

FINANCE COMMISSION

Name: Kellie Noumi

Questions:

1. Tell us about yourself and how your experiences will make you a good candidate for this office.

I'm a Norwood resident and parent of two children in the Norwood Public Schools. My mother, also a Norwood resident, lives with us, so I'm invested in both our schools and the needs of seniors in our community.

I previously served on the Finance Commission for five years and am running again after a three-year break. During my time on the Commission, we passed the operational override and approved funding for the new Coakley Middle School, two major decisions that required careful analysis, clear communication with the public, and a focus on what's best for the town over the long term.

Beyond the Commission, I've stayed involved in town as treasurer of the Willett PTO, through town fundraisers, and by coaching soccer, baseball, and basketball for almost a decade. Those roles keep me connected to families, schools, and the community and give me a practical sense of how town finances affect the services and quality of life we all value. I'm a level-headed, analytical person who relies on data and careful review when making decisions, and I want the Commission to represent our whole community so we protect what makes Norwood a place we're proud to call home.

2. In what areas do you believe Norwood should invest that it currently isn't?

Norwood is facing a structural budget gap—recurring costs like pensions and health insurance are growing faster than recurring revenue—so new spending has to be targeted and sustainable. Areas I'd look to invest in, where we can get long-term value, include:

- **Capital and infrastructure:** Deferred maintenance and one-time capital needs are easy to put off when the operating budget is tight, but they get more expensive over time. Dedicating more planning and, where possible, funding to buildings, roads, and equipment—through capital plans and stabilization funds—reduces future debt and avoids bigger bills later.
- **Reserves and stabilization:** Building and maintaining reserves (including capital and stabilization funds) smooths out bad years and one-time shocks. Norwood's recent free cash has given us a chance to strengthen these; I'd support continuing to use one-time surpluses to shore up reserves rather than funding ongoing operations.
- **Pension funding:** With the town's pension system around 76% funded, improving that over time is an investment in our long-term fiscal health and helps avoid even larger required contributions later.

I'd want any new investments to be backed by data, aligned with a long-term financial plan, and discussed openly with the public so we're making choices that reflect our priorities as a community.

3. How would you propose raising/creating new revenue?

New revenue has to be part of the conversation because Norwood's structural gap won't close with one-time sources like free cash. I'd support a balanced approach:

- Economic development: Norwood has benefited from strong building-permit revenue from projects like FM Global and Norwood Hospital, but that level isn't guaranteed going forward. Supporting thoughtful commercial and mixed-use development, and making it easier for businesses to invest here, can grow the tax base and other local revenue over time.
- Grants and other outside sources: Pursuing state, federal, and other grants for capital projects, schools, and infrastructure can bring in revenue that doesn't rely solely on the property tax.
- Fees and local receipts: Reviewing fees and local receipts to ensure they're fair and aligned with the cost of services—without overburdening residents—can help capture revenue where it's appropriate.
- Honest conversation about overrides: I supported the operational override when I was on the Commission because the numbers showed we needed it. If the data and long-term plan show that recurring revenue still isn't enough to support the services the community wants, we need to have an honest discussion about whether another override or other revenue options are necessary, and to present that clearly to voters.

I'd want the Finance Commission to work with the Select Board, School Committee, and town staff to model different revenue options and their impact so the town can make informed choices.

4. What is the importance of free cash and what do you believe is the best use for it?

Free cash is the amount left over after the prior year's books are closed—from underspending, higher-than-budgeted revenue (e.g., investment income or building permits), and other one-time items. It's certified by the state and gives the town flexibility, but it's not guaranteed from year to year. Using it for ongoing expenses is like using savings to pay the mortgage: it might work once, but it's not a long-term plan.

Best uses for free cash:

- One-time operating support, if needed: In a year with a structural gap, using a limited amount of free cash to avoid deep cuts can be reasonable—as FinCom has recommended (e.g., around \$7.45M for FY26)—as long as we're clear it's one-time and we're working on a long-term fix.
- Capital projects: Free cash is well suited to one-time capital needs—building repairs, vehicles, equipment, road work—that don't recur every year. That preserves debt capacity for larger projects and can save interest costs.
- Stabilization and reserve funds: Putting free cash into stabilization funds (e.g., for capital projects, OPEB, or general stabilization) builds a cushion for future years, smooths budget cycles, and addresses known long-term liabilities. Many communities aim to keep a reserve balance around 5–7% of the general fund budget.
- Snow and ice deficit: State law allows free cash to cover prior-year snow and ice shortfalls, which is a standard and appropriate use.

- Unforeseen emergencies: Keeping a portion of free cash or building reserves helps the town respond to emergencies without destabilizing the operating budget.

Norwood's recent certified free cash (around \$29.8M) came from strong investment income and building-permit revenue that may not repeat. The Finance Commission has rightly recommended using part for one-time operating support and putting a significant portion into reserves and stabilization rather than locking it into recurring spending. I support that approach: use free cash to address one-time needs and strengthen reserves, while tackling the structural gap through revenue and cost discipline so we don't depend on free cash for day-to-day operations.