

**Finance Committee Meeting
April 4, 2007
Municipal Center - Selectmen's Conference Room**

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NORTON TOWN CLERK

Call To Order

Meeting was called to Order at 7:31 p.m.

Present: Chairman, Paul Helmreich; Vice-Chair, Lee Tarantino, Tom DeLuca, Jackie Desrochers, Wayne Graf, Mike Fiore, and Philip Zawasky. Mike Thomas was absent. Town Manager, Mr. Purcell, was absent..

1. Approval of Minutes

No Minutes were reviewed this evening.

Communications/Correspondence:

New Business

Water Dept. Article 26. Mr. Knapp, Water Dept. Superintendent, spoke of new water main on West Main Street. Eddy Street also part of \$5M and that project is done. Also, have not bonded money yet for desal project. \$5M bond authorization is what they are looking at

Mr. Knapp explained construction and streets involved He said some projects are too big to do in-house. Asbestos pipe needs replacing as well.

Well #3: Mr. Knapp said this was the last critical one to do; it is the original one. Estimate of \$600,000; cost for design and construction.

Money to be taken out of Water Dept.'s reserve account. Looking for authorization to use Water Dept. Reserve account. \$1.4M is in reserve account now. It is a level-funded budget except for salary and wages covered by contract/or union contract; a little over \$2M.

Mr. Helmreich said FinCom only has info on sewer side of this; not water side of it.

Mr. Don Brown of Water Dept. spoke of cash flow perspective; contributing revenue to Town now.

Mr. Helmreich said Town Manager agrees with salaries but \$8,000 less on expenses he recommended. Mr. Helmreich discussed Town Manager's reductions.

Mr. Brown asked if there was a commentary as to why Mr. Purcell is reducing.

Mr. Helmreich responded no. Town Manager is proposing \$492,470 vs. \$498,620.

Mr. Brown said he proposes they present their budget as their budget. Part of Mr. Knapp's salary from sewer to water (eight weeks out of sewer).

Mr. Knapp said they are carrying back sewer more and more.

Mr. Brown said some bonding expense they will be paying. \$72,000 is interest earned.

Mr. Helmreich said on this particular one there is no choice; money must go into the general fund. Also, Town is picking up sewer costs.

Mr. Brown said they do contribute to Town.

Mr. Helmreich advised they talk to Town Accountant and Town Manager about this issue.

Enterprise account discussed. Mr. Knapp said he would like to make Water & Sewer full enterprise accounts (self-sufficient).

Mr. Brown said possibly some pro-formas on it; someone from FinCom with accounting background could look at .

Mr. Helmreich said Mr. Fiore is most experienced FinCom person. However, Town Accountant is a very sharp person and could help.

Mr. Brown said Mr. Knapp runs a "pretty tight ship" and has been level-funded in past. Materials are increasing and reality is it's going a little further and further into enterprise account.

Mr. Helmreich said he put them on notice they need to talk to Town Manager about \$8,000 differential, etc.

Water Dept. has \$1.4M in reserves now. Mr. Knapp said they will erode some of the annual contribution toward reserve fund.

Mr. DeLuca said salaries were straight but overtime increased at 20%.

Mr. Knapp said when a water dept. employee is on call, it is mandated employee must be paid when "on call". Discussion ensued.

Mr. Tarantino said he believed this figure was in budget last year in the \$70,000. He asked for a breakdown of '07 budget. It was noted a clean copy would be sent to him.

Mr. Knapp said primary well operator is paid quite a bit. Well operator was retroactive.

\$15,000 is figure FinCom wanted clarification on. After discussion, it was explained by Water Dept. satisfactorily to FinCom. Discussion ensued.

Total request: \$2,012,106.

Communications/Correspondence:

Mr. Helmreich referenced upcoming FinCom meetings/schedule: April 9 Fire, Police, Highway Department to come in and dog officer and possibly a report from Capital Improvements.

April 11: Library coming in (level-funded and level service budgets from them expected). Also Planning Board holding hearing and before the hearing occurs to come in to discuss zoning off of So. Worcester/Maple St/ J. Scott Blvd. (petition article). Planing Board hearing on April 17.

Lynn Ludwig is person in charge of debt exclusion and Mr. Purcell told him all bankers recommending debt exclusion for only middle school construction would be beneficial. Bonding for Middle and Yelle Schools and change to interest section.

On April 18, Mr. Purcell and Mr. Helmreich agreed School Committee should come in for final budgets and correct figures (Board of Selectmen/School Committee and Town Manager at meeting). A surplus to be deducted from warrant. Free cash is at a couple of hundred thousand dollars more because it is not appropriated. Yesterday Senate and House to pass a resolution to add \$20M to state aid (possibly another \$20-\$30,000 to Norton).

It was noted Mr. Graf and a few other FinCom members would be out on 4/18. Mr. Helmreich said possibly FinCom could just not meet on April 18 then and hold off until next meeting of 4/23/07.

April 23: FinCom to vote final level-funded budgets presented and FinCom to make decisions and recommendations.

Mr. Helmreich said they will hold an important meeting on April 25 and all members planned to be present.

May 7: Finance Committee Report has to be made public with enough copies to be made available at Town Hall and library.

Mr. Helmreich spoke of local receipts being about on target to get what they budgeted on local receipts.

Article 3 0 Ch90 Roads

MOTION was made by Mr. Fiore to recommend Article 3, Ch90 roads, in the amount of \$414,493.00. Second by Mr. Zawasky. Vote: Unanimous. MOTION CARRIES.

Article 4: Town flag

MOTION was made by Mr. Fiore to recommend Article 4, Town Flag, Second by Mr. Zawasky. Vote: Unanimous. MOTION CARRIES.

Article 5:

So Shore Mill Works - No action taken by Finance Committee.

Article 15: Revolving Fund - public school full day kindergarten grant to be investigated.

Mr. Graf said a word was missing from sentence (without--it is whited out. Mr. Graf said he would check info on-line.

MOTION was made by Mr. DeLuca to recommend Article 15, Revolving Fund, in the amount of \$60,000. Second by Mr. Zawasky. Vote: Unanimous. MOTION CARRIES.

Article 16: Early Childhood Revolving Fund

MOTION was made by Mr. DeLuca to recommend \$40,000, Early Childhood Revolving Fund. Second by Mr. Zawasky. Vote: Unanimous. MOTION CARRIES.

Article 17: Highway Dept. (receiving fees)

MOTION was made by Mr. DeLuca to recommend Article 17. Second by Mr. Zawasky. Vote: Unanimous. MOTION CARRIES.

Article 18: Training (hazardous waste materials)

MOTION was made by Mr. DeLuca to recommend Article 18, in the amount of \$10,000. Second by Mr. Zawasky. Vote: Unanimous. MOTION CARRIES

Article 19: Cable to authorize Town to receive fees from them to pay employees salaries and benefits.

MOTION was made by Mr. DeLuca to recommend Article 19, in the amount of \$75,000. Second by Mr. Zawasky. Vote: Unanimous. MOTION CARRIES.

Article 20: Hazardous Waste Collection Day

Mr. Helmreich said Mr. Purcell asked him to make a correction; people are not charged and at last meeting it was mentioned people were charged. This is one time per year having this hazardous waste collection day.

MOTION was made by Mr. DeLuca to recommend Article 20, in the amount of \$10,000. Second by Mr. Zawasky. Vote: Unanimous. MOTION CARRIES.

Article 21: GASBE 45

MOTION was made by Mr. DeLuca to recommend Article 21, in the amount of \$11,000. Second by Mr. Zawasky. Vote: All In Favor, except for Mrs. Desrochers who abstained. MOTION CARRIES.

Article 22: Unix to Windows based platform changeover.

Mr. DeLuca asked why this was not a capital expenditure? He said there was a lifespan.

Mr. Helmreich said they would find out answer. **No Action taken on Article 22.**

Mr. Helmreich said Mr. Purcell asked him to delay on reval.

Adjournment

MOTION was made by Mr. Zawasky to Adjourn at 9:00 p.m. Second by Mr. DeLuca. Vote: Unanimous. MOTION CARRIES.

Respectfully Submitted by:
Janet Sweeney
Recording Secretary