

Finance Committee Meeting

March 3, 2010

7:30 PM

Municipal Center – Selectmen's Conference Room

NORTON TOWN CLERK

MAR 22 2010

RECEIVED

Present: Chairman, Wayne Graf; Vice-Chairman, Thomas DeLuca; Pasquale Barletta; Robert Bouchard; Michael Flaherty; Paul Helmreich; Michael Thomas; Lee Tarantino; Town Manager, James Purcell.

Absent: Jackie Desrochers; Cheryl McFaun; Philip Zawasky.

Call to Order

Meeting was called to order at 7:30 pm.

I. Approval of Minutes

Motion was made by Mr. Thomas to approve the February 24, 2010 Finance Committee minutes as amended.

Seconded by Mr. Helmreich. Vote: All in favor, with Mr. Flaherty abstaining. **Motion carries.**

Motion was made by Mr. Helmreich to approve the March 1, 2010 Finance Committee minutes as amended.

Seconded by Mr. DeLuca. Vote: All in favor. **Motion carries.**

II. New Business

Insurance Budget

Ms. RoseMary McAndrew, President of McAndrew Risk Management, Inc. addressed the FinCom regarding the insurance budget. She explained that she is an independent consultant without any affiliations to any insurance companies.

Ms. McAndrew explained that claims are reflected negatively on premiums for 4 four years and that Norton is in it's final year of a claim, therefore the premium for FY11 will have a 10% increase in the credit it gets. She also said that she anticipates that, because safety issues have become a high priority, the town would benefit because of the high level of credit the town has in this area.

Ms. McAndrew said that she looked into the possibility of changing insurance carriers but found that the present company, Mega, continues to have the best rate. She noted that the town receives a 5% savings for using Mega for both Property & Causality and Workers Comp., and the other insurance companies do not offer that discount. She also stated that Mega offered a rate freeze for FY11. Ms. McAndrew said that she is hoping to see a net reduction for FY11, and in the worst case scenario that it stays the same as FY10.

In closing, Ms. McAndrew said that Mega is self-insured, financially solvent and recommends continuing with Mega.

Unemployment Compensation

Mr. Purcell provided the FinCom with a handout outlining Unemployment Compensation expended for the past 3 years as well as the FY11 request. The FY11 request is for \$180,000. Mr. Purcell said that the FY10 unemployment will need to be supplemented at Town Meeting. He also noted that the School Dept. has the dominant share in unemployment.

Town Meeting Warrant Articles

Article 2 – Chapter 90 Transportation Aid Program. Mr. Purcell said that this is done by bonding in 2-year cycles. He said that FY11 would be the first year in the next 2-year cycle, so he is still waiting for the new amount for this article.

Article 11 – Household Hazardous Waste Day – recommendation is for \$10K from Free Cash.

Motion was made Mr. Helmreich to recommend Article 11 in the amount of \$10K from Free Cash. Seconded by Mr. DeLuca. Vote: All in favor. Motion carries.

Article 18 – McGinn property – Mr. Purcell said that there is a \$9,100 tax liability on the property. He spoke with the town's counsel and it was decided that the best way to acquire the property is for the purchase price.

The closing on the property would be between Town Meeting and June 30th. Then the McGinn family would gift the purchase price back to the town before the end of the fiscal year and that money would become Free Cash for the following year. Mr. Purcell also stated that he is still waiting for the report on the property that shows compliance with state guidelines.

III. Other Business

In regards to the town's health insurance, Mr. Purcell mentioned Mass State Law Section 18 that states that when a retiree turns 65 years of age, and is eligible, he/she must go on Medicare, which is less expensive for the town. Mr. Purcell said that Norton has adopted Section 18, however some towns that are on the Health Insurance Joint Purchase Group with Norton, have not. This makes it more expensive for all. Mr. Purcell said that there are a couple of possibilities that could remedy this situation for Norton. He said that the other towns could be made to also adopt Section 18, or the group could split into 2 groups – those who have adopted Section 18 and those who have not.

Next Meeting

The next meeting is scheduled for March 8, 2010 at 7:30pm. Mr. James Puello, Town Accountant, will be present.

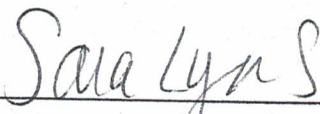
Mr. Purcell hopes to have Dr. Ansay, Superintendent of Schools, and Mr. Kevin O'Neil, School Committee Chairman, in attendance for the meeting on Wednesday the 10th to discuss the Revolving Fund article as well as the NHS project.

Adjournment

Motion was made by Mr. DeLuca to adjourn at 8:40 pm. Seconded by Mr. Helmreich. Vote: Unanimous.

Motion carries.

Respectfully Submitted by:



Sara Lyons, Finance Committee Secretary