

**Finance Committee Meeting**  
**April 2, 2008**  
**7:30 PM**  
**Municipal Center – Selectmen's Conference Room**

**Present:** Chairman, Lee Tarantino; Vice-Chair, Michael Thomas; Pasquale Barletta; Robert Bouchard; Thomas DeLuca; Jackie Desrochers; Wayne Graf; Paul Helmreich; Philip Zawasky; Town Manager, James Purcell.

**Call to Order**

Meeting was called to Order at 7:40 pm.

**I. Approval of Minutes**

**Motion** was made by Mr. Thomas to approve the March 31, 2008 Finance Committee minutes as written. Second by Mr. Zawasky. Vote: All in favor, with Mr. Helmreich abstaining. **Motion carries.**

**II. Old Business**

Mr. Tarantino reminded the committee that the School Dept. has invited the FinCom to a public hearing they are having regarding the School Dept.'s FY '09 budget. It will be held in the Norton High School auditorium on Monday, April 7<sup>th</sup> at 6:30 pm. The agenda is on the School Committee's website.

Mr. Purcell gave updates on a few Warrant Articles as follows:

- Regarding the Maple Street discontinuance, the Selectmen will make a formal referral to the Planning Board. Mr. Purcell said all is ready to proceed.
- Mansfield Savings Bank will most likely grant the easement needed by the Middle School for the second means of egress. This would be done with conditions – they want the wooded area cleared and landscaped.
- The article requesting a land swap between the town and the Water/Sewer dept. has been withdrawn for consideration. There have been complications due to title issues.
- The wording for the Tri-town Sewer Agreement is still being decided.

Mr. Purcell said that a representative of the Norton Public Library will come before the FinCom on Monday, April 14<sup>th</sup>. He also said that he will schedule for the Board of Health to be present as well.

Mr. Helmreich asked Mr. Purcell when he would have numbers for the contingent plan (if the Enterprise Fund doesn't pass).

**III. New Business**

Mr. Purcell, Mr. Helmreich, and the Water/Sewer dept., had a meeting with a consultant earlier today to discuss the pros & cons of going forward with the Sewer Enterprise Fund (EF). Mr. Purcell said that they discussed the rate structures with and without the EF, as well as the likelihood of a rate increase.

Mr. Helmreich said that he has learned, as a result of the meeting, what the major distinction between a Surplus Account (which is what Norton's Water is) and an Enterprise Account. A Surplus account means that the consumers have to bear the entire cost, even if there is a deficit. An Enterprise account means that if there is a deficit, the law allows the town to appropriate funds to cover the deficit. This would have to be paid back to the town by the users. Also, if an Enterprise Account has a surplus, it belongs to the Account.

Mr. Purcell pointed out that the tax levy is presently subsidizing Sewer.

Mr. Purcell mentioned what the "hook-up fees" would be for Turtle Crossing (\$1.3M) and Wheaton (\$6.3M), but reminded that everything is still in the discussion stage and nothing has been decided as of yet.

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Mr. Purcell said that the Tri-town sewer upgrades are happening regardless of whether or not the Enterprise Fund is voted in.

Mr. Barletta pointed out that, although a resident's sewer bill is 95% of their water bill, the *rate* is much higher. Mr. Purcell stated that the rates will go up regardless of how many users there are. He also said that negotiations are still going on with Wheaton and that they remain very interested.

Mr. Helmreich stated that he would feel a lot more comfortable with the idea of voting on the Enterprise Fund if the town had a written contract (with a date and plan) with the big sewer participants. Mr. Purcell said that to carry the upcoming \$12M upgrades to the treatment plant, the sewer department needs a larger base of participants. Ms. Desrochers expressed her concerns about how few sewer users there are presently and how they would be affected by the substantial costs in the future.

Mr. Tarantino pointed out that if the Water/Sewer dept. is not ready with concrete answers, the FinCom does not need to go forward with this at May's Town Meeting, it could be voted on at a Special Town Meeting.

Mr. Purcell said that if the town enters into the Enterprise Fund and it just isn't working out then the town needs to stay in it for three years, and in year four can reverse the process.

Mr. Purcell said he will have to prepare parallel budgets – one with the Sewer Enterprise, one without.

#### **IV. Other**

Mr. Tarantino reviewed the format of the budget pages. He stated that if the FinCom makes a raise for a part of the budget then they need to cut that same amount in another part of the budget, but not vice versa.

Mr. Tarantino requested Mr. Purcell to provide the FinCom with balances on the Capital Improvements, Stabilization, and Reserve Funds. Mr. Purcell said he would have them for the next meeting on Monday the 7th.

Mr. Tarantino asked Mr. Purcell to provide the FinCom with a list of what type of an emergency that the Stabilization Fund can be used for. He said both non-recurring as well as recurring. Mr. Purcell said that he may be recommending the use of Stabilization Fund money at May's Town Meeting. Mr. DeLuca expressed his concern over using Stabilization money for recurring reasons.

#### **Next Meeting**

The next meeting is scheduled for April 7, 2008 at 7:30pm. The Planning Board and the Water/Sewer dept. will be in attendance.

#### **Adjournment**

**Motion** was made by Mr. Zawasky to adjourn at 8:40 pm. Second by Mr. DeLuca. Vote: Unanimous. **Motion carries.**

Respectfully Submitted by:

  
Sara Lyons, Finance Committee Secretary