



TOWN OF NORWELL
Norwell Town Offices, Room 112
345 Main Street
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Norwell Advisory Board Meeting Minutes February 9, 2023

The Advisory Board was called to order by Chair Jesse McSweeney at 7:30 PM. Also present were Town Administrator Darleen Sullivan, Town Accountant Christine McCarthy, and Board Members Bob Perniola, Peter Leppanen, John LaCara, and Dane Hutchison. Unable to attend were Elizabeth Hibbard, Mark Cleveland, and Ed Maguire. Brian D'Souza arrived at 7:35 PM.

AGENDA

Motion by Mr. Perniola to approve the agenda as printed. Seconded by Mr. Leppanen and unanimously voted by roll call Leppanen y, Perniola y, McSweeney y, Hutchison y, La Cara y.

ADMINISTRATIVE MATTERS

Reserve Fund Transfer Requests

Hazard Tree Removal

Town Accountant Christine McCarthy requested a reserve transfer of \$6400 to cover the removal of three hazard trees behind the library. The matter normally would have been referred to Trees and Grounds, but they were unable to attend to the request in sufficient time.

Motion made by Mr. Perniola to transfer \$6400 from the Reserve Fund to cover removal of three hazard trees behind the Town Library. Seconded by Mr. Leppanen and unanimously voted by roll call: D'Souza abstain, Leppanen y, Perniola y, McSweeney y, Hutchison y, La Cara y.

Fire Truck

Ms. McCarthy requested a reserve transfer of \$195,000 to cover the purchase of a fire truck as approved at the January 23 Special Town Meeting.

Motion made by Mr. Perniola to transfer \$195,000 from the Reserve Fund to cover the purchase of a fire truck as approved at Town Meeting. Seconded by Mr. Leppanen and unanimously voted by roll call: D'Souza y, Leppanen y, Perniola y, McSweeney y, Hutchison y, La Cara y.

FY 2024 BUDGET OVERVIEW

Town Administrator Darleen Sullivan opened with a brief overview of the FY 2024 budget. She was still waiting on local aid and health insurance rates, and still had some questions regarding the Police and Fire budgets. This year's budgets will have some new breakouts and line items due to the use of a new spreadsheet which offers some additional flexibility as to formatting and presentation; the plan is to ultimately deploy this software to all departments.

FY 2024 BUDGET CATEGORIES

Reserve Fund

Each municipality in the state is required to maintain a reserve fund based roughly on one half of one percent of its annual operating budget. The fund is used to pay for unforeseen expenses and

emergencies, as well as to cover any deficits for snow and ice removal or omissions due to warrant printing errors. The expected FY 24 contribution is \$350,000, same as last year.

Capital Stabilization Fund

An \$80,000 contribution is budgeted, but may change if needed to balance the budget. Mr. McSweeney noted that the contribution has varied from year to year.

Debt Service

A figure of \$2,642,542.50 is budgeted for debt service, which includes principal and interest payments on Town loans. Ms. Sullivan indicated that an \$865,000 and \$15,000 school loans would be retired in FY 24, and the estimated tax impact would be provided.

Mr. Perniola asked how a large project, such as a new school building, would be financed; costs not covered by state funding/reimbursement would largely be financed through a long-term loan. The Town has good credit, which translates to lower interest on its debt.

Plymouth County Retirement Fund

An increased contribution of \$3,778,666 is budgeted, which is driven by a funding schedule that seeks to retire all the Fund's debt by 2030. Assessments have been increasing annually in recent years in an effort to retire this debt.

OPEB

The OPEB ("other post-employment benefits") Trust Fund pays for retired employee health insurance and other benefits. The FY 24 budget calls for a \$130,000 contribution, as part of a multiyear funding plan. The Town makes one annual payment in July and receives a discount. There will probably be an outside article requesting additional funding in order to keep up with the cost.

Workers Compensation

\$250,000 is budgeted for this year versus \$225,000 last year. Ms. Sullivan noted that last year's actual worker's comp expenses came to about \$240,000. She is consulting with the School Department on "return to work" policies, which can impact these costs.

Unemployment

These expenses are self-funded and paid by the Town as claims come in. \$20,000 is budgeted this year, down from \$45,000 last year.

Group and Town Insurance

This line item includes Health and Life Insurance for employees and retirees. Ms. Sullivan is estimating a 5% increase in health insurance costs at this time, but the actual figure will be adjusted when premiums come in. She has budgeted \$20,000 for group life insurance as a placeholder. The Town is part of a joint purchasing group that negotiates premiums. Medicare costs, which are shared with employees, have also gone up.

Unclassified

This new line item includes pre-employment HR expenses, budgeted at around \$8000, sick leave buyout for non-union employees, comprehensive liability insurance at around \$250,000, and town bonds which cover errors and omissions on the part of certain employees.

MISCELLANEOUS

The Town is joining a class action suit along with multiple towns in the state to recover the costs associated with abating PFAS levels in the water supply. Recent testing in the schools showed low PFAS levels in their water.

Chair McSweeney met with Police Chief Ed Lee this afternoon, and will be meeting with Fire Chief Ed Kean on Monday; he has asked for both their vehicle acquisition schedules so the Board has them in advance.

Chair McSweeney stated that future meetings would be at 7 PM.

FUTURE MEETINGS

2/13, 2/16, 2/28, 3/2 3/7, 3/9, 3/14, 3/16, 3/21, 3/23

ADJOURNMENT

There being no further business, a motion was made by Mr. Perniola to adjourn at 8:41 PM with note that future meetings will be starting at 7 PM. Seconded by Mr. Leppanen and unanimously voted by roll call: D'Souza y, Leppanen y, Perniola y, McSweeney y, Hutchison y, La Cara y.

Jesse McSweeney, Chair