30%                                         |
| Portfolio completion strategies | 10.00%                   | 2.70%                                         |
| Real estate                     | 10.00%                   | 3.30%                                         |
| Value added fixed income        | 8.00%                    | 3.70%                                         |
| Timber/natural resources        | 4.00%                    | 3.90%                                         |
| Total                           | <u>100.00%</u>           |                                               |

### ***Discount Rate***

The discount rate used to measure the total pension liability was 7.00%. The projection of cash flows used to determine the discount rate assumed that plan member contributions will be made at the current contribution rates and the Commonwealth of Massachusetts' contributions will be made at rates equal to the difference between actuarially

determined contribution rates and the member rates. Based on those assumptions, the net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

### ***Sensitivity Analysis***

The following illustrates the sensitivity of the collective net pension liability to changes in the discount rate. In particular, the table presents the MTRS collective net pension liability assuming it was calculated using a single discount rate that is one-percentage-point lower or one-percentage-point higher than the current discount rate (amounts in thousands):

| 1% Decrease<br>to 6.00% | Current Discount<br>Rate 7.00% | 1% Increase<br>to 8.00% |
|-------------------------|--------------------------------|-------------------------|
| \$ 32,734,080           | \$ 25,888,138                  | \$ 20,094,302           |

### ***Special Funding Situation***

The Commonwealth of Massachusetts is a nonemployer contributor and is required by statute to make all actuarial determined employer contributions on behalf of the member employers. Therefore, these employers are considered to be in a special funding situation as defined by GASB No. 68, *Accounting and Financial Reporting for Pensions* (GASB 68) and the Commonwealth of Massachusetts is a nonemployer contributing entity in MTRS. Since the employers do not contribute directly to MTRS, there is no net pension liability to recognize for each employer.

### ***Town Proportions***

In fiscal year 2022 (the most recent measurement period), the Town's proportionate share of the MTRS' collective net pension liability was \$188,613,549 based on a proportionate share of 0.728571%. As required by GASB 68, the Town has recognized its portion of the Commonwealth's contribution as of \$15,333,541 as both a revenue and expenditure on the Statement of Revenues, Expenditures, and Changes in Fund Balances, and its portion of the collective pension expense of \$15,515,305 as both a revenue and expense on the Statement of Activities.

## **20. Other Post-Employment Benefits (GASB 74 and 75)**

GASB Statement No. 74, *Financial Reporting for Postemployment Benefit Plans Other Than Pension Plans (OPEB)*, replaces the requirements of Statement No. 43, *Financial Reporting for Postemployment Benefit Plans Other Than Pension Plans*. This applies if a trust fund has been established to fund future OPEB costs. In prior years the Town established a single employer defined benefit OPEB Trust Fund to provide funding for future employee health care costs. The OPEB Trust Fund does not issue a stand-alone financial report.

GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*, replaces the requirements of Statement No. 45, *Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions*. This statement establishes standards for recognizing and measuring liabilities, deferred outflows of resources, deferred inflows of resources, and expense/expenditures. This statement identifies the methods and assumptions that are required to be used to project benefit payments, discounted projected benefit payments to their actuarial present value, and attribute that present value to periods of employee service.

All the following OPEB disclosures are based on a measurement date of June 30, 2023.

### ***General Information about the OPEB Plan***

#### ***Plan Description***

The Town provides post-employment healthcare benefits for retired employees through the Town's plan. The Town provides health insurance coverage through a variety of health plans through the West Suburban Health Group, a municipal joint purchase group organized under Massachusetts General Laws Chapter 32B §12. The benefits, benefit levels, employee contributions, and employer contributions are governed by Chapter 32 of Massachusetts General Laws.

#### ***Benefits Provided***

The Town provides medical and prescription drug insurance to retirees and their covered dependents. All active employees who retire from the Town and meet the eligibility criteria will receive these benefits.

#### ***Funding Policy***

The Town's funding policy includes funding the OPEB fund on a pay-as-you-go basis and making additional contributions based on actuarially determined amounts or annual budget limitations/authorizations.

#### ***Plan Membership***

At June 30, 2023, the following employees were covered by the benefit terms:

|                   |                     |
|-------------------|---------------------|
| Retirees/Disabled | 971                 |
| Active employees  | <u>1,385</u>        |
| Total             | <u><u>2,356</u></u> |

### ***Investments***

The OPEB trust fund assets are invested with the Commonwealth's State Retirees Benefit Trust Fund.

### *Rate of Return*

For the year ended June 30, 2023, the annual money-weighted rate of return on investments, net of investment expense, was 5.28%. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

### ***Actuarial Assumptions and Other Inputs***

The total OPEB liability was determined by an actuarial valuation as of June 30, 2022, using the following actuarial assumptions, applied to all periods included in the measurement, unless otherwise specified:

|                                          |                                                                               |
|------------------------------------------|-------------------------------------------------------------------------------|
| Inflation                                | 2.5%, as of June 2023 and future periods                                      |
| Salary increases                         | 3.0% annually as of June 2023 and future periods                              |
| Investment rate of return                | 6.30%, net of investment expenses, including inflation                        |
| Discount rate                            | 6.25%, net of investment expenses, including inflation                        |
| Healthcare cost trend rates              | 4.50% for 2023, based on the SOA Getzen Model of Long-Run Medical Cost Trends |
| Participation rate                       | 80% of eligible employees                                                     |
| Retirees' share of benefit-related costs | 26%-50%, depending on the retiree's plan                                      |

Mortality rates were based on:

- RP-2014 Employees Mortality Table projected generationally with scale MP-2016 for males and females, set forward 1 year for females
- RP-2014 Healthy Annuitant Mortality Table projected generationally with scale MP-2016 for males and females, set forward 1 year for females
- RP-2014 Healthy Annuitant Mortality Table projected generationally with scale MP-2016 for males and females, set forward 1 year

The actuarial assumptions used in the valuation primarily reflect the latest experience studies of the Massachusetts PERAC issued in 2014 and their most recent analysis of retiree mortality during 2015 and 2016.

### ***Target Allocations***

The long-term expected rate of return on OPEB plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation.

Best estimates of geometric real rates of return for each major asset class included in the target asset allocation as of June 30, 2023, are summarized in the following table:

| <u>Asset Class</u>                     | <u>Target<br/>Asset<br/>Allocation</u> | <u>Long-term<br/>Expected Real<br/>Rate of Return</u> |
|----------------------------------------|----------------------------------------|-------------------------------------------------------|
| Alternatives                           | 23.00%                                 | 5.95%                                                 |
| Domestic Fixed Income                  | 20.00%                                 | 1.05%                                                 |
| International developed markets equity | 16.00%                                 | 4.64%                                                 |
| Domestic equity - Large Cap            | 14.50%                                 | 4.10%                                                 |
| Real Estate                            | 14.00%                                 | 6.25%                                                 |
| International emerging markets equity  | 6.00%                                  | 5.45%                                                 |
| Domestic equity - Small/Mid Cap        | 3.50%                                  | 4.55%                                                 |
| International Fixed Income             | 3.00%                                  | 0.96%                                                 |
| Total                                  | <u>100.00%</u>                         |                                                       |

### ***Contributions***

In addition to the implicit subsidy contribution, the Town's policy is to contribute the actuarially determined contribution.

### ***Discount Rate***

The discount rate used to measure the net OPEB liability was 6.25%. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current contribution rate.

Based on those assumptions, the OPEB plan fiduciary net position was projected to be available to make all projected future benefit payments of current plan members.

### ***Net OPEB Liability***

The components of the net OPEB liability, measured as of June 30, 2023, were as follows:

|                             |                      |
|-----------------------------|----------------------|
| Total OPEB liability        | \$ 143,077,747       |
| Plan fiduciary net position | <u>(70,134,455)</u>  |
| Net OPEB liability          | <u>\$ 72,943,292</u> |

The fiduciary net position has been determined on the same basis used by the OPEB Plan. For this purpose, the Plan recognizes benefit payments when due and payable.



**Changes in the Net OPEB Liability**

The following summarizes the changes in the net OPEB liability for the past year:

|                                                       | Increase (Decrease)            |                                          |                                    |
|-------------------------------------------------------|--------------------------------|------------------------------------------|------------------------------------|
|                                                       | Total OPEB<br>Liability<br>(a) | Plan<br>Fiduciary<br>Net Position<br>(b) | Net OPEB<br>Liability<br>(a) - (b) |
| Balances, beginning of year                           | \$ 135,250,391                 | \$ 61,383,656                            | \$ 73,866,735                      |
| Changes for the year:                                 |                                |                                          |                                    |
| Service cost                                          | 3,562,953                      | -                                        | 3,562,953                          |
| Interest                                              | 8,499,323                      | -                                        | 8,499,323                          |
| Contributions - employer                              | -                              | 10,909,594                               | (10,909,594)                       |
| Net investment income                                 | -                              | 3,576,485                                | (3,576,485)                        |
| Differences between expected<br>and actual experience | (1,166,068)                    | -                                        | (1,166,068)                        |
| Changes in assumptions<br>or other inputs             | 2,666,428                      | -                                        | 2,666,428                          |
| Benefit payments                                      | <u>(5,735,280)</u>             | <u>(5,735,280)</u>                       | <u>-</u>                           |
| Net Changes                                           | <u>7,827,356</u>               | <u>8,750,799</u>                         | <u>(923,443)</u>                   |
| Balances, end of year                                 | \$ <u>143,077,747</u>          | \$ <u>70,134,455</u>                     | \$ <u>72,943,292</u>               |

**Sensitivity of the Net OPEB Liability to Changes in the Discount Rate**

The following presents the net OPEB liability, as well as what the net OPEB liability would be if it were calculated using a discount rate that is one percentage-point lower or one percentage-point higher than the current discount rate:

| 1%<br>Decrease | Current<br>Discount<br>Rate | 1%<br>Increase |
|----------------|-----------------------------|----------------|
| \$ 92,633,072  | \$ 72,943,292               | \$ 56,870,715  |

**Sensitivity of the Net OPEB Liability to Changes in the Healthcare Cost Trend Rates**

The following presents the net OPEB liability, as well as what the net OPEB liability would be if it were calculated using healthcare cost trend rates that are one percentage-point lower or one percentage-point higher than the current healthcare cost trend rates:

| 1%<br>Decrease | Current<br>Healthcare<br>Cost Trend<br>Rates | 1%<br>Increase |
|----------------|----------------------------------------------|----------------|
| \$ 55,044,418  | \$ 72,943,292                                | \$ 95,102,489  |

***OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB***

For the year ended June 30, 2023, the Town recognized an OPEB expense of \$10,202,898. At June 30, 2023, the Town reported deferred outflows and inflows of resources related to OPEB from the following sources:

|                                                                      | Deferred<br>Outflows of<br><u>Resources</u> | Deferred<br>(Inflows) of<br><u>Resources</u> |
|----------------------------------------------------------------------|---------------------------------------------|----------------------------------------------|
| Difference between expected and actual experience                    | \$ -                                        | \$ (5,474,831)                               |
| Change in assumptions                                                | 12,267,606                                  | -                                            |
| Net difference between projected and actual OPEB investment earnings | <u>-</u>                                    | <u>(676,441)</u>                             |
| Total                                                                | <u>\$ 12,267,606</u>                        | <u>\$ (6,151,272)</u>                        |

Amounts reported as deferred outflows and inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Year Ended June 30:

|            |                     |
|------------|---------------------|
| 2024       | \$ 2,444,213        |
| 2025       | 400,323             |
| 2026       | 2,179,567           |
| 2027       | 685,698             |
| 2028       | 253,797             |
| Thereafter | <u>152,736</u>      |
| Total      | <u>\$ 6,116,334</u> |

**21. Self-Insurance**

***Workers' Compensation***

The Town's personnel Department administers a self-insured workers' compensation program. In addition to in-house administration, the Town utilizes a third-party administrator, FutureComp, to process claims, produce workers' compensation vouchers, and conduct follow-up medical case management on individuals receiving workers compensation benefits.

As of June 30, 2023, the Town's workers' compensation fund had a balance of \$2,057,523 in unrestricted net position. This amount is generated from the remainder of the workers compensation budget voted each year by Town Meeting, less accrual for outstanding

claims. The Town appropriated \$733,900 for workers' compensation line item in fiscal year 2023. These funds are used to pay workers' compensation related expenses throughout the year, with the unexpended balance rolling into the trust fund noted above. The Town also purchases stop-loss reinsurance as part of its workers compensation program from Midwest Employers Casualty Company. Under the terms of its excess workers compensation coverage, the Town is liable for up to \$450,000 per accident per employee to an aggregate limit of \$1,000,000 per accident. The Town's maximum aggregate liability for all claims paid within one year is \$4,000,000. The Town has no excess liability coverage for public safety employees and no reasonable estimate of claims liability has been determined.

A liability for unpaid claims at June 30, 2023 has been recorded in the Internal Service Fund. This represents the Town's estimate of future payments based on historical information on active cases.

Changes in the aggregate liability for claims for the year ended June 30, 2023 and June 30, 2022 were as follows:

|                                     | <u>6/30/2023</u>  | <u>6/30/2022</u>  |
|-------------------------------------|-------------------|-------------------|
| Claims liability, beginning of year | \$ 553,982        | \$ 932,449        |
| Claims incurred/recognized          | 784,487           | 542,783           |
| Claims paid                         | <u>(790,153)</u>  | <u>(921,250)</u>  |
| Claims liability, end of year       | <u>\$ 548,316</u> | <u>\$ 553,982</u> |

## 22. Commitments and Contingencies

### ***Outstanding Legal Issues***

There are several pending legal issues in which the Town is involved. The Town's management is of the opinion that the potential future settlement of such claims would not materially affect its financial statements taken as a whole.

### ***Grants***

Amounts received or receivable from grantor agencies are subject to audit and adjustment by grantor agencies, principally the federal government. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable funds. The amount of expenditures which may be disallowed by the grantor cannot be determined at this time, although the Town expects such amounts, if any, to be immaterial.

***Abatelements***

There are several cases pending before the Appellate Tax Board in regard to alleged discrepancies in property assessments. According to the Town's counsel, the probable outcome of these cases at the present time is indeterminable, although the Town expects such amounts, if any, to be immaterial.

***Encumbrances***

At year-end, the Town's General Fund had \$3,216,564 of encumbrances that will be honored in the next fiscal year.

**23. Beginning Fund Balance Reclassification**

The beginning fund balance of the Town's nonmajor governmental funds and Town federal grants fund have been reclassified as follows:

|                                         | Nonmajor<br>Governmental<br>Funds | Town<br>Federal Grants<br>Fund |
|-----------------------------------------|-----------------------------------|--------------------------------|
| As previously reported                  | \$ 26,638,019                     | \$ -                           |
| Reclassify Town Federal Grants as major | (942,910)                         | 942,910                        |
| As reclassified                         | <u>\$ 25,695,109</u>              | <u>\$ 942,910</u>              |

**24. Subsequent Events*****Short-Term Debt***

The Town issued the following general obligation bond anticipation notes (BAN) after June 30, 2023:

| <u>Purpose</u>                                        | <u>Interest<br/>Rate %</u> | <u>Date of<br/>Issue</u> | <u>Date of<br/>Maturity</u> | <u>Amount</u> |
|-------------------------------------------------------|----------------------------|--------------------------|-----------------------------|---------------|
| Emery grover building addition and renovation         | 3.60                       | 10/16/23                 | 7/30/24                     | \$ 287,350    |
| Water distribution improvements                       | 3.60                       | 10/16/23                 | 7/30/24                     | 1,994,650     |
| RTS property repairs                                  | 3.00                       | 3/15/24                  | 6/14/24                     | 65,000        |
| Public safety building and fire station #2            | 3.00                       | 3/15/24                  | 6/14/24                     | 60,000        |
| Emery grover building addition and renovation         | 3.00                       | 3/15/24                  | 6/14/24                     | 2,550,000     |
| Broadmeadow and eliot school rooftop unit replacement | 3.00                       | 3/15/24                  | 6/14/24                     | 30,000        |
| Water distribution improvements                       | 3.40                       | 6/27/24                  | 12/19/24                    | 1,900,000     |
| Water service connections                             | 3.40                       | 6/27/24                  | 12/19/24                    | 500,000       |
| Emery grover building design                          | 3.40                       | 6/27/24                  | 12/19/24                    | 15,000        |
| Emery grover building addition and renovation         | 3.40                       | 6/27/24                  | 12/19/24                    | 4,230,000     |
| Broadmeadow and eliot school rooftop unit replacement | 3.40                       | 6/27/24                  | 12/19/24                    | 2,000,000     |

**TOWN OF NEEDHAM, MASSACHUSETTS**  
REQUIRED SUPPLEMENTARY INFORMATION

SCHEDULE OF REVENUES, EXPENDITURES, AND OTHER SOURCES AND USES -  
BUDGET AND ACTUAL - GENERAL FUND

FOR THE YEAR ENDED JUNE 30, 2023

(UNAUDITED)

|                                                                       | Budgeted Amounts   |                 |                   |                               |
|-----------------------------------------------------------------------|--------------------|-----------------|-------------------|-------------------------------|
|                                                                       | Original<br>Budget | Final<br>Budget | Actual<br>Amounts | Variance with<br>Final Budget |
| <b>Revenues</b>                                                       |                    |                 |                   |                               |
| Property taxes                                                        | \$ 175,707,758     | \$ 176,282,443  | \$ 179,124,962    | \$ 2,842,519                  |
| Excises                                                               | 4,700,000          | 4,700,000       | 6,779,778         | 2,079,778                     |
| Penalties, interest, and other taxes                                  | 1,280,000          | 1,280,000       | 2,948,504         | 1,668,504                     |
| Charges for services                                                  | 3,144,750          | 3,144,750       | 4,742,161         | 1,597,411                     |
| Departmental                                                          | 765,250            | 765,250         | 932,565           | 167,315                       |
| Licenses and permits                                                  | 1,920,000          | 1,920,000       | 5,099,563         | 3,179,563                     |
| Intergovernmental                                                     | 15,161,448         | 15,161,448      | 15,349,626        | 188,178                       |
| Investment income                                                     | 250,000            | 250,000         | 1,243,224         | 993,224                       |
| Fines and forfeitures                                                 | -                  | -               | 101,457           | 101,457                       |
| Other revenue                                                         | 351,662            | 351,662         | 822,164           | 470,502                       |
| Total Revenues                                                        | 203,280,868        | 203,855,553     | 217,144,004       | 13,288,451                    |
| <b>Expenditures</b>                                                   |                    |                 |                   |                               |
| General government                                                    | 8,911,055          | 8,239,729       | 6,544,598         | 1,695,131                     |
| Land use                                                              | 552,799            | 559,738         | 507,342           | 52,396                        |
| Public safety                                                         | 18,817,952         | 19,828,422      | 19,331,823        | 496,599                       |
| Education                                                             | 88,645,537         | 88,645,537      | 86,217,970        | 2,427,567                     |
| Public works                                                          | 22,280,911         | 23,087,992      | 22,497,817        | 590,175                       |
| Building design and construction                                      | 354,264            | 354,264         | 223,042           | 131,222                       |
| Health and human services                                             | 2,422,342          | 2,460,128       | 2,382,725         | 77,403                        |
| Culture and recreation                                                | 3,431,219          | 3,552,266       | 3,237,008         | 315,258                       |
| Employee benefits                                                     | 38,230,899         | 38,230,899      | 35,791,958        | 2,438,941                     |
| Debt service                                                          | 20,198,294         | 20,366,317      | 20,371,943        | (5,626)                       |
| Other appropriated expenses                                           | 2,187,365          | 875,368         | 802,155           | 73,213                        |
| Intergovernmental                                                     | 1,588,201          | 1,588,201       | 1,555,971         | 32,230                        |
| Total Expenditures                                                    | 207,620,838        | 207,788,861     | 199,464,352       | 8,324,509                     |
| Excess (deficiency) of revenues over expenditures                     | (4,339,970)        | (3,933,308)     | 17,679,652        | 21,612,960                    |
| <b>Other Financing Sources (Uses)</b>                                 |                    |                 |                   |                               |
| Transfers in                                                          | 2,186,147          | 2,186,147       | 4,017,619         | 1,831,472                     |
| Transfers out                                                         | (10,985,960)       | (15,371,760)    | (15,371,760)      | -                             |
| Use of free cash:                                                     |                    |                 |                   |                               |
| For capital projects and special articles                             | 8,482,455          | 10,671,593      | -                 | (10,671,593)                  |
| For operating budget                                                  | 3,625,000          | 3,625,000       | -                 | (3,625,000)                   |
| Use of bond premium                                                   | 32,328             | 32,328          | -                 | (32,328)                      |
| Use of overlay surplus:                                               |                    |                 |                   |                               |
| For capital projects and special articles                             | 500,000            | 2,290,000       | -                 | (2,290,000)                   |
| For operating budget                                                  | 500,000            | 500,000         | -                 | (500,000)                     |
| Total Other Financing Sources (Uses)                                  | 4,339,970          | 3,933,308       | (11,354,141)      | (15,287,449)                  |
| Excess of revenues and other sources over expenditures and other uses | \$ -               | \$ -            | \$ 6,325,511      | \$ 6,325,511                  |

See Independent Auditors' Report and Notes to Required Supplementary Information.

## Notes to Required Supplementary Information for General Fund Budget

### Budgetary Basis and Information

The General Fund final appropriation appearing on the previous page represents the final amended budget after all reserve fund transfers and supplemental appropriations. At the annual town meeting, the Finance Committee presents an operating budget for the General Fund. Formal budgetary integration is employed as a management control device during the year for the General Fund and Proprietary Funds. Effective budgetary control is achieved for all other funds through provisions of Massachusetts General Laws. At year-end, appropriation balances lapse, except for certain unexpended capital items and encumbrances, which will be honored during the subsequent year.

### Budget/GAAP Reconciliation

The budgetary data for the general and proprietary funds is based upon accounting principles that differ from generally accepted accounting principles (GAAP). Therefore, in addition to the GAAP basis financial statements, the results of operations of the General Fund are presented in accordance with budgetary accounting principles to provide a meaningful comparison to budgetary data.

The following is a summary of adjustments made to the actual revenues, expenditures, and other financing sources (uses), to conform to the budgetary basis of accounting.

| <u>General Fund</u>                                                        | <u>Revenues<br/>and Other<br/>Financing Sources</u> | <u>Expenditures<br/>and Other<br/>Financing Uses</u> |
|----------------------------------------------------------------------------|-----------------------------------------------------|------------------------------------------------------|
| Revenues/Expenditures<br>(GAAP Basis)                                      | \$ 233,120,466                                      | \$ 212,613,717                                       |
| Other financing sources/uses<br>(GAAP Basis)                               | <u>2,719,542</u>                                    | <u>14,970,301</u>                                    |
| Subtotal (GAAP Basis)                                                      | 235,840,008                                         | 227,584,018                                          |
| Reverse beginning of year appropriation<br>carryforwards from expenditures | -                                                   | (3,412,388)                                          |
| Add end-of-year appropriation<br>carryforwards to expenditures             | -                                                   | 3,216,564                                            |
| To reverse gross up for MTRS<br>on behalf payment                          | (15,333,541)                                        | (15,333,541)                                         |
| To reflect other budgetary basis activity, net                             | <u>655,156</u>                                      | <u>2,781,459</u>                                     |
| Budgetary Basis                                                            | \$ <u><u>221,161,623</u></u>                        | \$ <u><u>214,836,112</u></u>                         |

See Independent Auditors' Report.

**TOWN OF NEEDHAM, MASSACHUSETTS**  
REQUIRED SUPPLEMENTARY INFORMATION

SCHEDULE OF PROPORTIONATE SHARE  
OF THE NET PENSION LIABILITY  
(Unaudited)

Needham Contributory Retirement System

| Fiscal Year   | Measurement Date  | Proportion of the Net Pension Liability | Proportionate Share of the Net Pension Liability | Covered Payroll | Proportionate Share of the Net Pension Liability as a Percentage of Covered Payroll | Plan Fiduciary Net Position Percentage of the Total Pension Liability |
|---------------|-------------------|-----------------------------------------|--------------------------------------------------|-----------------|-------------------------------------------------------------------------------------|-----------------------------------------------------------------------|
| June 30, 2023 | December 31, 2022 | 98.74%                                  | \$ 87,176,317                                    | \$ 43,326,494   | 201.21%                                                                             | 70.80%                                                                |
| June 30, 2022 | December 31, 2021 | 98.65%                                  | 45,865,454                                       | 40,549,126      | 113.11%                                                                             | 83.90%                                                                |
| June 30, 2021 | December 31, 2020 | 98.47%                                  | 73,694,482                                       | 43,397,457      | 169.81%                                                                             | 73.09%                                                                |
| June 30, 2020 | December 31, 2019 | 98.72%                                  | 84,371,092                                       | 41,193,710      | 204.82%                                                                             | 68.07%                                                                |
| June 30, 2019 | December 31, 2018 | 98.43%                                  | 78,768,106                                       | 43,859,715      | 179.59%                                                                             | 66.48%                                                                |
| June 30, 2018 | December 31, 2017 | 98.48%                                  | 64,280,887                                       | 44,684,936      | 143.85%                                                                             | 71.58%                                                                |
| June 30, 2017 | December 31, 2016 | 98.41%                                  | 68,675,930                                       | 38,860,207      | 176.73%                                                                             | 67.10%                                                                |
| June 30, 2016 | December 31, 2015 | 98.20%                                  | 63,877,775                                       | 39,406,655      | 162.10%                                                                             | 67.43%                                                                |
| June 30, 2015 | December 31, 2014 | 98.27%                                  | 54,445,695                                       | 35,772,213      | 152.20%                                                                             | 71.09%                                                                |

Massachusetts Teachers' Retirement System

| Fiscal Year   | Measurement Date | Proportion of the Net Pension Liability | Proportionate Share of the Net Pension Liability | Commonwealth of Massachusetts' Total Proportionate Share of the Net Pension Liability Associated with the Town | Total Net Pension Liability Associated with the Town | Covered Payroll | Proportionate Share of the Net Pension Liability as a Percentage of Covered Payroll | Plan Fiduciary Net Position Percentage of the Total Pension Liability |
|---------------|------------------|-----------------------------------------|--------------------------------------------------|----------------------------------------------------------------------------------------------------------------|------------------------------------------------------|-----------------|-------------------------------------------------------------------------------------|-----------------------------------------------------------------------|
| June 30, 2023 | June 30, 2022    | 0.73%                                   | \$ -                                             | \$ 188,613,549                                                                                                 | \$ 188,613,549                                       | \$ 61,020,236   | 0.00%                                                                               | 57.75%                                                                |
| June 30, 2022 | June 30, 2021    | 0.75%                                   | -                                                | 168,708,472                                                                                                    | 168,708,472                                          | 55,875,071      | 0.00%                                                                               | 62.03%                                                                |
| June 30, 2021 | June 30, 2020    | 0.71%                                   | -                                                | 202,510,698                                                                                                    | 202,510,698                                          | 48,375,608      | 0.00%                                                                               | 50.67%                                                                |
| June 30, 2020 | June 30, 2019    | 0.70%                                   | -                                                | 175,678,243                                                                                                    | 175,678,243                                          | 50,620,405      | 0.00%                                                                               | 53.95%                                                                |
| June 30, 2019 | June 30, 2018    | 0.69%                                   | -                                                | 163,330,397                                                                                                    | 163,330,397                                          | 44,888,988      | 0.00%                                                                               | 54.84%                                                                |
| June 30, 2018 | June 30, 2017    | 0.68%                                   | -                                                | 156,266,130                                                                                                    | 156,266,130                                          | 46,022,868      | 0.00%                                                                               | 54.25%                                                                |
| June 30, 2017 | June 30, 2016    | 0.67%                                   | -                                                | 148,771,539                                                                                                    | 148,771,539                                          | 44,621,329      | 0.00%                                                                               | 52.73%                                                                |
| June 30, 2016 | June 30, 2015    | 0.66%                                   | -                                                | 135,373,423                                                                                                    | 135,373,423                                          | 39,867,330      | 0.00%                                                                               | 55.38%                                                                |
| June 30, 2015 | June 30, 2014    | 0.63%                                   | -                                                | 100,708,775                                                                                                    | 100,708,775                                          | N/A             | 0.00%                                                                               | 61.64%                                                                |

*Schedules are intended to show information for 10 years. Additional years will be displayed as they become available.  
See notes to the Town's financial statements for summary of significant actuarial methods and assumptions.*

See Independent Auditors' Report.



**TOWN OF NEEDHAM, MASSACHUSETTS**  
**REQUIRED SUPPLEMENTARY INFORMATION**  
**SCHEDULE OF PENSION CONTRIBUTIONS**

(Unaudited)

| Needham Contributory Retirement System |                                     |                                     |                                  |                 |                                                  |
|----------------------------------------|-------------------------------------|-------------------------------------|----------------------------------|-----------------|--------------------------------------------------|
| Fiscal Year                            | Actuarially Determined Contribution | Actuarially Determined Contribution | Contribution Deficiency (Excess) | Covered Payroll | Contributions as a Percentage of Covered Payroll |
| June 30, 2023                          | \$ 11,263,367                       | \$ 11,263,367                       | \$ -                             | \$ 43,326,494   | 26.00%                                           |
| June 30, 2022                          | 10,417,439                          | 10,417,439                          | -                                | 40,549,126      | 25.69%                                           |
| June 30, 2021                          | 9,368,084                           | 9,368,084                           | -                                | 43,397,457      | 21.59%                                           |
| June 30, 2020                          | 8,577,048                           | 8,577,048                           | -                                | 41,193,710      | 20.82%                                           |
| June 30, 2019                          | 7,809,911                           | 7,809,911                           | -                                | 43,859,715      | 17.81%                                           |
| June 30, 2018                          | 7,203,059                           | 7,203,059                           | -                                | 44,684,936      | 16.12%                                           |
| June 30, 2017                          | 6,600,162                           | 6,600,162                           | -                                | 38,860,207      | 16.98%                                           |
| June 30, 2016                          | 6,039,115                           | 6,039,115                           | -                                | 39,406,655      | 15.33%                                           |
| June 30, 2015                          | 5,524,150                           | 5,524,150                           | -                                | 35,772,213      | 15.44%                                           |

| Massachusetts Teachers' Retirement System |                                                              |                                     |                                  |                 |                                                  |
|-------------------------------------------|--------------------------------------------------------------|-------------------------------------|----------------------------------|-----------------|--------------------------------------------------|
| Fiscal Year                               | Actuarially Determined Contribution Provided by Commonwealth | Actuarially Determined Contribution | Contribution Deficiency (Excess) | Covered Payroll | Contributions as a Percentage of Covered Payroll |
| June 30, 2023                             | \$ 15,333,541                                                | \$ 15,333,541                       | \$ -                             | \$ 59,968,766   | 25.57%                                           |
| June 30, 2022                             | 12,990,950                                                   | 12,990,950                          | -                                | 61,020,236      | 21.29%                                           |
| June 30, 2021                             | 11,020,792                                                   | 11,020,792                          | -                                | 55,875,071      | 19.72%                                           |
| June 30, 2020                             | 10,059,024                                                   | 10,059,024                          | -                                | 48,375,608      | 20.79%                                           |
| June 30, 2019                             | 9,056,616                                                    | 9,056,616                           | -                                | 50,620,405      | 17.89%                                           |
| June 30, 2018                             | 8,436,349                                                    | 8,436,349                           | -                                | 44,888,988      | 18.79%                                           |
| June 30, 2017                             | 7,483,070                                                    | 7,483,070                           | -                                | 46,022,868      | 16.26%                                           |
| June 30, 2016                             | 6,751,809                                                    | 6,751,809                           | -                                | 44,621,329      | 15.13%                                           |
| June 30, 2015                             | 5,938,614                                                    | 5,938,614                           | -                                | 39,867,330      | 14.90%                                           |

*Schedules are intended to show information for 10 years. Additional years will be displayed as they become available.  
See notes to the Town's financial statements for summary of significant actuarial methods and assumptions.*

See Independent Auditors' Report.

**TOWN OF NEEDHAM, MASSACHUSETTS**  
REQUIRED SUPPLEMENTARY INFORMATION

SCHEDULE OF CHANGES IN THE NET OPEB LIABILITY  
(Unaudited)

|                                                             | 2023                 | 2022                 | 2021                 | 2020                 | 2019                 | 2018                 | 2017                 |
|-------------------------------------------------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|
| <b>Total OPEB Liability</b>                                 |                      |                      |                      |                      |                      |                      |                      |
| Service cost                                                | \$ 3,562,953         | \$ 3,030,646         | \$ 3,085,625         | \$ 2,915,612         | \$ 2,797,907         | \$ 2,573,887         | \$ 2,486,847         |
| Interest                                                    | 8,499,323            | 8,414,773            | 8,384,081            | 7,382,923            | 6,347,733            | 6,913,177            | 6,544,745            |
| Plan amendments                                             | -                    | -                    | -                    | -                    | -                    | (4,090,587)          | -                    |
| Differences between expected and actual experience          | (1,166,068)          | (3,714,901)          | (293,339)            | 159,645              | (21,193,711)         | 1,798,808            | -                    |
| Changes of assumptions                                      | 2,666,428            | 3,950,140            | 3,893,113            | 8,438,164            | 31,054,380           | (4,589,355)          | -                    |
| Benefit payments                                            | <u>(5,735,280)</u>   | <u>(5,626,770)</u>   | <u>(5,034,735)</u>   | <u>(4,502,453)</u>   | <u>(4,174,262)</u>   | <u>(4,463,145)</u>   | <u>(3,958,395)</u>   |
| Net Change in Total OPEB Liability                          | 7,827,356            | 6,053,888            | 10,034,745           | 14,393,891           | 14,832,047           | (1,857,215)          | 5,073,197            |
| Total OPEB Liability - Beginning                            | <u>135,250,391</u>   | <u>129,196,503</u>   | <u>119,161,758</u>   | <u>104,767,867</u>   | <u>89,935,820</u>    | <u>91,793,035</u>    | <u>86,719,838</u>    |
| <b>Total OPEB Liability - Ending (a)</b>                    | 143,077,747          | 135,250,391          | 129,196,503          | 119,161,758          | 104,767,867          | 89,935,820           | 91,793,035           |
| <b>Plan Fiduciary Net Position</b>                          |                      |                      |                      |                      |                      |                      |                      |
| Contributions - employer                                    | 10,909,594           | 9,213,019            | 8,650,376            | 8,032,252            | 7,800,967            | 7,389,578            | 6,317,042            |
| Net investment income                                       | 3,576,485            | (2,379,071)          | 13,820,192           | 873,725              | 1,831,609            | 3,117,203            | 3,020,230            |
| Benefit payments, including refunds of member contributions | (5,735,280)          | (5,626,770)          | (5,034,735)          | (4,502,453)          | (4,174,262)          | (4,463,145)          | (3,958,395)          |
| Other                                                       | <u>-</u>             | <u>-</u>             | <u>-</u>             | <u>-</u>             | <u>-</u>             | <u>-</u>             | <u>257,093</u>       |
| Net Change in Plan Fiduciary Net Position                   | 8,750,799            | 1,207,178            | 17,435,833           | 4,403,524            | 5,458,314            | 6,043,636            | 5,635,970            |
| Plan Fiduciary Net Position - Beginning                     | <u>61,383,656</u>    | <u>60,176,478</u>    | <u>42,740,645</u>    | <u>38,337,121</u>    | <u>32,878,807</u>    | <u>26,835,171</u>    | <u>21,199,201</u>    |
| <b>Plan Fiduciary Net Position - Ending (b)</b>             | <u>70,134,455</u>    | <u>61,383,656</u>    | <u>60,176,478</u>    | <u>42,740,645</u>    | <u>38,337,121</u>    | <u>32,878,807</u>    | <u>26,835,171</u>    |
| <b>Net OPEB Liability - Ending (a-b)</b>                    | <u>\$ 72,943,292</u> | <u>\$ 73,866,735</u> | <u>\$ 69,020,025</u> | <u>\$ 76,421,113</u> | <u>\$ 66,430,746</u> | <u>\$ 57,057,013</u> | <u>\$ 64,957,864</u> |

*Schedules are intended to show information for 10 years. Additional years will be displayed as they become available.  
See notes to the Town's financial statements for summary of significant actuarial methods and assumptions.*

See Independent Auditors' Report.

**TOWN OF NEEDHAM, MASSACHUSETTS**  
REQUIRED SUPPLEMENTARY INFORMATION

SCHEDULES OF THE NET OPEB LIABILITY, CONTRIBUTIONS, AND INVESTMENTS RETURNS

(Unaudited)

|                                               | <u>2023</u>          | <u>2022</u>          | <u>2021</u>          | <u>2020</u>          | <u>2019</u>          | <u>2018</u>          | <u>2017</u>          |
|-----------------------------------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|
| <b>Schedule of Net OPEB Liability</b>         |                      |                      |                      |                      |                      |                      |                      |
| Total OPEB liability                          | \$ 143,077,747       | \$ 135,250,391       | \$ 129,196,503       | \$ 119,161,758       | \$ 104,767,867       | \$ 89,935,820        | \$ 91,793,035        |
| Plan fiduciary net position                   | <u>(70,134,455)</u>  | <u>(61,383,656)</u>  | <u>(60,176,478)</u>  | <u>(42,740,645)</u>  | <u>(38,337,121)</u>  | <u>(32,878,807)</u>  | <u>(26,835,171)</u>  |
| Net OPEB Liability                            | <u>\$ 72,943,292</u> | <u>\$ 73,866,735</u> | <u>\$ 69,020,025</u> | <u>\$ 76,421,113</u> | <u>\$ 66,430,746</u> | <u>\$ 57,057,013</u> | <u>\$ 64,957,864</u> |
| Plan Fiduciary Net Position as a              |                      |                      |                      |                      |                      |                      |                      |
| Percentage of the Total OPEB Liability        | 49.02%               | 45.39%               | 46.58%               | 35.87%               | 36.59%               | 36.56%               | 29.23%               |
| Covered Employee Payroll                      | \$ 118,576,875       | \$ 105,734,622       | \$ 102,654,973       | \$ 99,665,022        | \$ 93,645,807        | \$ 94,042,382        | \$ 94,042,382        |
| Net OPEB Liability as a Percentage of Covered |                      |                      |                      |                      |                      |                      |                      |
| Employee Payroll                              | 61.52%               | 69.86%               | 67.23%               | 76.68%               | 70.94%               | 60.67%               | 69.07%               |
| <b>Schedule of Contributions</b>              |                      |                      |                      |                      |                      |                      |                      |
| Actuarially determined contribution           | \$ 8,844,474         | \$ 7,426,237         | \$ 7,197,713         | \$ 6,906,705         | \$ 6,906,705         | \$ 6,072,283         | \$ 5,568,923         |
| Contributions in relation to the actuarially  |                      |                      |                      |                      |                      |                      |                      |
| determined contribution                       | <u>8,844,474</u>     | <u>7,426,237</u>     | <u>7,426,237</u>     | <u>6,906,705</u>     | <u>6,906,705</u>     | <u>6,115,455</u>     | <u>5,568,923</u>     |
| Contribution Deficiency (Excess)              | <u>\$ -</u>          | <u>\$ -</u>          | <u>\$ (228,524)</u>  | <u>\$ -</u>          | <u>\$ -</u>          | <u>\$ (43,172)</u>   | <u>\$ -</u>          |
| Covered Employee Payroll                      | \$ 118,576,875       | \$ 105,734,622       | \$ 102,654,973       | \$ 99,665,022        | \$ 93,645,807        | \$ 94,042,382        | \$ 94,042,382        |
| Contributions as a Percentage of Covered      |                      |                      |                      |                      |                      |                      |                      |
| Employee Payroll                              | 7.46%                | 7.02%                | 7.23%                | 6.93%                | 7.38%                | 6.50%                | 5.92%                |
| <b>Schedule of Investment Returns</b>         |                      |                      |                      |                      |                      |                      |                      |
| Annual money weighted rate of return, net of  |                      |                      |                      |                      |                      |                      |                      |
| investment expenses                           | 5.28%                | -6.25%               | 28.97%               | 4.65%                | 4.93%                | 11.62%               | 14.25%               |

*Schedules are intended to show information for 10 years. Additional years will be displayed as they become available.  
See notes to the Town's financial statements for summary of significant actuarial methods and assumptions.*

See Independent Auditors' Report.

**TOWN OF NEEDHAM, MASSACHUSETTS**  
SUPPLEMENTARY INFORMATION

SCHEDULE OF REVENUES AND OTHER SOURCES, AND  
EXPENDITURES AND OTHER USES -  
SEWER ENTERPRISE FUND BUDGET VS. ACTUAL COMPARISON (BUDGETARY BASIS)

FOR THE YEAR ENDED JUNE 30, 2023

|                                                                                   | <u>Budget</u>      | <u>Budgetary<br/>Basis</u> | Variance<br>Positive<br>(Negative) |
|-----------------------------------------------------------------------------------|--------------------|----------------------------|------------------------------------|
| <b>Revenues</b>                                                                   |                    |                            |                                    |
| Current service charges                                                           | \$ 8,373,670       | \$ 9,417,802               | \$ 1,044,132                       |
| Interest income                                                                   | 8,442              | 9,990                      | 1,548                              |
| Other revenue                                                                     | <u>22,380</u>      | <u>30,260</u>              | <u>7,880</u>                       |
| Total Revenues                                                                    | 8,404,492          | 9,458,052                  | 1,053,560                          |
| <b>Expenditures</b>                                                               |                    |                            |                                    |
| Sewer expenditures                                                                | 1,936,938          | 1,775,316                  | 161,622                            |
| Intergovernmental                                                                 | 6,760,857          | 6,760,857                  | -                                  |
| Debt service                                                                      | <u>610,000</u>     | <u>600,615</u>             | <u>9,385</u>                       |
| Total Expenditures                                                                | <u>9,307,795</u>   | <u>9,136,788</u>           | <u>171,007</u>                     |
| Excess of revenues over expenditures                                              | (903,303)          | 321,264                    | 1,224,567                          |
| <b>Other Financing Sources and (Uses)</b>                                         |                    |                            |                                    |
| Transfers in                                                                      | 835,251            | 868,034                    | 32,783                             |
| Use of retained earnings                                                          | 1,470,255          | -                          | (1,470,255)                        |
| Transfers out                                                                     | <u>(1,402,203)</u> | <u>(1,402,203)</u>         | <u>-</u>                           |
| Total Other Financing Sources and (Uses)                                          | <u>903,303</u>     | <u>(534,169)</u>           | <u>(1,437,472)</u>                 |
| (Deficiency) of revenues and other sources<br>(under) expenditures and other uses | \$ <u>-</u>        | \$ <u>(212,905)</u>        | \$ <u>(212,905)</u>                |

See Independent Auditors' Report.

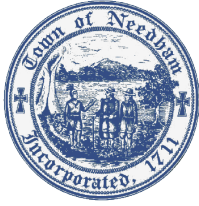
**TOWN OF NEEDHAM, MASSACHUSETTS**  
SUPPLEMENTARY INFORMATION

SCHEDULE OF REVENUES AND OTHER SOURCES, AND  
EXPENDITURES AND OTHER USES -  
WATER ENTERPRISE FUND BUDGET VS. ACTUAL COMPARISON (BUDGETARY BASIS)

FOR THE YEAR ENDED JUNE 30, 2023

|                                                                          | <u>Budget</u>      | <u>Budgetary<br/>Basis</u> | Variance<br>Positive<br>(Negative) |
|--------------------------------------------------------------------------|--------------------|----------------------------|------------------------------------|
| <b>Revenues</b>                                                          |                    |                            |                                    |
| Current service charges                                                  | \$ 6,008,087       | \$ 7,429,898               | \$ 1,421,811                       |
| Interest income                                                          | 14,000             | 20,834                     | 6,834                              |
| Other revenue                                                            | <u>62,600</u>      | <u>44,961</u>              | <u>(17,639)</u>                    |
| Total Revenues                                                           | 6,084,687          | 7,495,693                  | 1,411,006                          |
| <b>Expenditures</b>                                                      |                    |                            |                                    |
| Water expenditures                                                       | 2,939,655          | 2,496,740                  | 442,915                            |
| Intergovernmental                                                        | 1,464,186          | 1,464,186                  | -                                  |
| Debt service                                                             | <u>1,250,000</u>   | <u>1,244,475</u>           | <u>5,525</u>                       |
| Total Expenditures                                                       | <u>5,653,841</u>   | <u>5,205,401</u>           | <u>448,440</u>                     |
| Excess of revenues over expenditures                                     | 430,846            | 2,290,292                  | 1,859,446                          |
| <b>Other Financing Sources and (Uses)</b>                                |                    |                            |                                    |
| Transfers in                                                             | 284,721            | 325,571                    | 40,850                             |
| Transfers out                                                            | <u>(715,567)</u>   | <u>(837,620)</u>           | <u>(122,053)</u>                   |
| Total Other Financing Sources and (Uses)                                 | <u>(430,846)</u>   | <u>(512,049)</u>           | <u>(81,203)</u>                    |
| Excess of revenues and other sources<br>over expenditures and other uses | \$ <u><u>-</u></u> | \$ <u><u>1,778,243</u></u> | \$ <u><u>1,778,243</u></u>         |

See Independent Auditors' Report.



**Select Board  
TOWN OF NEEDHAM  
AGENDA FACT SHEET**

---

**MEETING DATE: 5/27/2025**

|                     |                                |
|---------------------|--------------------------------|
| <b>Agenda Item</b>  | Town Manager's Report          |
| <b>Presenter(s)</b> | Kate Fitzpatrick, Town Manager |

|           |                                                                             |
|-----------|-----------------------------------------------------------------------------|
| <b>1.</b> | <b>BRIEF DESCRIPTION OF TOPIC TO BE DISCUSSED</b>                           |
|           | The Town Manager will update the Board on issues not covered on the agenda. |
| <b>2.</b> | <b>VOTE REQUIRED BY SELECT BOARD</b>                                        |
|           | N/A – Discussion Only                                                       |
| <b>3.</b> | <b>BACK UP INFORMATION ATTACHED</b>                                         |
|           | None                                                                        |



**Select Board  
TOWN OF NEEDHAM  
AGENDA FACT SHEET**

---

**MEETING DATE: 5/27/2025**

|                     |                                       |
|---------------------|---------------------------------------|
| <b>Agenda Item</b>  | Envision Needham Center Working Group |
| <b>Presenter(s)</b> | Board Discussion                      |

|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |                                                   |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------|
| <b>1.</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               | <b>BRIEF DESCRIPTION OF TOPIC TO BE DISCUSSED</b> |
| <p>The Select Board established the Needham Center Project Working Group on August 13, 2024 to provide input and feedback to the Department of Public Works and its consulting engineers on the design and layout of the Needham Center/Great Plain Avenue project. The Board updated the group's title to the Envision Needham Center Working Group on January 21, 2025.</p> <p>The current composition includes three designated representatives from Needham Center Businesses. There is a proposal to expand the number of said representatives from three to four.</p> <p>The Board will also discuss the project scope and timelines based on feedback from the public hearing. The Board may vote to provide additional feedback to staff and the committee.</p> |                                                   |
| <b>2.</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               | <b>VOTE REQUIRED BY SELECT BOARD</b>              |
| <p><i>Suggested Motion:</i> That the Board vote to adopt/not adopt the proposed revision to the Envision Needham Center Working Group Charge &amp; Composition.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |                                                   |
| <b>3.</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               | <b>BACK UP INFORMATION ATTACHED</b>               |
| <p>a. Envision Needham Center Working Group Charge &amp; Composition – Proposed Revision, May 27, 2025</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |                                                   |



**Town of Needham**  
**Envision Needham Center Working Group**  
**Charge & Composition**

|                            |                                 |
|----------------------------|---------------------------------|
| Type:                      | Ad hoc                          |
| Legal Reference:           | Select Board Vote               |
| Appointing Authority:      | Select Board                    |
| Number of Voting Members:  | <del>Sixteen</del> Fifteen (15) |
| Term of Appointment        | 3 Years                         |
| Special Municipal Employee | Yes                             |
| Staff Support              | Department of Public Works      |
|                            |                                 |

| Member          | Seat                                                | Year Appointed | Term Expiration |
|-----------------|-----------------------------------------------------|----------------|-----------------|
| Kevin Keane     | Select Board Member                                 | 2024           | 2027            |
| Artie Crocker   | Planning Board Member                               | 2024           | 2027            |
| Paul O'Connor   | Finance Committee Member                            | 2024           | 2027            |
| Paul Good       | Needham Community Revitalization Trust Fund Member  | 2024           | 2027            |
| Tim Bulger      | Mobility Planning and Coordination Committee Member | 2024           | 2027            |
| Michael Greis   | Climate Action Committee Member                     | 2024           | 2027            |
| Felix Zemel     | Design Review Board Member                          | 2024           | 2027            |
| Justin McCullen | Transportation Safety Committee Member              | 2024           | 2027            |
| Lise Elcock     | Council of Economic Advisors Member                 | 2024           | 2027            |
| Paula Jacobson  | Needham Center Business Representative              | 2025           | 2027            |

|                            |                                                         |      |      |
|----------------------------|---------------------------------------------------------|------|------|
| Liz Hay                    | Needham Center<br>Business<br>Representative            | 2025 | 2027 |
| Dianne Nanni               | Needham Center<br>Business<br>Representative            | 2024 | 2027 |
| <u>Proposed Additional</u> | Needham Center<br>Business<br>Representative            |      |      |
| Jackie DeWolfe             | Resident At-Large                                       | 2024 | 2027 |
| Avery Newton               | Resident At-Large                                       | 2024 | 2027 |
| Carys Lustig               | Director of Public<br>Works or designee<br>(ex-officio) | 2024 | 2027 |

**Composition:**

- One (1) member of the Select Board\*
- One (1) member of the Transportation Safety Committee
- One (1) member of the Needham Revitalization Trust Fund Commission
- One (1) member of the Council of Economic Advisors
- One (1) member of the Planning Board
- One (1) member of the Finance Committee
- One (1) member of the Mobility Planning and Coordination Committee
- One (1) member of the Climate Action Committee
- One (1) member of the Design Review Board
- Four ~~Three~~ (4) individuals who represent a Needham Center small business, restaurant, or commercial property owner
- Two (2) residents at large
- The Director of Public Works or Designee\*

\* Regular municipal employees serving on the Committee remain regular municipal employees, even though the committee members are designated as special municipal employees

**Purpose:** The purpose of the working group is to provide input and feedback to the Department of Public Works and its consulting engineers on the design and layout of the Needham Center/Great Plain Avenue project.

**Charge:** The charge of the working group is to:

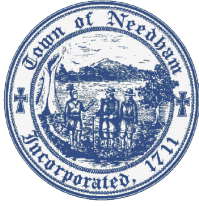
- Meet regularly with Town staff and consulting engineers to provide input.
- Ensure that constituency needs and desires are considered.

- Report back to constituencies to ensure clear communication on progress.
- Help staff and consulting engineers narrow concept choices.
- Make recommendations to the Select Board on key milestones and decision points.
- Participate in community outreach efforts.
- Make recommendations for funding, as appropriate.

**Charge Adopted:** 8/13/2024 **Charge Revised:** 1/21/2025, 4/22/2025, TBD

**SME Status Voted:** 12/3/2024

Draft 5/27/2025



**Select Board  
TOWN OF NEEDHAM  
AGENDA FACT SHEET**

---

**MEETING DATE: 5/27/2025**

|                     |                   |
|---------------------|-------------------|
| <b>Agenda Item</b>  | Committee Reports |
| <b>Presenter(s)</b> | Board Discussion  |

|                                                                                            |                                                   |
|--------------------------------------------------------------------------------------------|---------------------------------------------------|
| <b>1.</b>                                                                                  | <b>BRIEF DESCRIPTION OF TOPIC TO BE DISCUSSED</b> |
| Board members may report on the progress and/or activities of their Committee assignments. |                                                   |
| <b>2.</b>                                                                                  | <b>VOTE REQUIRED BY SELECT BOARD</b>              |
| N/A – Discussion Only                                                                      |                                                   |
| <b>3.</b>                                                                                  | <b>BACK UP INFORMATION ATTACHED</b>               |
| None                                                                                       |                                                   |

**Town of Needham  
Select Board Meeting Minutes  
May 7, 2025  
Needham Town Hall  
Select Board Chambers**

**6:45 p.m.**      Call to Order:

A special meeting of the Select Board was convened by Chair Heidi Frail. Present were Cathy Dowd, Marianne Cooley, Joshua Levy, Kevin Keane, Deputy Town Manager Katie King, and Town Manager Kate Fitzpatrick.

The Board discussed pending issues related to the Annual Town Meeting.

**7:00 p.m.**      **Motion: Mr. Keane moved that the Board adjourn its meeting at the conclusion of Town Meeting. Second: Mr. Levy. Unanimously approved 5-0.**

Note: The Annual Town Meeting adjourned for the evening at 11:30 p.m.

**Town of Needham  
Select Board Meeting Minutes  
May 12, 2025  
Needham Town Hall  
Select Board Chambers**

**6:50 p.m.**      Call to Order:

A special meeting of the Select Board was convened by Chair Heidi Frail. Present were Cathy Dowd, Marianne Cooley, Joshua Levy, Kevin Keane, Support Services Manager Myles Tucker, Deputy Town Manager Katie King, and Town Manager Kate Fitzpatrick.

The Board discussed pending issues related to the Annual and Special Town Meetings.

**7:00 p.m.**      **Motion: Mr. Keane moved that the Board adjourn its meeting at the conclusion of Town Meeting. Second: Ms. Cooley. Unanimously approved 5-0.**

**8:40 p.m.**      **Motion: Ms. Frail moved that the Board vote to oppose a motion to amend by Lawrence Cohen to condition the Town's acceptance of the Senior Work off program. Second: Ms. Dowd. Unanimous 5-0.**

**9:45 p.m.**      **Motion: Mr. Levy moved that the Board vote to oppose a motion by Stephen Frail to remove non-criminal disposition fine schedule from the black plastics article. Second Ms. Dowd. Unanimous: 5-0.**

Note: The Annual Town Meeting adjourned for the evening at 10:55 p.m.

**Town of Needham  
Anti-Nepotism Policy  
Personnel Administration #432**

---

## **I. PURPOSE AND SCOPE**

The Town of Needham is committed to a policy of employment and advancement based on qualifications and merit and does not discriminate in favor of or in opposition to the employment of relatives.

The purpose of this policy is to outline the prohibitions against nepotism contained in the conflict-of-interest law, M.G.L. c. 268A, while ensuring avoidance of favoritism, the appearance of or potential for favoritism, and conflicts of interest and loyalty often associated with nepotism. Nepotism is inconsistent with the Town's longstanding policy of making employment decisions and other operational decisions based solely on community needs and individual qualifications, skills, ability and performance.

## **II. APPLICABILITY**

This policy applies to all Town of Needham employees and candidates for employment, other than those positions under the supervision and control of the School Committee.

## **III. DEFINITIONS**

**Relative:** spouse or significant other, parent/stepparent, child/stepchild, grandparent, grandchild, brother/brother-in-law, sister/sister-in-law, uncle, aunt, nephew, niece, first cousin, in-laws (father, mother, son, daughter)

**Close Relationship Person:** any individual in a romantic relationship with the employee or any non-relative living in the same household as the employee.

**Significant Other:** a relationship between two people, neither of whom is married, that is intended to remain indefinitely and where there is joint responsibility for each other's common welfare, there are significant shared financial obligations, and they may be living together in a shared primary residence.

## **IV. POLICY**

To avoid potential for perceived or actual conflicts, such as favoritism or personal conflicts from outside the work environment, which can be carried into the daily working relationship, the Town may hire relatives of, or anyone with a close personal relationship to, persons currently employed only if: a) candidates for employment will not be working directly for or supervising a relative or close relationship person, and b) candidates for



employment will not occupy a position in the same line of authority in which employees can initiate or participate in decisions involving a direct benefit to the relative or person in close relationship. Such decisions include hiring, retention, transfer, promotion, wages and leave requests.

This policy does not prohibit (but does not encourage) the Town from simultaneously employing relatives or persons with a close relationship to an existing employee. Relatives and close relationship persons are permitted to work in the same Town department or division so long as they comply with the requirements outlined above (e.g., there is no direct reporting or supervisory relationship between the relatives and all employment decisions are made by others).

All candidates, regardless of their direct or indirect relationship to existing employees, must follow the standard screening and selection procedures established for all hiring of personnel.

## **V. EXPECTATIONS OF STAFF**

All potential conflicts with the conditions outlined in this policy must be disclosed to the Director of Human Resources.

The hiring manager is responsible for ensuring policy compliance. Department managers are responsible for monitoring changes with employees reporting relations after initial hire to ensure compliance with this policy. Employees are responsible for immediately reporting any changes to their supervisor.

If any employee, after employment or change in employment, enters into one of the close personal relationships with a supervisor or an employee they directly supervise, one of the affected individuals must seek a transfer or a change in the reporting relationship. Such changes must be approved by the Town Manager/their designee.

## **VI. EXCEPTIONS**

The Town Manager has the discretion to interpret and make exceptions to this policy in the best interest of the Town.

## **Employment Contract**

Whereas, Massachusetts General Law, Chapter 41, § I 080, authorizes the Town Manager to establish an Employment Contract providing for the salary, fringe benefits, and other conditions of employment for the Fire Chief; and

Whereas, the Town Charter authorizes the Town Manager to develop and administer a personnel system, and to fix the compensation of all Town employees except those under the jurisdiction of the School Committee; and

Whereas the Town Manager and Fire Chief Tom Conroy desire to enter into such a Contract; Now therefore, the parties agree to the following:

### **Section 1 Conflict with Existing Law**

M.G.L. chapter 41 §97A Unless and until the Town votes otherwise, the Fire Chief is guided by the provisions of M.G.L. Chapter 48 Section 42A and 43. As such, he will also be fulfilling the position of Forest Warden.

Personnel Policy The terms of this Employment Contract shall prevail over any conflicting provisions of any personnel policy promulgated by the Town. Personnel Policies not in conflict with this Contract shall continue to apply to the Fire Chief.

### **Section 2 Hours of Work**

The Fire Chief will devote full time and attention to the business of the Town. The Chief agrees to devote that amount of time and energy reasonably necessary for him to faithfully perform the duties of Fire Chief. It is recognized that the Fire Chief must devote a great deal of time outside normal office hours to the business of the Town, and, to that end, the Fire Chief shall be allowed to adjust his work schedule as he shall deem appropriate during said normal office hours and at such time when the Chief reasonably determines such work schedule will have the least impact on departmental operations.

### **Section 3 Compensation**

- 3.1 Base Salary The Fire Chief is not subject to the classification and compensation provisions of the Town and his base salary shall be governed by this agreement. The base salary shall be all-inclusive, and no other additional payments will be made.

July 1, 2025: \$225,081

July 1, 2026: \$234,084

July 1, 2027: \$243,447

- 3.2 Performance Review The Town Manager shall annually review the performance of the Fire Chief. At that time, accomplishments from the prior year will be identified and objectives for the coming years will be established.

- 3.3 Death During Employment If the Fire Chief dies during the term of this Agreement, the Town shall pay to the Chiefs estate all the compensation which would otherwise be payable to the Fire Chief up to the date of his death, including, but not limited to, payment for any unused vacation and personal days, and non-occupational sick leave buy-back in accordance with Section 4.6 of this Agreement. Such payment will be made payable to the deceased in accordance with IRS regulations.
- 3.4 Employer Contribution to 401(a) Plan Deferred Compensation Plan The Town will make an annual payment of 2% of base pay to the 401A deferred compensation plan offered by the Town and elected by the Fire Chief.

#### **Section 4** **Leave Benefits**

- 4.1 Leave Without Pay The Fire Chief shall be entitled to leave without pay as necessary in accordance with the provisions of the Unpaid Leave of Absence Policy, #305, dated July 1, 2000, as amended.
- 4.2 Civic Duty Leave The Fire Chief shall be entitled to Civic Duty Leave, as necessary, in accordance with the provisions of the Civic Duty Leave Policy, #301, dated July 1, 2000, as amended. It is understood that in the event that the Chief must appear in Court on behalf of the Town of Needham, such appearance shall be considered regular work time.
- 4.3 Bereavement Leave The Fire Chief shall be entitled to Bereavement Leave, as necessary, in accordance with the provisions of the Bereavement Leave Policy, #304, dated March 5, 2024, as amended.
- 4.4 Personal Leave The Fire Chief shall be entitled to Personal Leave in accordance with the provisions of the Personal Leave Policy, #316, dated November 16, 2022, as amended.
- 4.5 Injury on Duty The Fire Chief shall be entitled to Injury on Duty pay and benefits in accordance with the Fire Chief Injury on Duty Policy, #418, dated September 10, 1996, as amended.
- 4.6 Non-Occupational Sick Leave The Fire Chief shall be entitled to and bound by all sick leave provisions, including accrual, use, extended sick leave, medical verification, and fitness for duty, contained in the Non-occupational Sick Leave Policy, #303, dated July 30, 2024, as amended.
- 4.6.1 In the event that the Fire Chief terminates employment with the Town by retirement, disability, or death, he shall be entitled to a cash payment upon termination at his current rate of pay for twenty-five percent (25%) of his non-occupational sick leave bank.
- 4.7 Vacation The Fire Chief shall receive vacation benefits in accordance with the Vacation Policy (#310) dated August 2023, as amended.
- 4.8 Holidays The Fire Chief shall receive time off on each recognized holiday in accordance with the Holiday Leave and Holiday Pay Policy, #314, dated July 1, 2000, as amended.

## **Section 5**

### **Benefits**

- 5.1 Professional Development The Fire Chief is encouraged to take advantage of the latest developments in the field of public safety and the fire service. The Chief will be allowed to maintain membership and hold office local and international professional associations, including the International Associations of Fire Chiefs. The annual dues in these Associations, and other professional organizations, as well as the expenses related to conferences and meetings shall be considered as normal business expenses to be proposed in the Department budget and charged to the Town. In this regard the Town agrees, subject to appropriation by Town Meeting, to budget appropriate and reasonable finances for travel and expenses related to the attendance of the Fire Chief at the annual conference of the International Association of Fire Chiefs, and short courses, institutes and seminars that in his reasonable judgment, are necessary for his professional development. Such time spent in the foregoing activities shall be considered as time worked; however, the Fire Chief recognizes that his primary responsibility is to the Town of Needham Fire Department. Attendance at professional development activities will be limited and/or scheduled in such a manner that they do not impact in an adverse manner upon the Chiefs professional responsibilities. In this regard, the Chief shall be subject to the provisions of the Membership in Professional Associations Policy, (#405), dated December 13, 2000, and the Travel Expense Reimbursement Policy (#510), dated February 26, 2025.
- 5.2 Membership in the Retirement System The Town of Needham agrees that the Fire Chief shall be entitled to continue as a member of the Town of Needham Contributory Retirement System (in accordance with the provisions of M.G.L. c. 32) under the same terms and conditions in effect on the effective date of this Agreement, or as these provisions may be hereafter amended. Upon retirement, the Fire Chief shall be entitled to all benefits available to other retired employees of the Town of Needham.
- 5.3 Automobile Use The Town shall provide a vehicle for use by the Fire Chief and pay for all attendant operating and maintenance expenses and insurance. Said vehicle is to be used exclusively by the Fire Chief in connection with the performance of his duties as Fire Chief and for his professional growth and development. Since the Chief is on-call in the event of emergency, he may use the vehicle for personal reasons. All use of the vehicle is restricted to travel in New England and New York, unless approved in advance by the Town Manager. The Fire Chief is subject to the other aspects of the Town's Vehicle Use Policy, dated October 2, 2013 and as may be revised, which are not in conflict with this section. If the Massachusetts Public Employee Retirement Administration Commission determines that the value of the personal use of this automobile shall be included as part of the Fire Chiefs regular compensation for the purpose of determining retirement benefits, then for the purpose of this calculation, it shall be determined that twenty-five percent of the vehicle use shall be considered personal use.
- 5.4 Indemnification The Town of Needham shall defend, save harmless, and indemnify the Fire Chief against any tort, professional liability claim, or demand or other legal action, whether groundless or otherwise, arising out of an alleged act or omission occurring in the performance of his duties as Fire Chief, provided that the Fire Chief acted within the scope of his official duties. The Town may compromise and settle any such claim or suit and will pay the amount of any settlement or judgment rendered thereon without recourse to the Fire Chief. Under such circumstances, the Town of Needham shall select the attorney. This Section shall survive any termination of this Agreement.

- 5.5 Outside Employment Subject to the approval of the Town Manager, the Fire Chief may accept outside employment (e.g., teaching, consulting, etc.) only to the extent that such assignments do not interfere in any way with the performance of his duties with the Needham Fire Department.
- 5.6 Personal Cell Phone Reimbursement The Fire Chief shall be entitled to \$50 per month reimbursement for use of his personal cell phone upon submission of appropriate documentation.

## **Section 6**

### **Drug and Alcohol Testing**

The Fire Chief shall be subject to any drug and alcohol testing requirements as may be negotiated for other firefighters in the Department.

## **Section 7**

### **Removal, Retirement and Resignation**

- 7.1 Nothing in this Agreement shall preclude the Fire Chief from retiring or resigning during the period of this contract. However, the Town reserves the right to limit vacation use in the event that the Fire Chief retires or resigns prior to the expiration of this Agreement. If the Fire Chief resigns or retires voluntarily before the expiration of this contract, he agrees to give 30 days written notice in advance, unless there is an agreement in writing between the Fire Chief and the Town Manager to the contrary.
- 7.2 Removal and Severance In accordance with Section 20(±) of the Town Charter, the Town Manager, with the approval of the Select Board, may remove the Fire Chief with or without cause, but only after a joint hearing held by the Town Manager and the Select Board, which shall not be a public hearing and shall not be subject to appeal or review. In the event that the Town Manager removes the Fire Chief without cause, the Town shall provide severance pay in the amount of one week's pay for each year of continuous service. Such severance shall be the Chief's sole entitlement other than wages or the payment of accrued leave to which he would otherwise be entitled and will be payable only upon receipt of a full and general release to the Town and its employees and agents.

## **Section 8**

### **Duties of Position**

The duties of the position of Fire Chief shall be those listed on the attached job description dated 12/2016. The Fire Chief shall also serve as the Director of Emergency Management.

## **Section 9**

### **Effect of Agreement**

- 9.1 The Agreement shall take effect as of July 1, 2025 and shall continue in full force and effect through June 30, 2028.

- 9.2 This contract represents the entire agreement between the parties relating to the wages and benefits of the Fire Chief.
- 9.3 Any changes, amendments, and/or modifications to this Agreement shall be in writing and shall be executed by both parties.
- 9.4 Law Governing This Contract shall be construed and governed by the Laws of the Commonwealth of Massachusetts.
- 9.5 Severability of Provisions If any clause of this contract shall be determined to be illegal by a court of competent jurisdiction, the remainder of this contract shall not be affected thereby, and the parties agree to meet and discuss appropriate substitute provisions.

Town of Needham

Fire Chief



5/16/2025

\_\_\_\_\_  
Town Manager/Date

\_\_\_\_\_  
Thomas M. Conroy/Date

\_\_\_\_\_  
Chair, Select Board/Date

\_\_\_\_\_  
Approved as to Form/Town Counsel/Date