

TOWN OF NORTON
FINANCE COMMITTEE

Minutes of the Meeting
March 3, 2003

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NORTON TOWN CLERK

CALL TO ORDER: 7:35 pm by Chair, Jackie Desrochers

Present: Jackie Desrochers, Paul Helmreich, Bill Gouveia, Mike Fiore, Tom Deluca, Angel Doyle,
Mike Thomas, John Luti
Absent: Donna Summerfield, Phil Zawasky

PRESENTATION

John Walsh of the Bristol County Retirement System was present to discuss The Southeastern Massachusetts Health Group (*the "SMHG"*).

- Joint Purchasing Arrangement (*the "JPA"*) was formed under MGL Ch. 32B.
- Norton is a member of JPA.
- JPA is in direct contact with Blue Cross.
- Administrative costs and expenses are allocated over many towns.
- Norton on its own would have a limited market for insurance proposals.
- If the Town were to leave the group and seek out its own insurance, a 5% to 7% increase in cost would occur.
- JPA negotiates with the insurance companies.
- Blue Cross Blue Shield has the largest network.
- If Norton attempted to negotiate on its own, it would pay more money for a less comprehensive plan than offered by SMHG.
- SMHG has been aggressive in introducing changes.
- Rates are some of the lowest in the State for coverage offered.
- Town is obliged to bargain any plan benefit changes.
- SMHG usually bids in a 3 or 4-year cycle.
- The Town of Dennis introduced a three-tier pharmaceutical plan, which included three different co-pays. The Town did not bargain to closure. Employees sued and the Town had to pay a fortune in reimbursement fees. Dennis spent thousands of dollars on lawyers over three years before a decision was made. Dennis lost the savings as well as spent a bundle on legal fees.
- Town Manager, Purcell would introduce a change if he feels it would be a cost saver.
- Most towns' needs are the same.
- Norton would have a vote on letting another community join the group. Some towns are not voted in due to their high-risk rates, which could increase the cost to all towns in the group.
- Retirees do not get a vote. They accept whatever is voted on.

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OTHER BUSINESS

- Town of Norton now has on hand the technology to go to quarterly tax billing which the Town Manager would like to implement in FY 06.
- Southeastern Regional School budget is up \$51,000 (11%). Town Manager has not seen any of the details, however, he cannot support this increase. Figures are preliminary.
- Agricultural School is up \$3,000 (21%)
- Maturing Debt is up by \$160,000
- Debt Interest is down by \$15,000

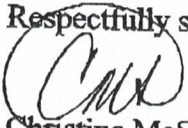
ADJOURNMENT

A motion was made and seconded to adjourn. Meeting adjourned at 9:00 pm.

NEXT MEETING

Monday, March 8, 2004 @ 7:30 pm

Respectfully submitted by:



Christine McSweeney
Secretary, Finance Committee