

**Needham Finance Committee
Minutes of Meeting of December 11, 2024**

To view a recording of the meeting on YouTube:

https://youtu.be/OtvT4vAlI9o?si=ZrMdD_BhtR6_-WCy

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

Present from the Finance Committee:

Carol Smith-Fachetti, Chair; John Connelly, Vice-Chair
Karen Calton, Paul O'Connor, Barry Coffman, Joe Abruzese, Tina Burgos, Ms. Blauer, Lydia Wu (arrived at 7:04 via Zoom)

Others Present:

David Davison, Deputy Town Manager/Director of Finance
Molly Pollard, Finance Committee Executive Secretary
Cecilia Simchak, Assistant Director of Finance
Kate Fitzpatrick, Town Manager
Kevin Keane, Select Board, Chair
Chris Heap, Town Counsel
Joni Schockett, Needham Council for Arts and Culture
J.P. Cacciaglia, Economic Development Manager
Myles Tucker, Support Services Manager
Tatiana Swanson, Assistant Director of Human Resources
Carol Thomas, Commission on Disabilities, Co-Chair

Citizen Request to Address the Finance Committee

None

Approval of Minutes of Prior Meetings

MOVED: By Mr. Connelly that the minutes of meeting October 21, 2024, be approved as distributed, subject to technical corrections. Ms. Calton seconded the motion. The motion was approved by a vote of 7-0 at approximately 7:01pm.

Reserve Fund Transfer Request

Documents: Reserve Fund Transfer Request: Office of the Town Manager

Mr. Keane announced that Kate Fitzpatrick is retiring, necessitating the hiring of a consultant to conduct a search for her replacement. He explained that hiring a consultant follows best practices and requested a reserve fund transfer of \$13,800 to cover the associated expense. Ms. Smith-Fachetti asked whether a consultant had been hired or if an RFP process was underway. Mr. Keane confirmed that quotes were requested, with Community Paradigm Solutions. Ms. Fitzpatrick endorsed the firm, noting its extensive track record of 120 successful searches over eight years.

Mr. Abruzese inquired if \$13,800 represented the total cost, which Mr. Keane confirmed. Ms. Smith-Fachetti asked about the consultant's review of the town charter. Ms. Fitzpatrick explained that the firm would brief the screening committee on relevant charter provisions, including the appointment process. Mr. Connelly questioned how the \$13,800 amount was determined and asked for clarification on the consultant's role in the selection process. Ms. Fitzpatrick stated it was based on the requested scope of work, three firms provided bids and this was the least expensive. She confirmed that the consultant would not be involved in candidate selection but would conduct background checks.

MOVED: By Mr. Connelly that the Finance Committee approve the Reserve Fund Transfer Request in the amount of \$13,800 for the Town Manager search. Ms. Calton seconded the motion. The motion was approved by a roll call vote of 9-0 at approximately 7:06pm.

FY2026 Department Budget Hearings: Legal Services/Town Counsel

Mr. Connelly reported that this department remains level-funded at \$329,140. They found that the current fiscal year's expenditures are on track. The budget primarily covers services from the law firm Myers and Heath, which has served as Town Counsel since 2020 under a formal arrangement established in 2022. Legal services account for about 90% of the budget, with monthly billing rates of \$225 for partners and \$205 for associates. The budget also includes specialized legal services such as labor, environmental, and cable counsel.

Ms. Smith-Fachetti asked about the 32% expenditure increase from fiscal year 2024 to 2025, questioning why the budget is now expected to remain level. Mr. Connelly explained that expenditures in 2024 were unusually low due to reduced legal activity, contrasting with a higher amount of \$334,000 in 2023. Mr. Heap added that previous litigation drove costs up in earlier years, which were not present in the following budget cycle.

FY2026 Department Budget Hearings: Council for Arts and Culture

Ms. Schockett highlighted that NCAC received \$9,400 from the Massachusetts Cultural Council, which, combined with town funds, enabled significant community and economic impact. Initiatives included the Outside Arts program featuring public art displays. NCAC also completed its most successful grant cycle, awarding \$25,495 in grants to 33 out of 42 applicants, with 17 receiving full funding. Programs funded serve diverse groups, including neurodivergent students, low-income children, and senior citizens. Despite these successes, unmet funding requests totaled \$33,750.

Ms. Smith-Fachetti inquired about the increased number of grant applications. Ms. Schockett attributed this to post-pandemic recovery and the return of artists with innovative projects. Mr. Connelly asked about fundraising possibilities. Ms. Schockett explained that state regulations linked to the Massachusetts Cultural Council's lottery-funded budget severely limit fundraising options. Mr. Cacciaglia and Ms. Burgos added that to secure additional grants face challenges due to complex application processes, matching fund requirements, and limited volunteer grant-writing capacity.

FY2026 Department Budget Hearings: Historical Commission

Mr. Tucker explained that the budget primarily covers communication expenses, particularly postage for notifications related to demolition delay bylaw hearings. He mentioned that no such hearings had occurred in the past three years but acknowledged that costs could rise depending on the number of required notices and affected property owners.

After a question from Ms. Smith-Fachetti, Mr. Tucker clarified that the town does not cover the cost of historical plaques for homes, as that responsibility falls to the Historical Center and Museum. Ms. Smith-Fachetti also highlighted that the commission's budget had decreased compared to the previous year.

FY2026 Department Budget Hearings: Commission on Disabilities

Mr. Connelly presented the commission's FY25 budget is \$2,050, and they are requesting a \$500 increase for FY26. This additional funding would be used to secure more educational speakers for town events. The group collaborates closely with the Council on Aging to provide educational programs and services for residents with disabilities. Of the current budget, \$1,500 is allocated as a stipend for Ms. Swanson's role as liaison.

Finance Committee Updates

Mr. O'Connor reported on the first meeting of the Needham Center Review Study Committee. He explained that while the initial revitalization plan from the 2000s aimed to use Chapter 90 funds and Department of Transportation grants for phased improvements, the current strategy seeks to accelerate the process. He noted that Chapter 90 funds, once reserved exclusively for

this project, are now also used for various Department of Public Works projects, reducing the available budget. The committee may request additional town funding and plans to pilot proposed changes as early as next spring. The Select Board would need to approve any proposed projects.

Mr. Davison explained that Chapter 90 funds are formula-based distributions for cities and towns, while Transportation Improvement Program (TIP) grants are competitive and not guaranteed. Mr. Davison clarified that some Chapter 90-funded projects might be better suited for town meeting approval, citing quiet zone-related work as an example. Ms. Blauer mentioned concerns about delayed replenishment of Chapter 90 funds if they remain unused.

Mr. Connelly also reported on a school budget meeting, noting that the school department is requesting a 7.6% increase for FY 26, driven mainly by salary negotiations and IT additions. Formal budget presentations are scheduled for January 22.

Mr. Coffman shared updates from the Climate Action Committee, highlighting their success in pursuing grants. He noted potential risks to some grants due to the town's non-compliance with the MBTA Communities Act, although the impact remains uncertain.

Ms. Calton reported on the Bylaw Review Committee's organizational meeting, focusing on eliminating outdated language and ensuring consistency. They plan to meet regularly starting in January.

Ms. Burgos mentioned the Large House Review Committee meetings are starting up.

Ms. Smith-Fachetti shared that the Town Manager search process had not yet begun but would brief once started.

Adjournment

MOVED: By Mr. Connelly that the Finance Committee meeting be adjourned, there being no further business. Mr. O'Connor seconded the motion. The motion was approved by a roll call vote of 9-0, at approximately 7:06 p.m.

Documents: *Reserve Fund Transfer: Office of the Town Manager*

Respectfully submitted,

Molly Pollard
Executive Secretary, Finance Committee