

**June 13, 2016**  
**Special Town Meeting Minutes**

Town Moderator, Stephen Doherty, called the session of 2016 Special Town Meeting to order on June 13, 2016 at 7:31 p.m. at the Town Hall Auditorium, 298 Central Street, Saugus, MA with 36 members, plus the moderator present. A quorum is met.

Joyce Rodenhiser from precinct 1 and Peter Rossetti, Jr. from precinct 2 were appointed and sworn in as tellers.

Moderator Doherty led the meeting in the salute to the flag. Moderator Doherty asked for a Moment of Silence for our servicemen and women overseas, as well as those affected by the tragedy in Orlando, FL.

Town Clerk, Ellen Schena, called the roll.

| Town Meeting Member name | Present/ Absent | Town Meeting Member name | Present/ Absent | Town Meeting Member name | Present/ Absent |
|--------------------------|-----------------|--------------------------|-----------------|--------------------------|-----------------|
| ATTUBATO, J              | P               | ALLEN, P                 | P               | BARTOLO, J.              | P               |
| BILLINGSLEY, S.          | A               | BRAZIS, K                | P               | BROWN, W.                | P               |
| CANTERBURY, M.           | P               | CICOLINI, J.             | P               | COBURN, J.               | P               |
| CONNORS, A.              | A               | COSTELLO, M.             | P               | COSTIN, J.B.             | P               |
| COTTAM, J.               | A               | COX, R.                  | P               | DECAREAU, E.             | P               |
| DEVLIN, F.A.             | P               | DINARDO, A.              | P               | DIVIRGILIO, A.           | A               |
| DOHERTY, S.              | P               | FALASCA, T.              | A               | FINN, C.                 | P               |
| FOWLER, J.               | P               | GOODWIN, P.              | P               | GOLDSTEIN, J.            | A               |
| GROARK, L.               | P               | HORLICK, S.              | P               | JOHNSON, P.              | A               |
| JONES, C.                | P               | KELLY, D.                | P               | LEUCI, W.                | P               |
| LOPRESTI, A.             | A               | MCCABE, K.               | P               | MCCARTHY, S.             | A               |
| MCLAUGHLIN, P.           | P               | MCTAGUE, J.              | A               | MORESCHI, C.             | P               |
| MURPHY, S.               | P               | PAOLINI, M.              | P               | POLITANO, K.             | A               |
| RING, D.                 | A               | RODENHISER, J.           | P               | ROSSETTI, P.             | P               |
| SERINO, M.               | P               | SPENCER, B.              | P               | STEWART, W.              | A               |
| SULLIVAN, P.             | P               | SWEEZEY, S.              | P               | THOMPSON, R.             | P               |
| WALLACE, R.              | P               | WITTEN, R.               | P               |                          |                 |

37 Members present, a quorum is met.

Finance Committee Report.

At 7:37 p.m. Mr. Ken DePatto, Chairman of the Finance Committee spoke on the 2 Articles concerning OPEB and his hopes the Town Meeting Members with support the Finance Committees recommendations. He stated that the 3<sup>rd</sup> Article has been withdrawn by author of the article Mr. William Stewart.

Mr. Martin Costello from precinct 10 informed the Town meeting Members that there is a scheduled Community meeting in June concerning the Wheelabrator issue on expanding the ash landfill. This is an important issue and he asks the town meeting members to review the hand out that he is having passed around.

As a courtesy to the Finance Committee, Ms. Cicolini moves Article 1 as recommend

Seconded at 7:41 p.m.

**Article as written:**

**Article 1.** To see if the Town will vote to accept M.G.L. Chapter 32B, Section 20-Other Post Employment Benefits Liability Trust Fund. (Town Manager)

At 7:41 p.m. Town Manager Scott Crabtree explains what the M.G. L. Chapter 32B Section 20 to Town Meeting. It is other than Pension Benefits like Healthcare cost in post employment. The town now pays as you go like other Massachusetts Communities and some have now adopted this statute. There are 2 purposes for this statute: the Elected or Appointed officials understand the liability the town has for benefits (other than pensions) and it is to inform and educate the town on post employment benefits. Tonight is about town meeting accepting this statue and having some experts come in on how to fund. This is a financially responsible thing to do for the town. He hopes town meeting will support and adopt the statute to move forward.

At 7:49 p.m. Mr. J. Brian Costin from Precinct 7 asks about CBA (Collective Bargaining Agreement) and if it isn't included

in the CBA will it be? Is this a benefit that was applied to the employees prior to their retiring and were they obligated to pay it?

At 7:49 p.m. Town Manager Scott Crabtree explains this is not part of the Collective Bargaining Agreement but part of Municipal Law. Although he feels it would be good to have the share holders and stake holders involved. He explains how the pension and benefits work for the town by State Law.

At 7:50 p.m. Mr. Bill Brown from Precinct 6 asks the following: How much is the total liability right now? How much are we behind? What is the breakdown per employee? What are the supplements? Are we establishing a trust? He requests more information on this M.G.L but will leave it up to the body here on what to do.

At 7:52 p.m. Town Manager Scott Crabtree answers that \$104 million is unfunded liability and to do nothing makes the liability greater. By adopting the statute we then would come up with a plan to take financial responsibility. His job as the CFO and Administrator for the town is to inform the Town on where we are and what to do going forward.

At 7:54 pm. Martin Costello from precinct 10 states he worked 40 years in a private company and has see things in the past. He is concerned if the Town Manager will have his hands tied from Beacon Hill on what he can do?

At 7:56 p.m. Town Manager Scott Crabtree explains this is not creating a new benefit but it is a mechanism for communities to fund a liability for retired employees for health insurance. This is a way to put money away to help pay for these liabilities out of a trust instead of the operating budget.

At 7:58 p.m. Mr. Jim Powers from Powers & Sullivan partner in charge of the Independent Auditor of the town explains that this is an accounting issue and a funding issue. This is a benefit the town has to fund and what the town manager is setting up is a trust fund to pay for the retirees benefits. The money is set aside works the exact same way as your Pension Benefit. This is a long term solution to a long term problem created many years ago. The money can only be used for retiree benefits.

At 8:06 p.m. Mr. Peter Rossetti Jr, from Precinct 2 speaks that back in April 2016 he was able to attend the National School Board Convention in Boston he met a David Bott and is chairman of Gatsby which is a Government Accounting Standard Board and he was there to speaks on Government Accounting updates. One of the topics was a heads up that you need to set up a plan like this now or you will be forced to do it in the future. This is the new accounting standards, which is required by the accounting professionals. His suggestion was to move on this now and not later where a much larger some of money would be required. He supports this plan.

At 8:08 p.m. Mr. Ed Decareau from Precinct 8 asks what is the funding mechanism. When is the time up that is has to be fully funded? Who is going to be on the board? Who will be investing? This is a very large expenditure and must have these questions answered beforehand.

At 8:11 p.m. Town Manager Scott Crabtree states there is no mandate to fund OPEB but the first step right now is to adopt the statute then bring professionals to discuss on what to do with how to put the trust together. The move to updating the actuary and start allocating funds on our operating budget. We will need to set up policies.

At 8:17 p.m. Mr. Al DiNardo from Precinct 4 supports this article tonight.

At 8:19p.m. Mr. Bill Brown from Precinct 6 fully supports the idea and feels it is overdue but Article 2 is putting money in the trust. He needs more information before supporting.

At 8:22 p.m. Mr. Paul Allan from Precinct 3 fully supports Article 1 but he thinks to do without Article 2 until everything is in place, maybe put in a \$1.00 dollar.

**Article as voted:**

Voted to recommend the Town accept M.G.L. Chapter 32B, Section 20-Other Post Employment Benefits Liability Trust Fund.

Seconded at 8:23 p.m.

**Hand Count Vote by Tellers to Accept:**    **Left: 17**  
   **Right: 19**  
   **Total: 36 in favor**  
  
   **Opposed: 0**

**Article 1 passed as recommended, by unanimous hand vote at 8:24 p.m.**

As a courtesy to the Finance Committee, Ms. Cicolini moves Article 2.

Seconded at 8:25 p.m.

**Article as written:**

**Article 2.** To see if the Town will vote to raise and appropriate or transfer from available funds, a sum of money to be transferred to the OPEC Trust (Other Post Employment Benefits Liability Trust). (Town Manager)

No Discussion

**Article as voted:**

Voted to recommend the sum of \$150,000.00 be transferred to the OPEB Trust (Other Post Employment Benefits Liability Trust). The source of the funding is free cash.

Seconded at 8:26 p.m.

**Hand Count Vote by Tellers to Accept:**    **Left: 17**  
   **Right: 15**  
   **Total: 32 in favor**

**Hand Count Vote by Tellers to Oppose:**   **Left: 0**  
   **Right: 3**  
   **Total: 3 opposed**

**Article 2 passed as recommended, by hand vote at 8:26 p.m.**

As a courtesy to the Finance Committee, Ms. Cicolini moves Article 3.

Seconded at 8:27 p.m.

**Article as written:**

**Article 3.** To see if the Town will vote to accept 2 parcels located in East Saugus deeded to the Saugus Housing Authority by the Commonwealth of Massachusetts when plans for routing I95 through the Saugus marsh area was discontinued. The Parcels are sold by the Town the funds are to be distributed into an account for the Saugus Affordable Trust. (William Stewart, Town Meeting member, Precinct 3)

**Mr. Stewart spoke with the Financial Committee to withdraw this article.**

**Article as voted:**

Voted to recommend Article 3 for Indefinite Postponement (IP).

**Article 3 passed as recommended by the Finance Committee, by unanimous voice vote at 8:27p.m.**

Seconded at 8:08p.m.

Moderator moves to adjourn the 2016 Special Town Meeting sine die.

Seconded at 8:27p.m.

Unanimous voice vote adjourn sine die.

Respectfully submitted

Ellen Joyce Schena  
Town Clerk