



The TOWN OF NORWOOD

Commonwealth of Massachusetts

FINANCE COMMISSION

ROBERT G. DONNELLY
CHAIR

ANNE MARIE HALEY
VICE-CHAIR

JUDITH A. LANGONE

KELLIE NOUMI

ALAN D. SLATER

FINANCE COMMISSION MEETING

Friday, November 6, 2020 at 4:00 pm

This meeting will be conducted digitally using GoToMeeting. Directions explaining how to join the meeting can be found at the end of this agenda.

A G E N D A

- Acceptance of minutes from October 14 and October 26, 2020
- Any and all Town Meeting matters
- Other Business

FISCAL 2021 RESERVE FUND ACTIVITY

Reserve Fund ATM Appropriation	\$150,000
Remaining Balance	<u>\$150,000</u>

The Commission reserves the right to consider items on the agenda out of order. This listing of matters contains those items reasonably anticipated by the Chairman which may be discussed at the meeting at least 48 hours prior to the meeting. Not all items listed may in fact be discussed and other items not listed may also be brought up for discussion to the extent permitted by law.

Here is additional information about how to attend the meeting using GoToMeeting:

FINCOM Meeting (Will be recorded)
Fri, Nov 6, 2020 4:00 PM - 7:00 PM (EST)

Please join my meeting from your computer, tablet or smartphone.
<https://global.gotomeeting.com/join/956819589>

You can also dial in using your phone.
United States: +1 (872) 240-3212

Access Code: 956-819-589

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FINANCE COMMISSION MEETING
Wednesday, October 14, 2020
MINUTES OF MEETING - DRAFT

A meeting of the Finance Commission was held at 7:30 pm, Wednesday, October 14, 2020 digitally using GoToMeeting.

Attending the meeting were Robert Donnelly, Chair, Anne Haley, Vice Chair, members Judith Langone, Kellie Noumi and Alan Slater, supported by Thomas McQuaid, Director of Finance & Accounting and Molly Ahearn, Assistant Town Accountant. Also attending this meeting were Tony Mazzucco, General Manager, Joseph Collins, Management Analyst, Cathy Carney, Director of Administrative Services, Dave Thomson, School Superintendent, Karin Sheridan, School Business Officer, Myev Bodenhofer, School Committee Member and Teresa Stewart, School Committee Chair.

Mr. Donnelly suggested edits to the “key areas of focus” paragraph in the minutes from the September 21, 2020 Finance Commission meeting and on a motion from Mr. Slater, seconded by Mrs. Haley, the amended minutes were *approved unanimously* through a roll-call vote.

Mr. Mazzucco presented an update on the FY2021 Capital Outlay, identifying which projects have been completed or postponed and amendments to the original Capital Improvement Plan. Mr. Donnelly forwarded to all Finance Commissioners a detailed list of the specific tools and equipment the Fire Department is requesting for fleet maintenance. Mr. Mazzucco confirmed that the Meadowbrook projects include updated design for areas that were previously studied. Mrs. Haley commented that purchasing, rather than continuing to rent, additional vehicles for Public Works employees is the most cost effective way as these vehicles are needed in order to comply with Covid-19 safety regulations. Mr. Mazzucco confirmed that new capital requests, except for the Fire Department tools and equipment, will be funded through borrowing instead of free cash due to the financial uncertainty surrounding Covid-19.

Mr. McQuaid presented the Town’s debt capacity schedule. Mr. Mazzucco explained that if the Town assumes no new debt, then the debt service costs decrease every year. Mr. Donnelly proposed that the Commission continue the discussion on the estimated debt service cost before officially voting on the Capital Improvement Plan for the Special Town Meeting in November. In presenting the infrastructure article, Mr. Mazzucco explained that water and sewer rates are

expected to increase 2.5% as a result of these water projects. Mrs. Haley confirmed that the Commission will vote on the infrastructure program on a yearly basis. The Commission discussed the importance of coordinating road projects with water and sewer work so that newly paved roads are not selected for capital improvement projects that would open the street.

During an update on the School Department's FY21 budget, Ms. Sheridan reviewed estimated additional expenditures. Mr. Mazzucco explained that approving an additional \$300,000 for the School Department's budget would ensure greater flexibility in adapting various school models to changing pandemic situations. The Commission decided to meet again before Special Town Meeting in order to finalize the amount to include in the motion.

The Commission reviewed the articles for Special Town Meeting, focusing on those that have a financial impact. Mr. Mazzucco highlighted three projects: the Civic Elevator, a reimbursement to Perpetual Care and a Classification/Compensation Study.

A Motions Meeting will be scheduled in the coming weeks and the Finance Commissioners will attend. Ms. Noumi brought forth the importance of being consistent in recommendations related to borrowing or pausing spending. The Commissioners agreed that information is changing frequently as a result of the uncertainty surrounding the pandemic.

A discussion on the Long Term Financial Forecast took place as Mr. Mazzucco reviewed the proposed budget changes for Special Town Meeting.

The Commission scheduled the next Finance Commission meeting for Wednesday, October 28, 2020 at 7:30 pm at which time formal votes will be taken for Special Town Meeting articles.

There being no other business, on a motion by Mr. Slater, seconded by Ms. Noumi, the Commission **voted unanimously** through a roll-call vote to adjourn at 9:38 pm.

A True Copy

Attest: _____
Thomas J. McQuaid, Clerk

FINANCE COMMISSION MEETING
Monday, October 26, 2020
MINUTES OF MEETING- DRAFT

A meeting of the Finance Commission was held at 7:30 pm, Monday, October 26, 2020 digitally using GoToMeeting.

Attending the meeting were Robert Donnelly, Chair, Anne Haley, Vice Chair, members Judith Langone, Kellie Noumi and Alan Slater, supported by Emily Chambers, Budget Management Analyst. Also attending this meeting were Tony Mazzucco, General Manager, Mark Good, Treasurer, and David Hajjar, Selectman.

The minutes from the October 14, 2020 Finance Commission meeting were incomplete and will be voted on at the next meeting.

Mr. Mazzucco presented Town Meeting #2 Article 1, to apply \$618,232 of free cash to offset the tax rate. Mrs. Langone inquired about the amount of free cash available. Mr. Mazzucco provided an estimate of \$8.5 million, pending certification by the auditors.

Mr. Mazzucco presented Town Meeting #2 Article 2, Hybrid Education Funding for the School Department using \$746,158 of free cash, to meet the state’s unfunded remote learning mandate due to the COVID-19 pandemic.

At this point in the meeting, the Commission ***approved unanimously*** by a rollcall vote as follows:

<u>Article</u>	<u>Motion/Second</u>
1. Apply Free Cash to offset the Tax Rate	Langone/Haley
2. School Dept. – Hybrid Education Funding	Haley/Slater

Mr. Mazzucco then presented Town Meeting #2 Article 3, Capital Outlay-CIP (\$7,543,000), funded by borrowing. For FY21, the Town will borrow more than usual in order to maintain free cash, and will revert back to using free cash for FY22 and beyond. Mr. Mazzucco also reviewed the debt service schedule. Mr. Good explained that interest rates are low, and borrowed funds can be re-appropriated to other projects if not expended in full for their intended use. Mr.

Donnelly reminded the Commission that Town policy limits the debt ratio to 5% of operation revenues; currently the Town is at 3.69%. On a motion from Mr. Slater, seconded by Mrs. Langone, Article 3: Capital Outlay-CIP was **approved unanimously** by a rollcall vote.

Mr. Mazzucco presented Town Meeting #2 Article 3, Capital Outlay-IIP (\$7,300,000), funded by borrowing, for the Town’s road repair and water improvement program. The plan for road repair is to borrow \$2.8 million each year for 5 years, inclusive of all project costs. The water improvement program entails pipe lining to reduce leakage and increase flow, funded by 10 annual borrowings of \$4.5 million each and paid for through water rates. The cost of a dedicated engineer is included in the budget. Ms. Noumi expressed hesitation about additional borrowing in the same year as the COVID crisis. Mr. Hajjar raised concern about the burden on water rates. On a motion from Mrs. Langone, seconded by Mr. Slater, the Commission **approved by a rollcall vote of 3-2** Article 3: Capital Outlay-IIP. Mrs. Haley and Ms. Noumi voted no.

The Commission then reviewed the articles, discussed in detail at prior meetings, for Town Meeting #1 and **unanimously voted** by a rollcall vote as follows:

<u>Article</u>	<u>Motion/Second</u>
8. Community Preservation Fund from CPA Fund	Langone/Noumi
Old Parish Cemetery Master Plan \$28,000,	Source \$14,000 Historic, \$14,000 Bud Res
Morse House Feasibility \$50,000,	Source \$25,000 Historic, \$25,000 Bud Res
Murphy Field Basketball \$17,025,	Source \$17,025 Open Space & Recreation
Town Pool Assessment \$80,000,	Source \$40,000 Historic, \$40,000 Bud Res

and from Free Cash:

9. Civic Elevator – \$225,000	Slater/Langone
10. Cemetery Perpetual Care Fund -\$162,481	Haley/Slater
12. Classification & Comp. Study - \$165,000	Haley/Slater
13. Fire Department Equipment - \$156,400	Langone/Slater

and from the State Transportation Infrastructure Fund:

11. Trans. Infrastructure Study - \$19,273	Slater/Noumi
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On a motion from Mrs. Haley, seconded by Ms. Noumi, the Commission **approved unanimously**, through a rollcall vote, that the next Finance Commission Meeting be scheduled for November 12, 2020 at 4:00 pm by GoToMeeting for any issues requiring action prior to Special Town Meeting.

There being no other business, on a motion by Ms. Noumi, seconded by Mr. Slater, the Commission **voted unanimously**, through a rollcall vote, to adjourn at 9:56 pm.

A True Copy

Attest: _____
Emily Chambers, Acting Clerk