

Minutes
Norwich Finance Committee (NFC)
7-17-07

The meeting was called to order by Karen Kayen at 8:05 AM
Members present: Karen Kayen, chair, Paul Tierney, Irv Thomae, Cheryl Lindberg and Al Converse
Also present: Gerard Chapdelaine

1. Construction aid payout.

To be discussed at our next meeting. Irv will contact John Aubin about the matter.

2. Capital expenditure planning

At Neil Fulton's suggestion, the Selectboard has established and charged a Strategic Planning Committee (membership to be established) and there is to be a forum on the capital expenditures in October. We agreed that this topic should be on our agenda for our next meeting so that we could develop our thoughts about needed capital expenditures.

3. Budget process

After a discussion of the need for more information about the various meetings at which the budget is developed, Thomae moved (Tierney seconded) that **we recommend to the Selectboard (SB) that they publish and widely distribute a schedule of meetings, forums, important votes, and deadlines in connection with the Town budget. passed unanimously.**

After further discussion of the budget process, Tierney moved (Thomae seconded) that **As part of the budget process the SB prepare and distribute budget information which includes the physical accomplishments (e.g., miles of road paved) as well as the dollar amounts, and that it be updated to be current during the budget process . This information should include differences between the past year's budget, actual expenditures and proposed budget. Passed unanimously**

After continued discussion, Kayen moved (Tierney seconded) **that the following two reports be prepared and widely distributed: (1) a one page analysis of the significant differences between the prior year's budget, proposed budget and the previous year's actual expenditures , and (2) written department-by-department rationale for the proposed budgets. Passed: 4 for and 1 abstaining.**

4. School Costs

Tierney described some analysis that he had done showing that the increase in the real per-pupil cost of education was increasing 50 % faster than the increase in real per return income over the past 10 years. Converse had extended this analysis to account for the increase in number of tax payers, and obtained 35%. Thomae objected to the analysis since the income data was capped at \$150,000 per year. Furthermore it was noted that the income sensitivity adjustments had not been taken into account.

5. Norwich school budget guidelines.

The NFC's budget guidelines for the Norwich school budget are to be set at our next meeting. The chair of the school board is to be informed of this.

6. Selectboard.

It was noted that the SB at its meeting on 7/11 violated its own non-designated fund policy in setting the tax rate, in order to even out the anticipated future tax rates.

It is hoped that the reporting described in the above motions will keep the NFC and the public better informed about the Town's business.

Lindberg moved (Thomae seconded) to adjourn. Passed unanimously. Adjourned at 10:10 AM.

Respectfully,

Alvin Converse