

TOWN OF NORTON, MASSACHUSETTS

Finance Committee Minutes, March 9, 2005

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NORTON TOWN CLERK

Meeting convened at 7:35 pm. Present were T. DeLuca; J. Desrochers; A Doyle; M. Fiore, Chair; P. Helmreich; M. Thomas, Vice-Chair; L. Trevino.

The Committee heard a presentation from Ken Lombardi, a representative for EBS Foren, which serves as the managing consultant for the Southeastern Massachusetts Health Group, of which Norton is a member. Mr. Lombardi reviewed the fiscal situation in both FY 2005 and as projected for FY 2006. The projected premium increase negotiated with Blue/Cross-Blue/Shield for FY 2006 is 11.7%, considerably lower than what other communities who do not belong to a group have been able to achieve, or other groups which are coming in at approximately 14%. The equates to a projected increase in premium costs for FY2006 of \$520,966 to a total of \$4,973,669.

Mr. Purcell dicussed present and projected costs relative to Unemployment Insurance. We are in the process of doing an intensive audit of existing unemployment classification of job positions within Norton, which should lead to some downward adjustment of rates.

Premium rates for Property and Casualty Insurance are projected to remain flat.

The Committee proceeded to review a number of Articles on the Annual and Special Town Meeting Warrants.

Special Town Meeting Warrant

Article 3: FY 2006 Interim Revaluation of Property. Thomas moved \$44,900 from Free Cash. DeLuca seconded. Recommended unanimously.

Article 5: Purchase of Land in Watershed from the State. Thomas moved \$45,000 from the Water Department Surplus Account. DeLuca seconded. Recommended unanimously.

Article 7: Establishment of Mansfield Aveunue Safety Improvement Fund. Thomas moved \$10,000 from Free Cash. Helmreich seconded. Recommended unanimously.

Article 8: Chapter 40b Action Fund. Thomas moved transfer of \$10,000 from Free Cash to augment sums already in the account. DeLuca seconded. Recommended unanimously.

Article 9: Reappropriation of unexpended sewer bond funds. Thomas moved \$222,936 to pay Norton's share of the special Mansfield Sewer Capital Assessment, and \$153,162 to purchase additional sewage capacity for the Town. DeLuca seconded. Recommended unanimously.

Annual Town Meeting Warrant

Article 3: Authorization to accept Chapter 90 Road Funds. Thomas moved to recommend. DeLuca seconded. Recommended unanimously.

Article 7: Continuation of Board of Health Revolving Fund for recycling of goods. Thomas moved to recommend. Helmreich seconded. Recommended unanimously.

Article 8: Continuation of Fire Department Hazardous Materials Revolving Fund. Thomas moved to recommend. DeLuca seconded. Recommended unanimously.

Article 9: Continuation of Norton Cable Access Revolving Fund. Thomas moved to recommend. DeLuca seconded. Recommended unanimously.

Article 10: Petition to State re North Cottage Affordable Housing Units. DeLuca moved to recommend. Doyle seconded. Recommended, 6-0-1 (Thomas abstained).

A general discussion was held with the Town Manager during which members of the Committee raised questions and expressed views regarding the placement of the General Budget article in the Warrant, and the possibility of holding over consideration of that budget until a special town meeting in June. Many members of committee were reluctant to place the general budget article on the warrant for the May meeting if it was not intended to actually act on it until a meeting in June. If it is on the May warrant, any sum can be moved and voted without guidance from the Selectmen and the Finance Committee, which could lead to irresponsible but binding action.

The Chairperson initiated a lengthy general discussion among the members of the Committee in which the Town Manager did not participate other than to provide fiscal information. Although no specific motion or vote was taken, it appeared that the consensus of the great majority of the committee members present was that in order

to have a chance at maintaining level services in FY 2006, nearly all the funds currently in the Stabilization and Capital Improvement Accounts would have to be used, with the prospect of only a small amount being available in Free Cash to replenish the Accounts at the October 2005 session of the Annual Town Meeting. Over three fiscal years (2004, 2005, 2006) the Town most likely will have used up its rainy day funds found in the Stabilization Account, and spent down to minimal size the Capital Improvements Account from which money is necessarily drawn annually for capital improvements. The majority of the Committee seemed clearly of the opinion that if the exhaustion of these two accounts appears certain after work on the FY 2006 budget is completed, the Committee should immediately inform the Board of Selectmen and the townspeople of this fact, and urge the initiation of a movement to approve some form of tax override before the FY 2007 budget is enacted upon.

The meeting adjourned at approximately 9:30 pm.

Respectfully submitted:

A handwritten signature in cursive script, appearing to read "Paul Helmreich".

Paul Helmreich
Secretary, *pro tem*