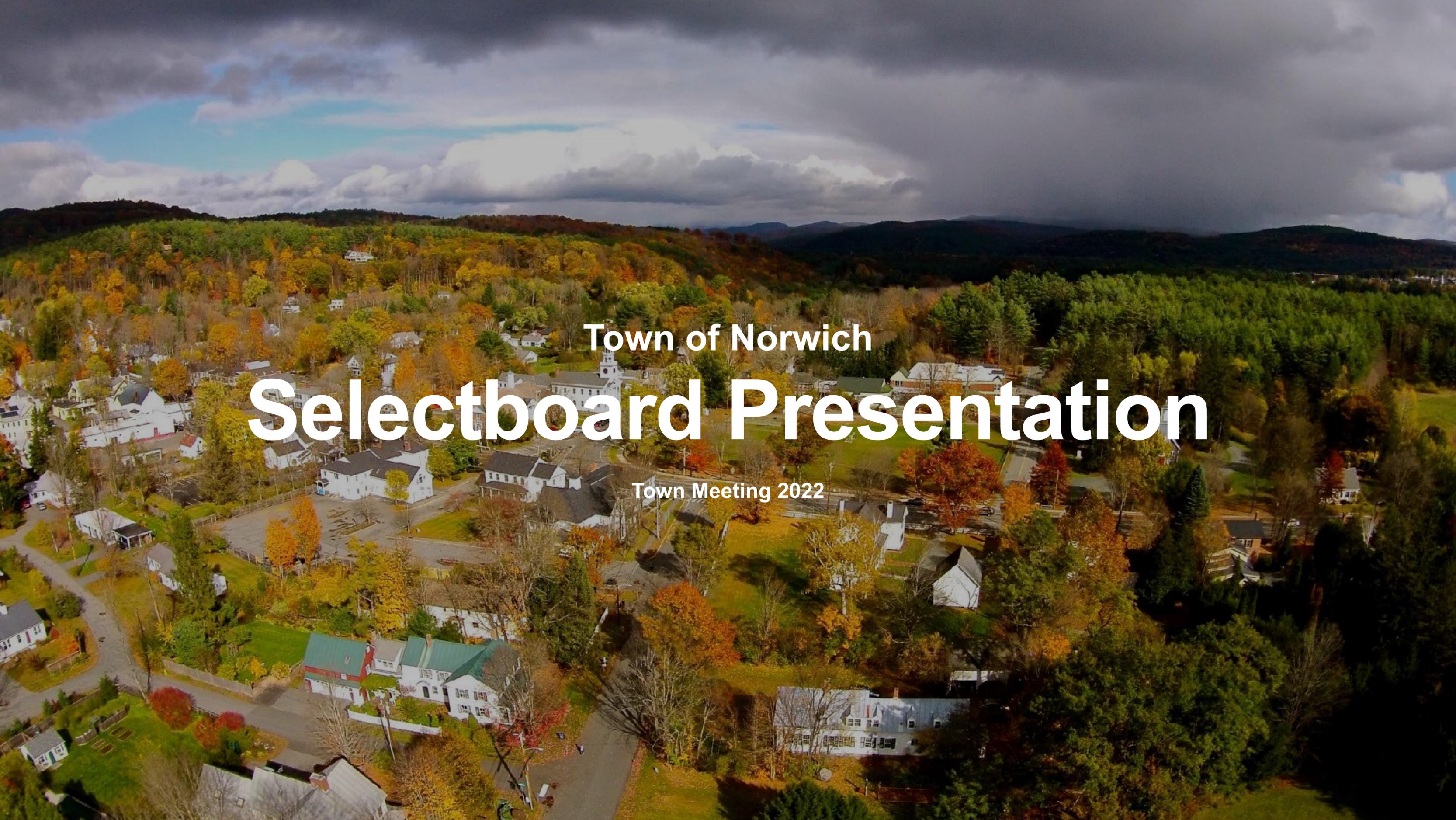


Town of Norwich | Agenda for Special Selectboard Meeting | February 14, 2022, 6:30 PM | Remote Meeting Only
 ZOOM access information: <https://us02web.zoom.us/j/84822043387> Meeting ID: 848 2204 3387 US Toll-free: 833 548 0282
 Telephone number to call if unable to access meeting: 802-698-3000

Agenda Item	Action	Packet Materials	Estimated Start/End
[1] Call to order	Chair will call the remote meeting to order and introduce the Board		6:30 pm
[2] Informational session for FY23 Budget and Related Warrant Articles	R. Arnold and C. Brochu will present a slideshow on behalf of the Board	.pdf of slides	6:30 – 6:50 pm
[3] Public comment	Board will take questions and comments on the FY23 Budget and related warrant articles		6:50 pm – completion
[4] Adjourn	Motion required		

An aerial photograph of a town in autumn. The houses are scattered across a valley, surrounded by trees with vibrant yellow, orange, and red foliage. In the background, there are rolling hills and mountains under a sky with large, dark, grey clouds and patches of blue. The overall scene is a picturesque rural landscape.

Town of Norwich

Selectboard Presentation

Town Meeting 2022

Town Meeting 2022

- Presentation of FY22-23 operating budget
 - FY23 Budget
 - Tax Impact
 - Budget Governance
- Information on articles
 - Establishment of Unanticipated and Emergency Expense Reserve Fund
 - Establishment of Emerald Ash Borer Response Reserve fund
 - Establishment of Operational Performance and Development Reserve Fund
 - Funding authorizations from the Operational Performance and Development Reserve Fund

Presentation of Budget

FREE!
**SUMMER CONCERTS
ON THE GREEN**
Fridays at 6pm
June 16th July 28th Aug 18th
NORWICH
WOMEN'S
CLUB Visit norwichwomensclub.org

Article 4

Shall the voters of the Town of Norwich approve a [gross spending general Town budget of \\$4,958,865](#) plus state and federal grants and gifts consistent with budgeted programs for the period July 1, 2022 through June 30, 2023?

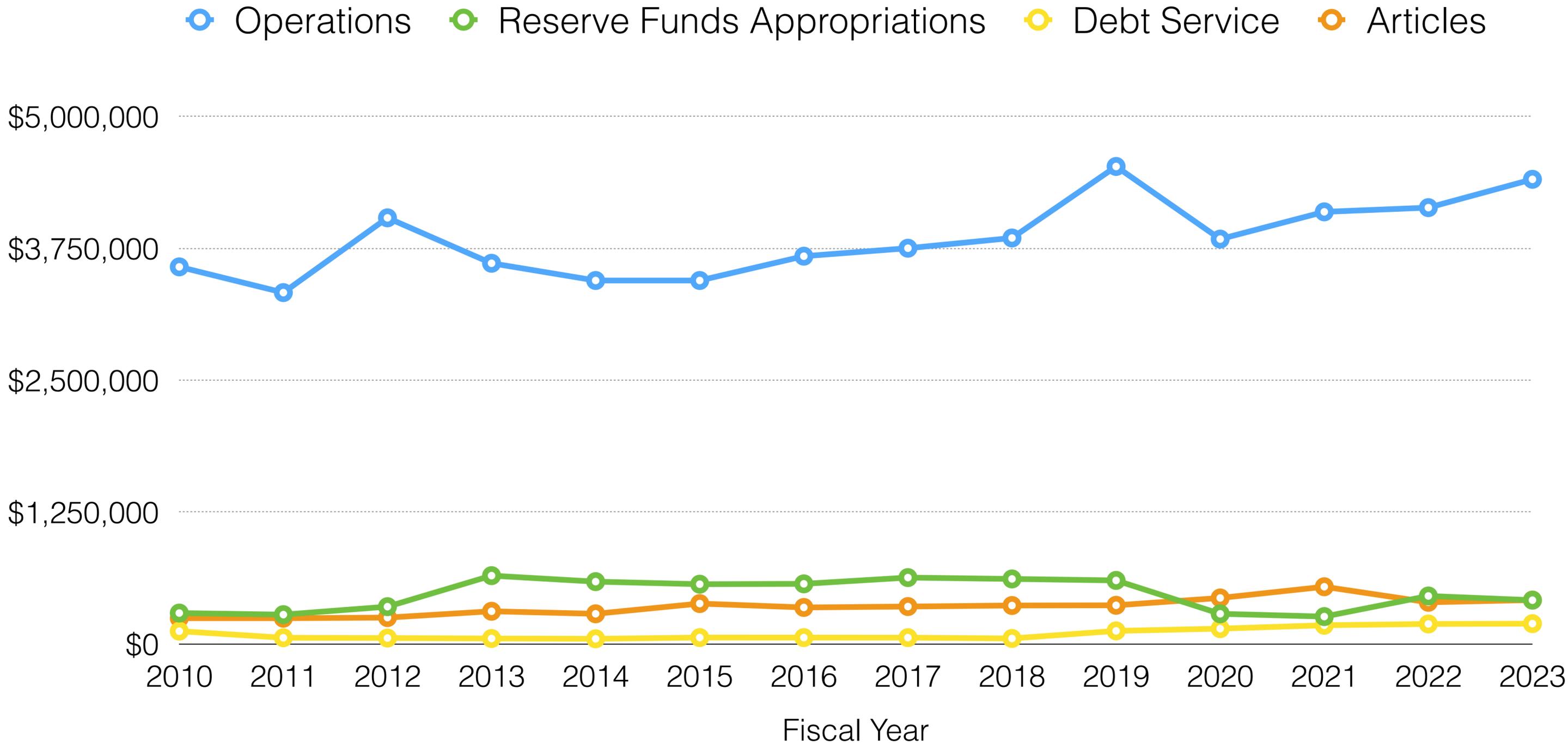
Article 4: Budget Priorities

The Board advised staff to establish a **level-service operating budget for the coming year**. The FY23 proposed budget reflects a commitment to maintaining current services while accounting for the coming year's high inflation rate

**FY22-23 operating budget has
a proposed increase of 3.72%
from the previous fiscal year.**

- Town Operations represent a 3.72% increase, and allocations to reserve funds represent 7.76% decrease compared to FY 21-22.
- When taking into consideration the Other Monetary Articles, overall, voters will be considering a total of \$5,375,473 (budget and articles) or a 3.85% total increase over the current year's level.

Article 4: Town Expenditures



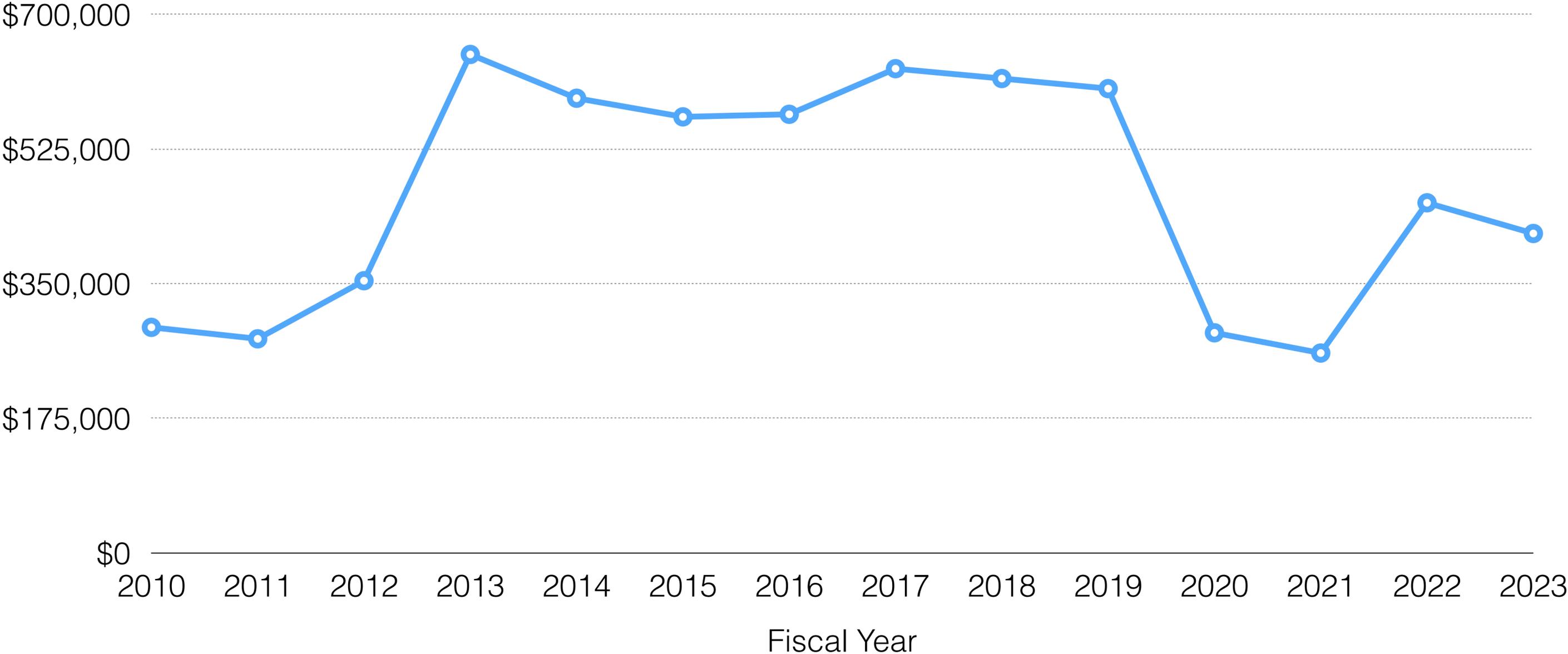
Article 4: Reserve Funds

The Town maintains 45 reserve funds that set aside money for a stated purpose. Examples of town reserve funds include funds for highway equipment, town-wide reappraisals, and more. Reserve funds are established by voters.

Once established by voters, money in a reserve fund may be expended by the Selectboard for its stated purpose. Any money not spent in a reserve fund annually carries over and each fund collects interest.

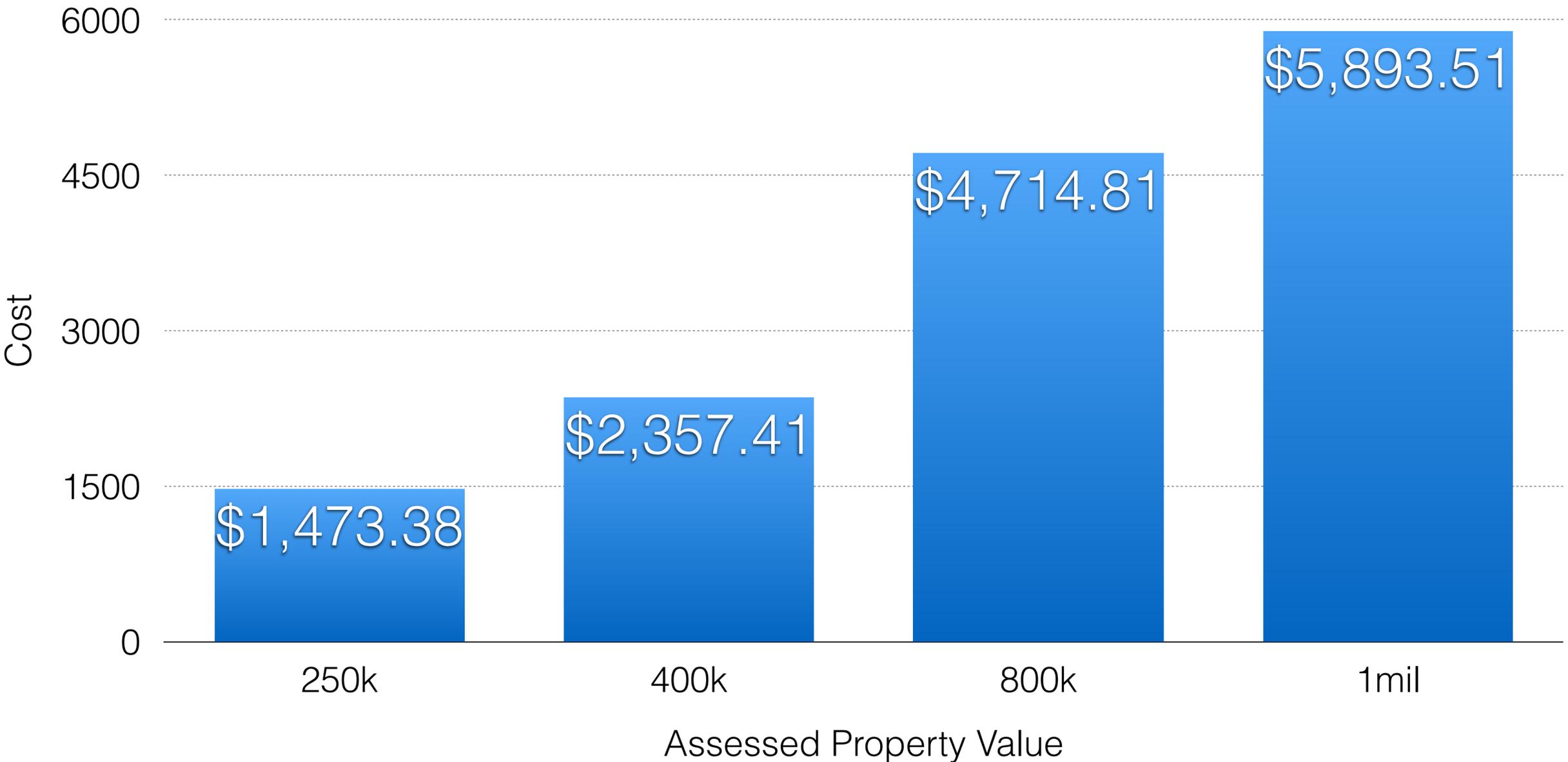
Article 4: Reserve Funds

○ Reserve Funds Appropriations



Article 4: Estimated Tax Impact

Combined Town and Article Rate



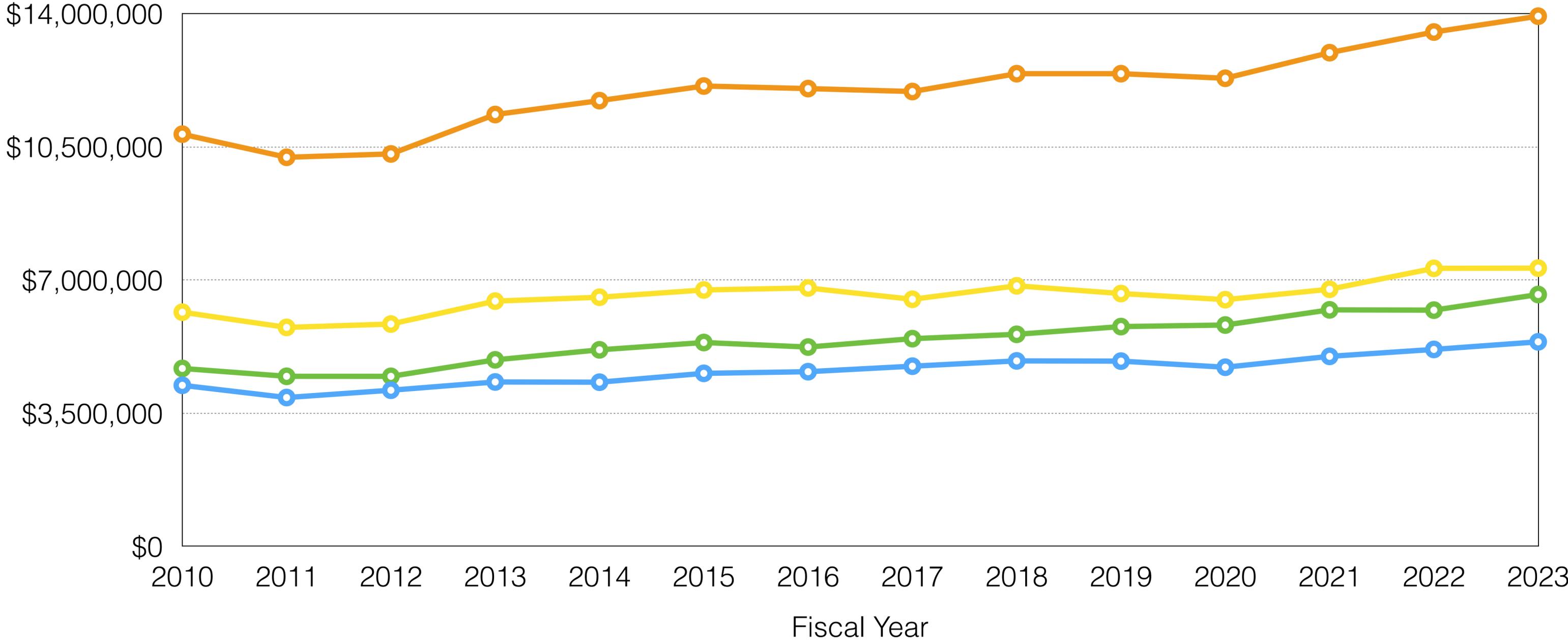
This is an estimate ONLY. The factors for determining final tax impact are released and determined after Town Meeting. The Board sets a tax rate in July.

Budget Governance

To prevent unexpected increases to the tax rate, the Selectboard will continue to work with the Town Manager and other appointed officials to understand the **important relationship between the Operating Budget, Reserve Fund Balances, Level of Debt Service, and Capital Budgeting.**

Budget Governance: Town & School Expenditures

○ Total Town (with Articles) ○ Marion Cross ○ Dresden ○ Total School



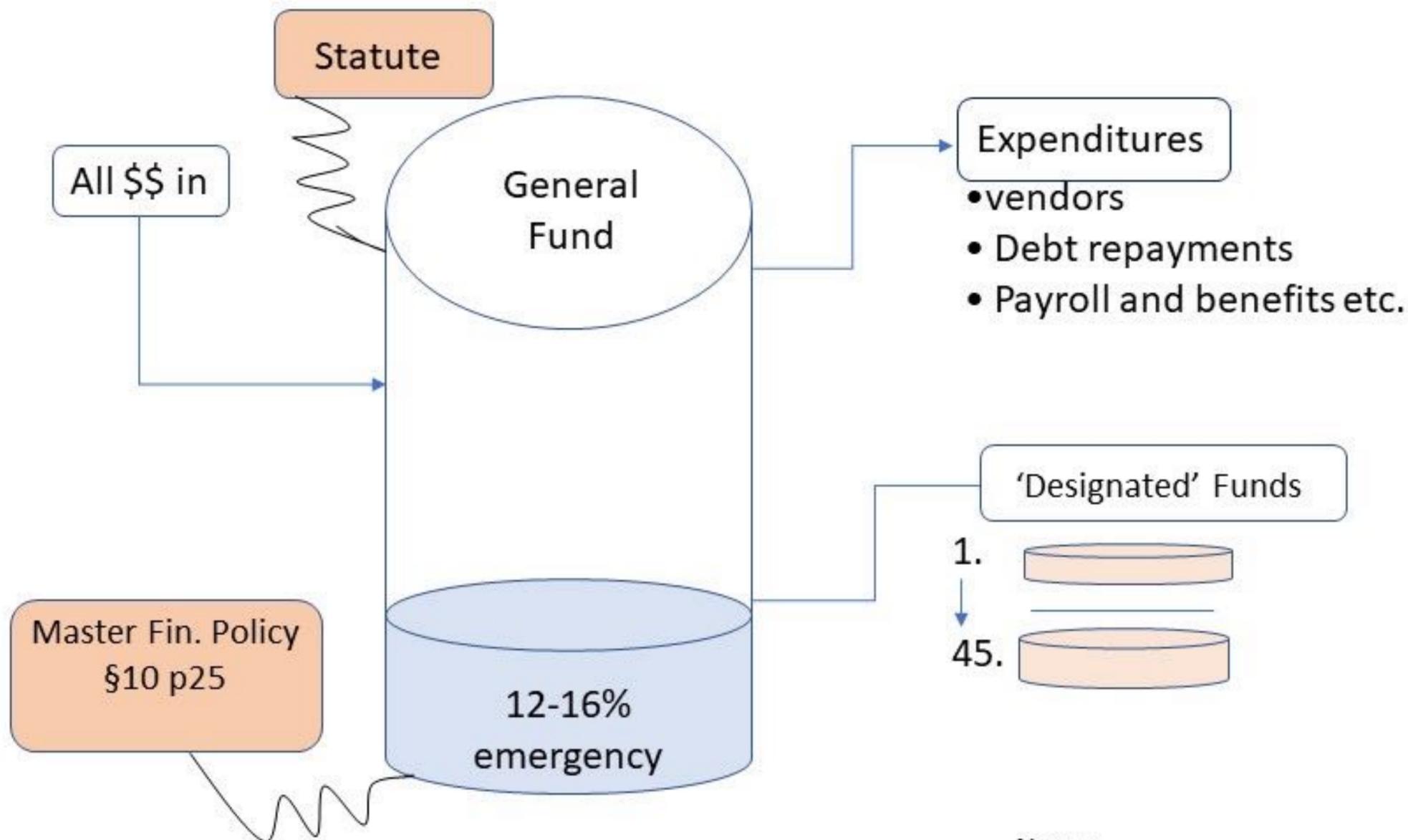


Info on Articles

Article 7

Shall the voters approve the formation of an Unanticipated Expenses and Emergency Reserve fund (to be governed by the purpose statement provided in the Town Report), initially funded through a transfer of \$750,000 from the FY22 unrestricted fund balance, and to be maintained in subsequent years at a level between 12 and 16 percent of the annual operating budget through: (i) transfer of any fund balance that may remain in the general fund from the prior year's operating budget as approved by the Selectboard; and/or (ii) allocations in the proposed operating budget as approved by the voters?

Article 7



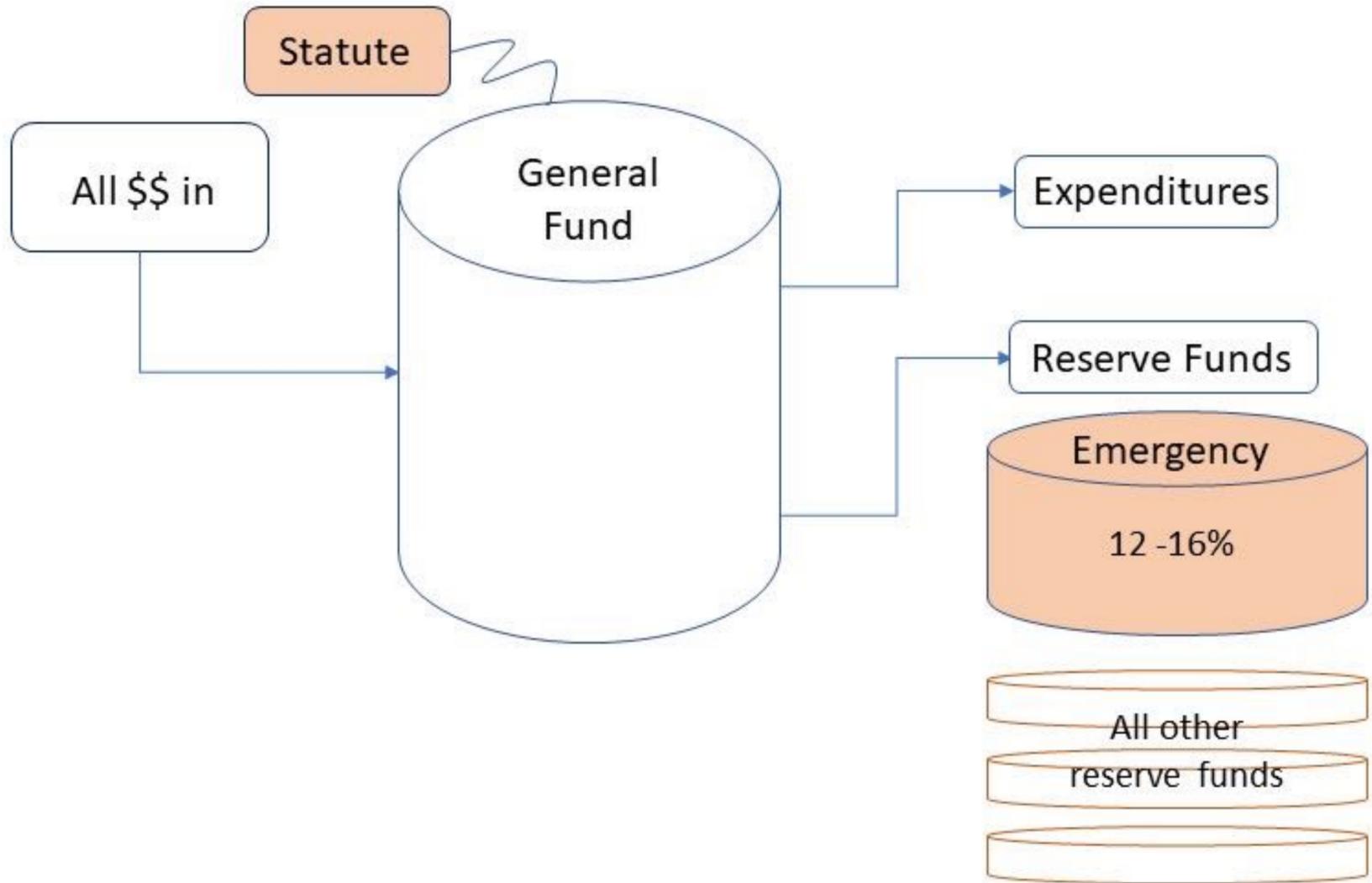
How we operate in FY22

Notes:

1. Annual budget makes allocations to established 'designated' funds
2. Master Financial Policy provides for maintaining a 'balance' in the general fund

Current practice and Board policy maintains “emergency fund balances” within the town’s General Fund. To meet full compliance with statute, such a balance should be kept in a separate reserve fund. The Board is asking the voters to establish a separate Unanticipated Expenses and Emergency Reserve fund (Article 7). Only voters can establish reserve funds.

Article 7



Proposed structure for operating accounts FY23 and beyond

To meet compliance with statute, the Board is asking the voters to establish the “emergency fund balances” in the General Fund as an Unanticipated Expenses and Emergency Reserve fund (Article 7) to be set and maintained at 12-16% of the operating budget.

- Notes:
1. This structure conforms with statute as reviewed by town legal counsel
 2. The Unintended Expenses and Emergency Reserve Fund purpose statement matches the Master Financial Policy (so perform the same way)

Article 7: Establishment of an Unanticipated Expenses and Emergency Reserve Fund

Purpose Statement (as written in the Town Report): To fund operations by providing sufficient working capital for adequate cash flow, help defray the cost of borrowing or financial impacts caused by economic downturns, shortfalls of revenues, the imposition of additional costs by other governmental agencies including courts, cutbacks in distributions from state or federal government, natural disasters and other unforeseen circumstances.

Article 8

Shall the voters approve the establishment of an **Operational Performance and Development Fund** (to be governed by the purpose statement provided in the Town Report), to be initially funded through a transfer of \$110,000 from the FY22 unrestricted fund balance?

Article 8: Establishment of an Operational Performance and Development Fund

Purpose Statement (as written in the Town Report): To support reviews of town operations, technical studies, and meeting grant match obligations as needed

Establishment of an Operational Performance and Development Fund

In the first year of this reserve fund, the Board intends to finance a 4-6 month review of policing and community safety and review the Beaver Meadow Sidewalk proposal broadly.

Related:

Article 9. Shall the voters approve spending up to \$51,000 from the Operational Performance and Development Fund to [undertake a police and public safety study?](#)

Article 10. Shall the voters approve spending up to \$50,000 from the Operational Performance and Development Fund to [undertake long-range planning](#) for the construction and maintenance of sidewalks, bikeways and trails, to including [additional assessment of bike and pedestrian alternatives along Beaver Meadow Road](#) (Main Street to Moore Lane) and linkages to Huntley Meadows?

Article 9: Police and Public Safety Study

The Selectboard received two bids in November for an RFP for Policing and Community Safety and seeks financing from the Operational Performance and Development Fund

- Bid 1 requires four months to produce a set of recommendations for police procedures and policies informed by recent trends in policing reform
- Bid 2 requires six months and will create and train a Taskforce in an open-ended approach to reimagine public safety broadly

Article 10: Long-range planning for Sidewalks, and Bike/Ped Facilities

Beaver Meadow Road (Main Street to Moore Lane) will be placed in the broader context in a master plan for Bike and Pedestrian facilities with particular focus on the village area. Planning may focus on traffic safety, sight control for right-of-way, number of road crossings, and other matters identified in a recently completed Phase I study. Long-range planning will allow Town Staff to more accurately identify scope, cost of construction, and priorities.

Article 11

Shall the voters [approve the establishment of the Emerald Ash Borer Response Fund](#) (to be governed by the purpose statement provided in the Town Report)?

Related:

Article 12. Shall the voters [approve the allocation](#) of \$10,000 from FY23 budget to the Emerald Ash Borer Response Fund?

Article 13. Shall the voters [approve a transfer](#) of \$1,297.76 from the Recreation Pool Fund to the emerald ash borer response reserve fund?

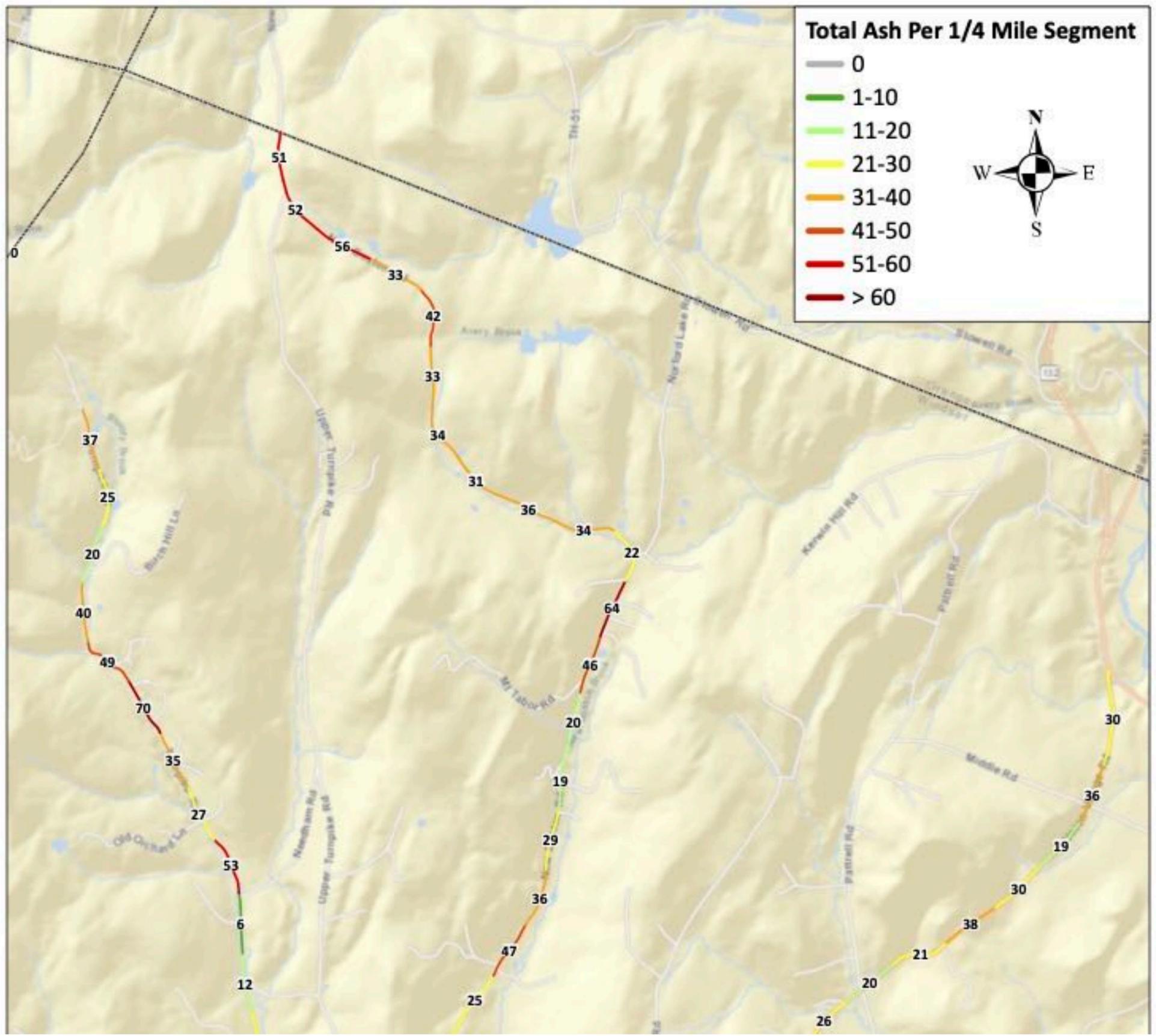
Article 14. Shall the voters [approve a transfer](#) \$546.59 from the Long-Term Facility Fund to the emerald ash borer response fund?

Article 11: Establishment of an Emerald Ash Borer Response Reserve Fund

Purpose Statement (as written in the Town Report): To support the mapping and response to Emerald Ash Borer infected trees in the Town of Norwich.

Article 11: EAB

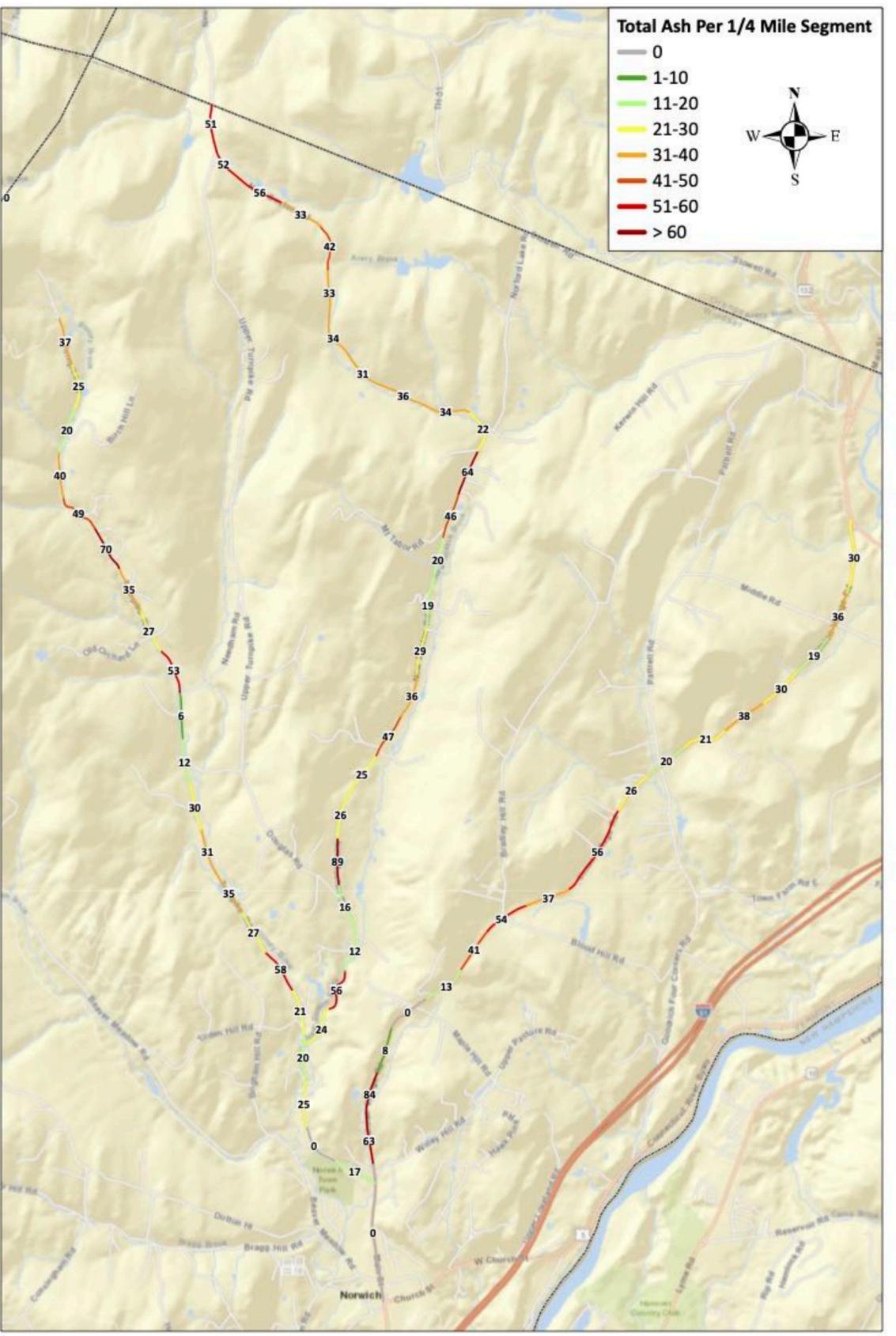
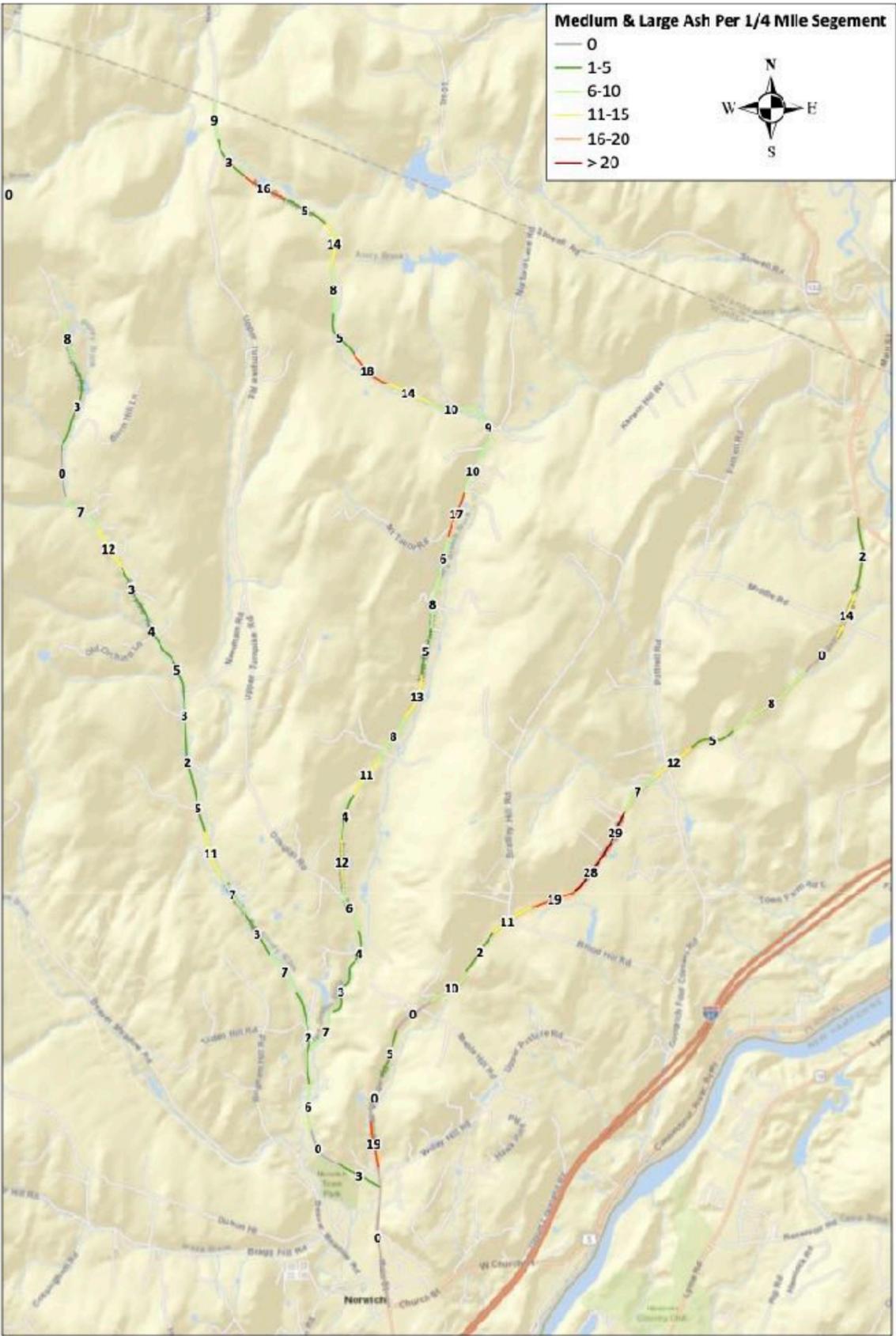
“EAB is an invasive insect that attacks and kills 99% all 3 species of ash found in Vermont. The larvae (the immature stage) feed on the inner bark of ash trees, disrupting the tree's ability to transport water and nutrients. EAB has killed hundreds of millions of ash trees in North America since it was discovered in 2002. The first EAB infestation was confirmed in Vermont in 2018 and is now widespread throughout the state.” -UVM Extension



Article 11

Total ash trees as mapped by Conservation Commission.

Article 11: Emerald Ash Borer Mapping





Questions? Please contact the selectboard@norwich.vt.us