

TOWN OF PEMBROKE  
APPROVED  
ADVISORY COMMITTEE MINUTES  
18 December 2017

Linda Peterson, Chairperson opened the meeting of the Advisory Committee in Pembroke Town Hall at 6:45PM on 18 December 2017. Also present were, Stephen Curley, James McCollum, John G. Brown, Jr. Stephen Walsh, and Elizabeth Monks

Guests: Michael Buckley, Town Accountant and Kathleen McCarthy, Town Treasurer/Collector

Linda opened the meeting welcoming Michael Buckley and Kathleen McCarthy to help clarify the financial impact to the town regarding retirees' healthcare increase. In the event the Board of Selectmen reconsider their vote of March 27, 2017 to raise "early retiree including non-Medicare eligible retirees" insurance contributions. It will cost the town \$100,000. Stephen Walsh asked about how the current town contracts are written noting the title states "Insurance & Retirement. Both Kathleen and Michael clarified that the terms of the contract are for "active" employees. Once you retire you are no longer an "active" employee under the contract.

Linda noted that the healthcare increase to 19% for retiree's on 7/1/17 also impacts 17 members that don't qualify for Medicare. The town could ask for special legislature for Pembroke however, it's unlikely to be granted. The Board of Selectmen must decide on a single rate. Michael Buckley noted the town has been working towards an elevated increase, i.e. 19% on 7/1/17; 22% on 7/1/18 and 25% on 7/1/19. Michael also noted that the town has 12 days left to decide whether to leave the Mayflower healthcare group which he believes is not going to happen. He noted that Mayflower has seemed to stabilize; trending now towards a 7-8% increase. The town is still looking at other health insurance providers. Myers submitted a quote and mirrored our current plan. There would be very little change to the current plan although Myers does not carry Harvard Pilgrim. The state's GIC plans do not have BC/BS. This topic still needs to be negotiated out of the town contracts; however the contracts don't expire until 2020.

Advisory thanked Michael and Kathleen for coming and adjourned at 7:00PM to attend the Board of Selectmen meeting.

The Board of Selectmen welcomed Advisory at 7:05PM.

The first topic on their agenda was FY19 Budget process and timeline.

- Ed Thorne, Town Administrator noted that he met with Advisory and have agreed Advisory will step away from meeting with Department Heads during the year leading up to the final budget presented to the Board of Selectmen. Stephen Curley noted that Advisory will stay close to the process, attend department head meetings with Ed when possible and stay informed while streamlining the process. If Advisory has additional questions, they will meet with them separately. Ed will schedule a meeting in January with Advisory to review FY19 Budget, review recommendations and have a plan of what is proposed i.e. funding sources. The town has been operating with tight budgets for the past 15 years. Michael Buckley, Town Accountant noted that budgets have been level funded but there's a prospect for an override for FY19 Budget i.e. new buildings a lot of things that could be on the table will take some big thinking. Dan Trabucco said the Capital Funding committee starting up after first of the year. Dan asked those in attendance if this process is working for them: Patrick Chilcott, Chairperson for the School Committee commented that the school committee values their relationship and are fortunate to have this relationship. It has worked out really well.
- The Spring Annual Town Meeting Warrant opens on January 22, 2018 and closes on February 19, 2018.

<sup>1-2</sup> The Chairperson did not vote on these motion.

- The Board of Selectmen accepted the resignation of Timothy Brennan from Advisory Committee. He was a valued member of Advisory and member of the community. Linda Peterson explained that Advisory is now down 3 members and the committee will submit an Article to change the language of By-Laws Article X to change the meeting “quorum” from “majority of appointed members” to “majority of active members” for the committee. She also reached out to residents watching tonight’s broadcast to get involved and if interested to obtain an application from the Board of Selectmen’s office.
- The Board of Selectmen accepted the 2018 calendar.
- Peggy Stuzik and George Emanuel discussed the hardship for retirees who are not Medicare eligible for the healthcare increase to 19% on 7/1/17. Rick Wall, Police Chief commented that we should be taking care of our retirees. Dan Trabucco said the intent was to make it even at 25% retiree contribution; surrounding towns are at 50%. Life isn’t always black and white; we have tried to come up with a compromise to fund healthcare costs. The probability of offering abatement option for this group of retirees is in violation of Massachusetts State Law and not an option. We are unable to segregate the retiree group. We need to make a choice that everyone is at 25% or make exception for entire group. Ed Thorne, Town Administrator noted that early retirees left service before the age of 65. If town wished to examine hardship cases, legislature approval is required; approval from the Legislature is unlikely. If the town returns all retirees to 15% contribution for health insurance; it will cost the town \$100,000 a year. The plan before the Board of Selectmen is to get everyone at 25% contribution. Lewis Stone noted that the Board of Selectmen already voted to bring everyone to 25%. Dan Trabucco noted the town has a three year plan to get to the 25%; maybe consider a five year plan schedule. Stephen Curley noted it’s a small group approximately 20 people; maybe extend a couple more years if you can go to five years.
- Arthur Boyle moved to table for the next Board of Selectmen’s meeting (January 8, 2018) and look at Legislation.
- Stephen Walsh noted if the town is reviewing healthcare insurance plans; there may be a cheaper plan. The cost would be less with the GIC plan if considering leaving Mayflower. If there’s a review of what’s best for the town. This change could make premiums go down.

Advisory adjourned from the Board of Selectmen meeting at 7:40PM.

Advisory continued the discussion regarding contribution of health insurance for the retiree group. James McCollum said if it only impacts two retirees because they didn’t work enough quarters to be eligible for Medicare. Maybe the town can submit an Article to pay for their cost of insurance. Stephen Curley said we probably couldn’t do that as it represents a different class. John Brown noted that next year continue through a 10 year plan; town should notify retirees every time they negotiate the contract. If you’re an early retiree you should realize things are going up. Stephen Curley said that one thing with GIC healthcare plan is higher co-pays and higher deductibles; however, you can pick your plan and change it 365 days during the year.

The Board of Selectmen distributed their winter meeting schedule for 2018. The Board of Selectmen is scheduled to meet on January 8 & January 22.

The committee reviewed Advisory Article X By-Law to change quorum. This will be prepared and submitted to the Board of Selectmen for inclusion in the 2018 Annual Town Meeting Warrant.

Upon motion moved by James McCollum and 2<sup>nd</sup> by Stephen Curley to change the Advisory Article X By-Law as follows: “appointed individuals not to exceed nine (9) members and a minimum not to go below four (4) existing members. They also agreed “a majority of the serving members shall constitute a quorum thereof”.

<sup>1-2</sup> The Chairperson did not vote on these motion.

**VOTED<sup>1</sup>:** To accept changing the Advisory Article X By-Law as follows: “appointed individuals not to exceed nine (9) members and a minimum not to go below four (4) existing members. They also agreed “a majority of the serving members shall constitute a quorum thereof”. John G. Brown Jr., Stephen Walsh and Elizabeth Monks supported the motion.

The committee reviewed the FY18 Town of Pembroke Operating Budget spreadsheet as of November 2017 received from Michael Buckley, Town Accountant along with the Advisory November 2017 monthly budget. They noted that DPW Snow & Ice has already spent 55% of their budget.

Upon motion moved by James McCollum and 2<sup>nd</sup> by Elizabeth Monks the meeting minutes of December 11, 2017 was

**VOTED<sup>2</sup>:** To accept the meeting minutes of 11 December 2017. Stephen Curley, John G. Brown Jr. and Stephen Walsh supported the motion.

Linda received a communication from the ATFC stating that the digital copy of the Finance Committee Handbook is available. The URL is: <http://goo.gl/ZGVe5Y>  
Donna will reach out to Denise Baker to request a hard copy.

The Capital Fund Committee first meeting is scheduled for January 10, 2018. Stephen Walsh plans to attend.

Advisory adjourned at 8:30pm. The next Advisory meeting is scheduled for Monday, January 8, 2018 at 7:00PM.

Respectfully submitted,

Stephen Curley, Clerk

<sup>1-2</sup> The Chairperson did not vote on these motion.