

FINANCE COMMITTEE MEETING
TOWN OF NORTON, MA
FEBRUARY 18, 2009

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The Committee convened at 7:30 pm in the Selectmen's Meeting Room. Present were Chair Michael Thomas, Vice-chair Wayne Graf, Pasquale Barletta, Thomas DeLuca, Jacqueline Desrochers, Paul Helmreich, Lee Tarentino, Philip Zawasky. Absent were Robert Bouchard, Cheryl McFaun, Lynn Regan.

Town Manager James Purcell presented a preliminary review of each article in the draft warrant for the Annual Town Meeting, scheduled for May 11. The Committee will review and discuss each article further at future meetings before taking any action.

Mr. Purcell reviewed the latest update of Estimated Operating Revenues and Expenditures for FY 2010. He noted an increase of \$128,671 in the Estimated Base Tax Levy for FY10 over the amount budgeted for FY09, due to an unanticipated increase in communications revenue late in FY09. He also projected that the New Growth figure for FY10 would be considerably lower than it was in FY 09, evidenced by the reduction in building permit applications, and the small value of those that had been filed. A careful review of anticipated FY10 Local Receipts indicates that they will definitely be lower than FY09, though a total estimated figure can not yet be projected.

The Town Manager noted that the vast majority of the \$1,206,779 certified as available Free Cash for FY 09 will be used to cover items in FY09 such as the recently announced reduction of \$252,069 in Lottery Receipts from the State for this year, a far larger than budgeted snow removal expense, the required allocation to capital improvements of the funds gained from the sale of town land in FY08, a mandated shift of some funds from Free Cash to the Ambulance Account, and other sundry, relatively small items. In all likelihood more free cash will have to be used to make up for lower actual Local Receipts in FY 09 than had been budgeted for. It appears certain that Certified Free Cash available for use in FY10 will much less than what was certified for FY09.

Mr. Purcell also indicated that it appears unlikely that the Town would regain any State aid for Public Libraries, aid which was lost with the decertification of the Public Library in FY09. He also reported that figures provided by the Commonwealth indicate that there will be an added cost to the Town for

charter schools of \$206,773 in FY10. It also seems quite certain that there will be an additional reduction in lottery funds available to the Town in FY10.

Reviewing potential Fixed and Shared Expenses for FY2010, Mr. Purcell noted that in the current year the Town saved \$36,000 in pension costs by making a lump sum premium payment at the beginning of the fiscal year, rather than deferring half of the payment for six months. He also reported that while the assessment state-wide for pension premiums will be up approximately \$1,000,000 next year, the estimated payment required of Norton will be down slightly. In terms of Health Insurance, there is a potential reduction of around \$420,000 over costs currently in place. This will depend on ongoing contract negotiations providing premium payment agreements similar to those already in place in contracts that have been negotiated.

In terms of general insurance, Mr. Purcell noted that we are in the middle of a several-year agreement that basically locks in rates. The exception is insurance covering police and fire/rescue personnel, and costs in this area are currently highly volatile.

The Chair indicated that the next meeting would be on Monday, February 23, 2009, at 7:30pm in the Selectmen's Meeting Room.

A motion to adjourn was made by Mr. Zawasky at 8:50 pm.
Seconded by Mr. DeLuca. Motion carried unanimously.

Respectfully submitted:

A handwritten signature in cursive script, appearing to read "Paul C. Helmreich".

Paul C. Helmreich
Secretary, *pro tem*