

**Norwell Board of Selectmen
Meeting Minutes
May 29, 2013**

Ellen Allen opened and introduced Jason Brown, Gregg McBride, David DeCoste, Tammie Garner and Town Administrator Jim Boudreau. *MOTION: Jason Brown moved the Board approve the agenda as written. Seconded and unanimously voted.*

Pledge of Allegiance

CITIZEN COMMENTS – None

APPROVAL OF MINUTES – None

OLD BUSINESS – None

NEW BUSINESS

Farm License – Utilizing town land, George Whittaker for a portion of the Donovan Fields up at the corner of Circuit and Pleasant Streets. In the same form as Jacobs Farm House and other portions of the Donovan fields. It is a three year license and is extendable at the end of each year. It provides for the Conservation Commission to approve their plans for those properties because they have the care and custody of these fields and others. It provides that Whittaker name the town as additional insured on his liability coverage. It was noted that Whittaker may not wish to continue farming this property, *so a motion was made, seconded and unanimously voted to postpone any action.*

Discussion of Financial and Capital Policies – With the addition of two new Selectmen, Jason Brown and Tammie Garner, the Reserve Policy of March 12, 2013 was reviewed and discussed. For all these calculations, the General Fund Operating Budget excludes budgets that are funded with their own dedicated sources of money, including everything Water Dept.-related and the CPA operating line. This results in an operating budget that includes only what is funded with “raise and appropriate” revenues. The Board would like the Town Accountant to show the percentage, not just the dollar amount on the annual Target Sheet that measures compliance with policies.

- 1) The Advisory Board's **Reserve Fund** should be 0.5 - 0.75% of General Fund 1 expenditures. For FY12 this amount was unchanged at \$200,000 or 0.49%.
- 2) The **Unassigned Fund Balance + Stabilization** should be 5-15% of annual General Fund expenditures. For FY12, it was \$4,651,289 or 11.42%. This is an important measure for the town's debt rating. Unassigned fund balance, includes free cash but more than free cash.
- 3) The **Stabilization Fund** should be 3-5% of the General Fund Operating Budget. For FY12 it was \$1,724,158 or 4.42%. This is the General Stabilization Fund, available for emergencies. There is also a recently established Capital Stabilization Fund. The Board noted that there should be guidelines developed for when to use each of these stabilization funds since technically, Town Meeting can vote to use either one with a 2/3 majority .
- 4) **Free Cash** returned at the end of each fiscal year should be 3-5% of the General Fund Operating Budget. The budget should end in the black to ensure this. For FY12, Free Cash was \$1,837,612, up from the prior year, or 4.72%. The policy states that Free Cash should be used for funding stabilization, capital expenditures or other non-recurring items. Use of Free Cash to fund the operating budget should be avoided and not exceed 25% of the prior

year's certified amount. The Town Accountant had flagged the use of Free Cash in FY12 for certain recurrent items, like paving, as out of compliance with the policy. Ellen Allen noted that is actually the Board's intention that paving and public works continue to be funded in non-operating budget articles with Free Cash. The Board will have language added to the policy to clarify this.

- 5) Surplus from the **Overlay Reserve** should be used to fund the Senior Property Tax Work-Off Program or the Town's Capital Improvement Plan. The Board discussed the recent suggestion from the Council on Aging to increase the maximum abatement from \$750 to \$1000, but concluded that it would be better not to do so if it would mean that some seniors could no longer participate in the Tax Work-Off program.

Debt Management Policy – This policy is to ensure the town does not have too much debt for a financially responsible town, including both under levy and excluded override debt. We don't have a calculation for this yet, but are certain we are well inside our guidelines.

Capital Policy – We do five year plans. Other towns have a more extensive capital improvement plans than we do. Ellen Allen suggested the Board give suggestions for the Capital Policy to the Capital Budget Committee and new Facilities Manager. In the next month, reappointments are a priority, including the Capital Budget Committee. Need creative ways to find people who would like to join a committee. The Board decided to put this topic on a later agenda – June 26, 2013.

Liaison Updates – Ellen Allen went to the CPC meeting last week. They are to meet during the summer. They discussed only what is known to be coming for the fall town meeting, athletic fields and pathways. They decided they would also accept applications for other things. However, they may not be able to look at everything, in which case some requests would get pushed forward to the following season, next Spring. They mentioned they were making their application even earlier for Spring Town Meeting with a deadline in October. They also intend to try to get a volunteer local facilitator, to guide their discussions in setting guidelines for use of CPA funds.

UPCOMING MEETINGS – Targeting the 12th to review everything related to the police station, subject to the architect being available.

EXECUTIVE SESSION – Collective Bargaining

MOTION: Jason Brown moved the Board enter into Executive Session for the purpose of discussing collective bargaining and not return to open session. Seconded and unanimously voted.

Chairman Ellen Allen explained that to discuss this in an open meeting may have a detrimental effect on the Town's bargaining or litigating position. Ellen Allen polled the Board. Jason Brown voted yes, Gregg McBride voted yes, David DeCoste voted yes, Tammie Garner voted yes and Ellen Allen voted yes.



Board of Selectmen
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