



Town of Dartmouth  
400 Slocum Road  
Dartmouth, MA 02747

### Board of Selectmen

#### Select Board Members Present:

Michael P. Watson-Chairman  
Lara H. Stone-Vice-Chairwoman  
William J. Trimble

Joseph Michaud  
Shawn McDonald

The Chairman opened the public meeting at 5:45 p.m.

The Chairman polled the Board for a roll call vote to convene into Executive Session pursuant to M.G.L. Ch. 30A, Sec 21: Selectman Michaud, yes; Selectman McDonald, yes; Selectman Trimble, yes; Vice-Chairwoman Stone, yes; Chairman Watson, yes.

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The Chairman called the public meeting to order at 6:30 p.m. on January 23, 2012 in the Dartmouth High School Cafeteria.

Board members signed the **warrant(s)** for the following bills from various departments in the amounts of:

<b>Date</b>	<b>Warrant #</b>	<b>Warrant Description</b>	<b>Amount</b>
1/7/2012	PR28	Payroll Expense	\$884,801.96
1/12/2012	PD1228	Payroll Deduction	\$1,250,250.78
1/14/2012	PR29	Payroll Expense	\$889,614.19
1/17/2012	S1229	School Expense	\$42,098.87
1/17/2012	T1229	Town Expense	\$120,073.04
1/19/2012	PD1229	Payroll Deduction	\$383,928.87
1/23/2012	D1230	DPW Expense	\$32,946.46
1/23/2012	S1230	School Expense	\$358,286.33
1/23/2012	T1230	Town Expense	\$176,277.00

## I. Appointments

-6:30 p.m. Joint Meeting with the School Committee and Finance Committee

- All Three Boards discussed the following:

### Fiscal 2012 & 2013 Budget & Financial

Revenues- Through 12/31/11, Local Receipts are slightly ahead of FY 2011. Improvements in Licenses & Permits (Building, Health & Liquor), Fees (Ambulance), & Non-recurring offset declines in Motor Vehicle Excise & Hotel Taxes

Expenditures-Veterans' Aid (\$95,000) is the major issue. Health Insurance had a major claim of \$500,000 but \$400,000 will be covered by re-insurance. Unemployment Compensation due to a new Federal law may go over its budget. Gas accounts, particularly in Police budgets, may need assistance especially with the recent spike in gasoline prices. Snow and ice is good but two months to go.

### Projections for FY 2013-2015

- **FY2013**- using a reasonable number for projected salary increases and a liberal increase for non-salary increases combined with conservative revenue assumptions appears to be in balance. This will be reviewed and discussed as departments submit their budgets.
- **FY2014**- reflects a manageable deficit using similar assumptions.
- **FY2015**- reflects a more challenging deficit. However, it should be noted that these projections do not reflect any savings from the solar projects as the first one will not come on-line until early FY2013 and the larger one later in FY2013 or FY2014.

### GASB 45

*What is GASB 45?*

**GASB 45** is an acronym for **G**overnmental **A**ccounting **S**tandards **B**oard. It requires that municipalities reflect the ongoing costs of these benefits on an 'accrual' basis rather than the historical 'pay-as-you go' basis. These benefits are primarily the health care programs contractually owed to retired employees of the Town of Dartmouth. These benefits are paid out *after* an employee retires from employment.

*What is Dartmouth's Current OPEB Liability?*

While an exact figure cannot be calculated, a commonly accepted figure puts Dartmouth's OPEB liability in the neighborhood of \$53,000,000. Given the complex accounting formulas used to estimate a municipality's OPEB liability some variation in the dollar number is expected however, the order of magnitude of the liability is important to understand. This \$53,000,000 represents the expected health care premium costs for all of Dartmouth's current and retired employees based on life

expectancies, accepted actuarial practices, expected benefits to be earned by current employees and benefits that current employees have already earned.

### **Green Communities Program**

- 1. Adopt as-of-right siting for Solar Farms-Done
- 2. Adopted expedited (12 month) application/permitting process for as-of-right energy facilities-current regulations appear to be compliant.
- 3. Establish energy use baseline and a plan to reduce energy by 20% in facilities in 5 years- Energy baseline for FY11 established. Plan to be developed.
- 4. Purchase only fuel efficient vehicles- policy adopted by Board of Public Works and to be presented to the School Committee and Select Board in the next few months but departments are already operating in compliance.
- 5. Adopt Stretch Code- Tabled at October, 2011 Town Meeting. The most difficult issue to address. Would recommend a Special Committee be established to study this, develop some solid numbers to ascertain the effects of this initiative, and report on it for the June, 2012 Town Meeting.

### **Capital Improvements Projects**

- Municipal Facilities Committee –Potter School, Town Hall
- Library Windows
- Master Sewer Program
- Faunce Corner Road Project
- Septic Systems Loans
- Traffic Light Pre-emption
- Street Lights
- Data, Voice & Video Communications Infrastructure
- School Projects based on last year's plan for FY2013:
  - School Technology
  - Roof Replacements
  - Re-Point & Waterproofing
  - Fire System Upgrade
  - Painting Schools
- Replacement Vehicles
  - Police Cruisers-try to include in the operating budget
  - Other Vehicles

### **School District Strategic Plan**

#### **Mission:**

The mission of the Dartmouth Public Schools is to provide a quality education for all learners.

#### **Vision:**

The Dartmouth Public School District, in partnership with parents and the community, will deliver challenging, standards-based instruction for all students that fosters

academic, physical, social and emotional development. Utilizing data analysis to drive instruction, we will implement specific strategies to support every student to think critically, solve problems and become a responsible, contributing citizen. Our high school graduates will possess the required skills and knowledge necessary to thrive in their academic and vocational ambitions.

### **District Theory of Action:**

If we instruct each student with clear learning targets, assess achievement, and adjust instruction according to need; if we are continually collaborative, reflective, and purposeful; and if we engage families and the community in student learning, then student achievement will improve.

### **Core Areas of Focus:**

#### **1. Instructional Core**

##### **District-wide:**

D 1: Use a variety of common formative assessments to develop instructional strategies that address specific student needs.

D 2: Align consistent instructional strategies and materials within and across grade levels.

#### **2. Culture Core**

##### **Relationships**

Strong relationships with families and community partners contribute to student learning and students' social, emotional, and physical well-being.

The district collaborates with families to increase its capacity to address students' social, emotional, and health needs, as well as the families' capacity to do the same.

The district actively overcomes barriers to family engagement and participation.

##### **Sharing**

Collaboration between all stakeholders aligns services horizontally and vertically necessary to create safe, healthy, and supportive environments that maximize student achievement.

##### **Caring**

All classrooms create predictable environments and a climate that supports learning.

##### **Trust**

Staff members hold one another accountable for implementing what is learned through professional development and, ultimately, for the improved student performance that should result from its implementation.

#### **3. Resource Core**

The district's budget is developed through an open, participatory process, and the resulting document is clear, comprehensive, complete, current, and understandable.

The district and community have appropriated written agreements and memoranda related in the manner for calculating indirect charges by the community.

The community provides sufficient financial resources to ensure educationally sound programs and quality facilities.

The District implements a review process to determine the cost-effectiveness of its programs, initiatives, and activities.

The district has a long-term capital plan that clearly and accurately reflects future capital development and improvement needs, including the need for educational and program facilities of adequate size.

### **Municipal Efficiency Study (Request for Proposal)**

The purpose of this RFP is to acquire the service of a qualified firm to plan, execute and report on a comprehensive review of all departments and offices of the Town of Dartmouth (herein referred to as Town), and to issue a detailed report of findings and recommendations to the appropriate officials of the Town. The Town of Dartmouth comprises a population of 34,032 residents. Town Department staff includes 212 full-time employees and School Department staff includes 518 full-time employees and comprises a land area of 64 square miles. As defined by Government Auditing Standards issued by the Comptroller General of the United States, “a performance audit (review) is an objective and systematic examination of evidence for the purpose of providing an independent assessment of the performance of a government organization, program, activity, or function in order to provide information to improve public accountability and facilitate decision-making by parties with responsibility to oversee or initiate corrective action. Performance audits (reviews) include determining 1) whether the entity is acquiring, protecting, and using its resources (such as personnel, property, and space) economically and efficiently, 2) the causes of inefficiencies or uneconomical practices, and 3) whether the entity has complied with laws and regulations or matters of economy and efficiency.

### **Town of Dartmouth Financial Policies:** *(Policies the same as reviewed last year)*

- **Financial Policy Goals**
  - The financial policies are designed to help ensure:
  - **Sound Financial Condition**, which may be defined as:
    - Cash Solvency – The ability to pay bills.
    - Budgetary Solvency – The ability to annually balance the budget.
    - Long Term Solvency – The ability to pay future costs.
    - Service Level Solvency – The ability to provide needed and desired services.
  - **Financial Flexibility**, which allows the Town to be in a position to react and respond to changes in the economy and new service challenges without severe financial stress
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- **General Financial Policies**
  - A proposed balanced budget, as presented in a comprehensive budget document and including a five-year fiscal forecast, shall be prepared annually by

the Executive Administrator with the assistance of the Director of Budget & Finance and reviewed by the Finance Committee in accordance with the Town Charter and By-Laws.

- Budgetary procedures that balance current expenditures at the expense of meeting future years' expenses, such as postponing expenditures and accruing future years' revenues shall be avoided.
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- A "fully funded" operating budget should be established at the Spring Annual Town Meeting. As a general rule, there should be no supplemental appropriations to department operating budgets at the Fall Annual Town Meeting.
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- Adequate maintenance and replacement of capital equipment should be provided in the capital and operating budgets. In the event that the annual budget is not able to provide for adequate maintenance and replacement of capital plant and equipment, this should be documented.
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- A five year Capital Improvement Plan (CIP) shall be maintained in accordance with the Town By-Laws and Charter and should directly relate to any long-term plans and policies of the Town. The CIP shall include any capital item or items whose aggregate cost is more than \$10,000, equipment with a useful life of at least 4 years and costing more than \$10,000, land improvement and acquisition, and any expenditure to be bonded.

**Ongoing operating costs** shall be funded by ongoing revenue sources. This protects the Town from fluctuating service levels and avoids concerns when one-time revenues are reduced or removed. In addition:

**Fund balances** should be used only for non-recurring expenditures, such as capital improvements and property acquisitions, and unexpected or extraordinary expenses, such as unbudgeted snow & ice removal expenses.

**New operating costs associated with capital projects** should be funded through the operating budget but reflected in the capital improvement plan.

**Free Cash**, also known as Surplus Revenue, as generated each fiscal year should be maintained at 2.5% to 5% of general fund operating revenues. A fund balance at this level is viewed positively by bond rating agencies and, combined with the **Stabilization Fund**, provides the Town with a financial cushion against events such as a local disaster, reduction in state revenue, and other unexpected or extraordinary expenditures.

**Any Free Cash balance beyond the reserve balance goal** should be utilized for capital and other non-recurring expenditures or appropriated to the Stabilization Fund, special purpose stabilization funds, and an Other Post-Employment Liability Trust Fund.

**Appropriations from the Stabilization Fund** should be used to fund capital improvements and capital equipment and, when the Reserve Fund or Free Cash is not considered sufficient, emergency or extraordinary expenditures. It shall be the goal of the Town to achieve and maintain this fund at no less than 7.5% of general fund operating revenue.

A special purpose **Stabilization Fund for Full Day Kindergarten** was created in accordance with a Memorandum of Understanding between the Dartmouth School Committee, Dartmouth Select Board, and Dartmouth Finance Committee dated September 1, 2010. Appropriations from this fund shall be used to fund unexpected or extraordinary expenditures associated with the Full Day Kindergarten Program.

An **Other Post-Employment (OPEB) Liability Trust Fund** was established in June 2011 and is expected to be funded on an annualized basis at a progressively higher level of commitment. The Town may use non-recurring revenues to help fund this account, but the Town should strive to dedicate a growing amount of operating revenues for this purpose. The proportion of OPEB liabilities attributable to active and retired employees of Enterprise and Special Revenue Funds should be allocated to each respective fund.

**Annual general fund net debt service payable** should be no more than 10% but no less than 5% of general fund operating revenues. In considering and scheduling the issuance of new long term debt, the Town will seek to maintain debt service payments (both interest and principal), net of any reimbursements or dedicated revenue sources, at levels that can be sustained out of recurring revenues.

The **debt service schedule** should be maintained so that at least 50% of all outstanding principal will be paid within 10 years. The Town should strive to issue debt for shorter periods than the maximum allowable when the statutory limit exceeds 10 years.

**Long-term debt** should be limited to capital projects and should be confined to capital projects too expensive to be financed with current revenues. As a general rule, any capital purchase of less than \$35,000 should be financed with operating revenues. In addition:

**Financing sources** should be clearly identified before any long-term debt is incurred.

**User fees** for all operations should be reviewed annually to ensure rates are market competitive, defray operating costs, and in the case of Enterprise Funds to make certain that revenues generate sufficient funds to cover the cost of services.

**Grants and gifts** that are consistent with the mission and strategic direction of the Town and its departments shall be solicited and accepted. Unless an alternative, on-going funding source has been secured, operating budget initiatives funded through grants or gifts should not last longer than the duration of the grants or gifts. Grants and gifts should be spent in such a way as to minimize fringe benefit and unemployment liabilities.

**Economic development strategies** that balance high quality residential living with economic diversification and growth, allowing the Town to further diversify its tax base, shall be pursued. One aspect of the Town's economic development strategy shall be to sustain the Town's relatively low tax burden by continued focus on improving the short and long-term cost structure and efficiencies of Town government.

**Investment practices** should be in accordance with the Town's Investment Policy. The Investment Policy should be reviewed every 2 years.

*After a motion was made by Vice-Chairwoman Lara Stone and seconded by Selectman Joseph Michaud, it was voted unanimously to adjourn.*

Attest:

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David G. Cressman, Executive Administrator

Transcribed by: Stephaney Santiago