DRAFT
Town of Norwich
Finance Committee Meeting
November 10, 2025, 7:30 – 9:00 pm
Multi-purpose Room, Tracy Hall

Committee Members Present: Tricia Spellman, Steven Hepburn, Cheryl Lindberg, Nicholas Wood, Russell North and Christie James

1. Call meeting to order
    a. At 7:35 pm, Hepburn called the Finance Committee meeting to order.

2. Approve Agenda – discussion/motion
    a. James made a motion to accept the agenda, and Lindberg seconded. The motion passed with unanimous consent.

3. Approve Minutes 9/8 & 10/13 – discussion/motion
    a. North made a motion to accept the 9/8/25 minutes, and James seconded. The motion passed with unanimous consent.
    b. James made a motion to accept the 10/13/25 minutes, and Wood seconded. The motion passed with unanimous consent.

4. Selectboard task – Suggest comparable towns
    a. Hepburn presented the comparable VT town analysis to the Norwich Selectboard at their meeting on October 12th. The goal was to try to find 5 comparable towns, but there could be more than that. The Selectboard suggested dropping Newbury and Sharon from the list but adding Manchester.
    b. There was a discussion about the goals of the comparable towns, and it was noted that this task was given to the Finance Committee from the Selectboard and it will be useful to compare at the detail level between towns.
    c. Spellman made a motion to accept the list of towns without Sharon and Newbury. Wood seconded the motion. The motion passed with unanimous consent.
    d. There was a discussion about additional metrics to add to the worksheet, including department level budgets, revenue sources, number of town positions, and top 5 employers in town.
    e. Hepburn will add additional metrics to the worksheet for Norwich and send it to the Finance Committee members. The other towns were divided up between Committee members. Data will be added before the next meeting.

5. Town Budget – discussion
    a. The FY27 budget process began at the Selectboard meeting on October 22, 2025. The Norwich Town Manager is working with department heads to draft operational budgets and plans to start budget discussions at the November 12th Selectboard meeting. To help prepare for the department-level presentation, the Town Manager asked for the Selectboard's expectation for the year-over-year increase for FY27. The Town Manager suggested that 6% would be a reasonable target. There was a brief discussion among the Selectboard members, but they agreed to the 6% target.

b. The Finance Committee discussed the 6% target and expressed some concern about how the number was decided upon as well as the basis for the increase.
c. At the October 22nd Selectboard meeting, Hepburn spoke and suggested that a draft budget could be developed using assumptions like union increases, health insurance increases and CPI. He additionally suggested that they ask departments about service levels and how services might change with lower budgets.
d. There was also a discussion about the unaudited surplus in FY25 of around $270K as well as the $700K in reserve funds that was budgeted for use in FY25 but was not needed in FY25. The $700K does not appear in the August 2025 financial report shared with the Selectboard in either the FY25 budget column or the FY25 actuals column.
e. It was suggested that using actual expenses from FY25 may be a better basis for the FY27 budget given the surplus.
f. At the next Finance Committee meeting, the group will further discuss FY25 revenue and expenses.
g. Since the Selectboard has not requested the Finance Committee's assistance with the budget process, the individual members can only provide comments at the Selectboard meetings as citizens of Norwich.

6. School Budget – discussion
    a. At the October 22nd Selectboard meeting there was a discussion about a new one-year MOU between the Norwich School Board and the Norwich Selectboard regarding the role of the Finance Committee in the school budget. One of the Selectboard members drafted the most recent MOU and shared it with the School Board Chair. There was a long discussion at the October 22nd meeting about the MOU, with no clear resolution. The Selectboard agreed to contact the Norwich School Board Chair to discuss the make-up of the Finance Committee at a future Selectboard meeting.
    b. James attended a recent School Board Budget Committee meeting and shared details of that meeting. The next meeting of that group is on November 24th. Finance Committee members will continue to participate in those discussions as citizens of Norwich until the issue is resolved.

7. Public Comments for items not on the agenda
    a. There were no members of the public present at the meeting.

8. Adjourn – motion
    a. Lindberg made a motion to adjourn the meeting at 9:13 pm, and James seconded. The motion passed with unanimous consent.