

**Finance Committee Minutes
Wednesday, February 22, 2006 at 7:30 p.m.
Municipal Center - Selectmen's Meeting Room**

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2006 APR -7 PM 4:00
NORTON TOWN CLERK

Call To Order

Meeting was called to Order at 7:32 p.m.

Present: Chairman Mike Thomas, Vice-Chair Paul Helmreich, Tom DeLuca, Jackie Desrochers, Angel Doyle, Mike Fiore, Donna Summerfield, Lee Tarantino, and Philip Zawasky.

1. Approval of Minutes

MOTION was made by Ms. Desrochers to reconsider the Minutes of February 13, 2006. Second by Mr. Helmreich. Vote: Unanimous. MOTION CARRIES.

MOTION was made by Mr. Helmreich to approve the Finance Committee Minutes of February 13, 2006 as written. Second by Ms. Desrochers. Vote: Unanimous. MOTION CARRIES.

2. New Business

1. Reserve Fund Transfer Request - Conservation

Expense (Printing of the Five-Year Open Space and Recreation Plan)
\$1,500.00

MOTION was made by Mr. Tarantino to transfer \$1,500.00 from FinCom Reserve to Conservation (Printing), Account 1-171-570-5340. Second by Ms. Summerfield. Vote: Unanimous. MOTION CARRIES.

2. Reserve Fund Transfer Request - Miscellaneous

Expenses (Gasoline/Diesel)
\$5,000.00

Mr. Purcell said it was down to \$13,000; usage the same as last year. Private contractors now getting their own gas/diesel.

Mr. Tarantino discussed some companies prepaying for oil/gas and possibly something Town could do to lock in price.

MOTION was made by Mr. Tarantino to transfer \$5,000 from FinCom Reserve to Account 940 (Highway Department). Second by Ms. Summerfield. Vote: Unanimous. MOTION CARRIES.

A. Insurance Presentations

(1) Rosemary M. McAndrew, McAndrew Risk Management Inc. - P & L, Workers' Compensation, and Other Insurances

(2) John R. Sharry, Group Benefits Strategies - Health Insurance.

Mr. Purcell said he has been very happy since Mr. Sharry took over duties and said they had meeting with various carriers. He said they demanded other offers from Blue Cross/.Blue Shield (BC/BS).

Mr. Sharry, President, and Owner of Group Benefits Strategies of Auburn, Massachusetts said they represent 214 municipal entities in Massachusetts, Connecticut, Rhode Island and New Hampshire.

Various insurance companies were brought in. From October to December a number of large claims occurred; 30 claims over \$100,000.

Prescription drugs is 22% of med. costs and can cut costs by educating consumer (i.e., using generic/substitutions).

Mr. Sharry said they played "hardball " with BC/BS and said Mr. Purcell did a great job. BC/BS came in at 10.4%; number of office visits are up; emergency room and admissions are also up. If emergency/office co-pays are increased and run plan side by side down to 5.8%. 13,000 members; 5,000 subscribers.

Discussion ensued on generic drugs and how easily this plan worked.

Mr. Purcell said there is a requirement of municipalities to have advisory committees. Ch32B requires such a committee and there is the forum that Norton has never had and it is time committee gets started. He said he spoke to reps of three unions already and alternate co-pay plan and captures government unions at one time with advisory committee. Savings is evident if co-pays change. Discussion ensued on various plans.

It was discussed potential increase to be 10.4% but could decrease to 5.8% if tweaked/changed via co-pay.

B. Fiscal Year 2007 Debt Budget

Debt Budget about \$218,000 less and Town Manager would propose adding some debt.

Mr. Purcell discussed forced sewer main and engineering studies in two parts:
1) feasibility is feasible - can tie a couple schools into it; and 2) engineering part new water main; water and sewer dept. pays. Abandoned water line can be sleeve for sewer force main reducing costs. He said in eight days engineering consultant will make presentation to Board of Selectmen.

Mr. Thomas said Board of Selectmen voted 4:1 to put override on ballot. Plan is to vote on two different budgets: balanced budget and contingency budget will be presented.

Mr. Purcell referenced the "quantum vote". No stabilization money included makes quantum vote requirement. Discussion ensued.

Mr. Helmreich said FinCom can present figures; a balanced budget. A balanced budget that uses free cash needs a good part in capital improvements. If a major problem occurs (i.e., boiler breaks, etc., Town is in trouble). If asking for override do not want to ask for one in future years. A budget showing where Town would be without override is needed.

Mr. Thomas said he agreed with Mr. Helmreich regarding a balanced budget-he'd rather be upfront.

Mr. Thomas said no formal vote taken from FinCom but need to educate themselves.

Mr. Fiore said he would like to see a budget without \$1M in it. Discussion followed.

Mr. Purcell said budget will include free cash contributions and impact letter of \$1M to be presented to all. Demands on Special Town Meeting articles are fairly modest.

Mr. Helmreich said building and operating budget using free cash is frightening.

C. Distribution of Bristol County Retirement System's Fiscal Year 2007 Assessments

4. Distribution of School Department's FY07 Budget

5. Southeastern Regional Budget Schedule

Adjournment

**MOTION was made by Ms. Summerfield to Adjourn at 9:30 p.m. Second by Mr. Tarantino.
Vote: Unanimous. MOTION CARRIES.**

Respectfully Submitted by:


Janet Sweeney

Finance Committee - Recording Secretary