

MINUTES

OF THE

FINANCE COMMITTEE
MEETING

APR 6 2011

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TUESDAY, MARCH 29, 2011
7:00 P.M.

TOWN HALL MEETING ROOM
130 MAIN STREET

Present: Bill Diederling, Paul Sylvia, Glenn Pare', Tom Hickey, Paul Kilty, Ellen Yaffe, Courtney Bridge and John Vibberts, Linda Bliss

Also Present: Town Manager George Dunham; Selectmen Linell Grundman, Jim Pierce and John Kennan; Sue Vibberts, Dr. Mary Ellen Johnson and SCT (Sandwich Community TV).

ITEM #1
CALL TO ORDER

Meeting called to order at 7:00 p.m.

ITEM #2
REVIEW AND APPROVAL OF MINUTES

Minutes of March 22, 2011-

***MOTION WAS MADE BY MR. HICKEY TO APPROVE THE MINUTES OF MARCH 22, 2011 AS PRESENTED. SECONDED BY MR. VIBBERTS. VOTE – UNANIMOUS MS. BLISS ABSTAINING.**

ITEM #3
TOWN MANAGER'S REPORT

Mr. Dunham handed out and gave an overview of Projected Revenues and Expenses – FY'12 (GHD Draft 3/29/2011); FY'12 Budget Totals (GHD Draft 3/29/2011); FY'12 Capital Budget Summary; Ambulance Fund/Other Transfers; Reconciliation; May 2, 2011 Annual Town Meeting Warrant Articles and Proposed Ballot Questions; 2011 Summary of Community Preservation Committee Approved Projects.

Mr. Tim Cooney will be attending next week's meeting for an update on the CPC projects.

Offered the Committee copies of Police Chief Wack's notes from last week's meeting.

Update on Snow & Ice Account.

Update on Upper Cape Cod Regional Vocation Technical School.

***MOTION WAS MADE BY MR. KILTY TO APPROVE A RESERVE FUND TRANSFER OF UP TO \$150,000 TO COVER THE FY'11 SNOW AND ICE BUDGET DEFICIT. SECONDED BY MR. VIBBERTS. VOTE – UNANIMOUS.**

Brief discussion of Police Dept. budget and use of funding for overtime.

Mr. Diederling noted that Donna Bronk, Chairman of the Wareham Finance Committee, recently contacted him regarding UCCRVTs assessments trying to get a feel for other towns and how they feel. Mentioned to her that, at that time, the Sandwich Finance Committee had not voted yet so he could not speak for the Committee but did get the feeling from the Committee that there was overwhelming support for it.

-Mr. Pare' - If we end up not approving the budget for UCCRVTs but voted for the rest of the budget, would we have to go back to a Special Town Meeting?

It was noted that Sandwich's assessment has increased even though we have five fewer students.

-Mr. Dunham noted that part of that is the capital and health insurance...everything is factored into the assessment. If the Committee votes 'no' on the UCCRVTs budget, all that does is send it back to the UCCRVTs Committee. It is believed that the vote has to be a 'super' majority or larger than a regular majority from the Towns.



-Mr. Diederling – if we send it back to them, that only requires them to reconsider...it does not require them to change the budget.

-Mr. Vibberts suggested putting the UCCRVTs under the similar scrutiny as we do for the Sandwich school system. Doesn't like the increase in the assessment in view of the student participation.

Mr. Dunham noted that there is legislation that requires that have to use the governor's budget. They cannot come back to us for more money once they have given each town our assessments.

Mr. Kilty offered that it is a great school that does a lot of good things and can appreciate Wareham's inquiry.

Doesn't think other Towns will not vote for this budget. They should be working on the reimbursement from the State. Suggested making that comment back to the Town of Wareham.

Discussion on the UCCRVTs budget.

ITEM #4

FY'12 BUDGET DISCUSSION AND VOTE

Mr. Dunham updated the Committee.

***MOTION WAS MADE BY MR. PARE' TO ACCEPT THE FY'12 BUDGET AS PRESENTED INCLUDING THE UPPER CAPE COD REGIONAL VOCATIONAL TECHNICAL SCHOOL ASSESSMENT. SECONDED BY MR. VIBBERTS.**

-Mr. Hickey expressed concern that he had only had the UCCRVTs budget for an hour. Has had the Sandwich budget for a much longer time. Would like a little more time to review this budget. Asked if it is possible to hold this budget out and vote the rest of the budget.

-Mr. Dunham noted that it is part of the budget.

-Mr. Pare' mentioned that he made the motion the way he did...it is likely we won't get to the 'super' majority we are kind of stuck with the number they give us.

-Mr. Sylvia – very confident with the UCCRVTs budget.

Mr. Vibberts – given that health care is included in the budget, believes the budget is reasonable...but respects Mr. Hickey's question.

-Mr. Kilty is in favor of the whole budget including the UCCRVTs but would reaffirm that there are certain needs in this town that are not being met. Fiscal restraint is important but it is a major concern when the Police Department comes in and talks about their understaffing; Department of Public Works roads and Fire Department's issues. These departments have needs...not just wants. Wants to emphasize that we are not addressing certain needs of the Town.

-Ms. Yaffe – when making the Finance Committee statement at Town Meeting, please make very sure to emphasize that there is a major underfunding of the Town's budget.

-Mr. Pare' – there is a very serious underfunding for the DPW, Police and Fire.

-Mr. Kilty asked if we got any answers from the School Department regarding the FTE's.

-Mr. Diederling noted that Dr. Johnson is here and she asked for some time to put that information together.

-Mr. Vibberts - doesn't think we can find the solution for the roads until we have a road bond. \$1.3 million over three years...a debt exclusion; and an additional \$300,000 in the operating budget to keep things at the same level.

-Mr. Dunham thanked the Committee for their support that helped keep everyone we currently have. We talked about the Police, Fire and DPW but there are all of our other smaller departments that work with less all the time also.

-Mr. Diederling – something in our financial structure has to change. If not, all we are doing is keeping the structural deficit even larger. There are structural problem that need to be discussed or we will never get out of this.

-Ms. Bliss – what about economic development to increase revenues?

-Mr. Diederling – you are correct...everything has to be considered.

-Mr. Kilty asked if there are any updates from the State on health care.

-Mr. Dunham – yes, there is something being worked on to give the towns the same rates as the state. We send in written comments. A little bit skeptical that there will be any thing we need to make any changes to.

-Mr. Vibberts inquired about increasing staffing for the Police and Fire Departments.

-Mr. Dunham noted that if we get a joint public safety building we will need eight new dispatchers.

-Mr. Diederling noted that there is a \$1.5 million deficit looming for FY'13.

***VOTE - UNANIMOUS**

ITEM #5
DISCUSSION OF ATM WARRANT ARTICLES

Mr. Diederling noted that next week's meeting Tuesday, April 5 will be a joint tri-board meeting with the Board of Selectmen and the School Committee beginning at 7:00 pm at the Town Hall meeting room. It is a public hearing. There will also be a presentation from the Community Preservation Committee prior to the vote. Mr. Dunham gave an overview of the warrant articles and noted that there may be a short version of the Long Range Plan in the back of the warrant.

Article #4-

***MOTION WAS MADE BY MR. PARE' TO ACCEPT THE DEBT EXCLUSION FOR THE OAKRIDGE & FORESTDALE SCHOOLS ROOFS & WINDOWS IMPROVEMENTS. SECONDED BY MR. HICKEY.**

Discussion-

Ms. Yaffe noted that she does not feel comfortable voting on anything without a number.

Continued discussion.

***MOTION AND SECOND WERE WITHDRAWN.**

It was noted that this vote can be taken the night of the Town Meeting...it just won't be in the warrant.

Mr. Pare' – concerned that until we know the scope of the project...

Ms. Yaffe – We don't have to have our recommendation on the warrant. The warrant can say...recommendation pending. We can do it other ways.

Mr. Diederling – we do have to make our recommendation prior to Town Meeting.

Mr. Kilty – it does say in the Charter...we have to make a recommendation on every financial article on the warrant.

Mr. Dunham – We have told people right along we wanted to support the Mass. School Building Association (MSBA) project etc....that this would be a very tight time table. We hoped to get it done over the summer.

Mr. Kilty – understands the process. We could make a recommendation based on the need. There is an opportunity for reimbursement of about 43% from the State. If we need to change it at Town Meeting we could change it...if the number came back ridiculous.

Dr. Johnson – it was an estimate of \$3.2 million but that they have not been out to look at everything. As things change it could go higher but doesn't think it would go as high as \$5 million. There would be a \$1.5 million reimbursement if the project was \$3.2 million.

***MOTION WAS MADE BY MR. PARE' THAT THE FINANCE COMMITTEE APPROVE A DEBT EXCLUSION FOR OAKRIDGE & FORESTDALE SCHOOLS ROOFS & WINDOWS IMPROVEMENTS NOT TO EXCEED \$3 MILLION. IF IT DOES, WE WILL GO BACK TO DISCUSS IT.**

***THERE WAS NO SECOND.**

Mr. Diederling noted that we will take this up again next week.

Mr. Kilty recommended that we do post a meeting of the Finance Committee the evening of Town Meeting...just prior to the start of Town Meeting.

Mr. Diederling agreed.

Article #5-

Capital Debt Exclusion for the Sandwich Public Library HVAC System. This would be a \$450,000 one time capital exclusion.

***MOTION WAS MADE BY MR. PARE' TO RECOMMEND PASSAGE OF ARTICLE #5 AS PRESENTED FOR UP TO \$450,000. SECONDED BY MR. VIBBERTS. VOTE – UNANIMOUS**

Article #6-

Debt Authorization for UCCRVTS MSBA Window Improvements.

It was noted that this is already in their assessment.

-Mr. Kilty would like a discussion on the golf budget.

-Mr. Diederling – if the Committee would like a presentation from the Golf Director we can schedule it.

-Mr. Vibberts agreed he would like a presentation also.

-Mr. Sylvia – no

-Ms. Yaffe – it is not a complex budget and we did receive the information on it.

-Mr. Dunham – recommended an appropriation for less than last year. Any thing we can control as the Golf Course has been done or is in the process. WE do have a new caterer coming on board.

-Ms. Yaffe noted that she feels familiar with the Sandwich Hollows Golf Course budget. No need to have them come in.

- Mr. Diederling – need a motion to bring the Golf Director in?
- Mr. Kilty – no need for a motion...as a Committee it is our responsibility to look at each part of the budget we are approving and we should have a proper understanding each year.

Article #15/Petition Article-

Acceptance of State Library Grant Construction Funds & South Sandwich Village Library Design

-Mr. Pare' – will we have a discussion on this article?

-Mr. Diederling – we are only being asked to accept grand funding...but it is a matching funding so we have to come up with some money if we agree to the article.

In response to a question about a presentation on the matter, Mr. Diederling noted that there was a full presentation by the Library at a Board of Selectmen meeting and the feeling was that we need not invite them to come into a Finance Committee meeting.

-Ms. Bliss and -Mr. Vibberts agreed that we cannot do this now.

-Mr. Kilty – this is a major concern...the timing. We have a lot of priorities on a list. WE have to consider that if it gets built, what are the staffing requirements going to be? We already have a problem with meeting the current staffing needs. Doesn't see how we can afford to support this at this time. Doesn't think the timing is right for this.

-Ms. Bliss agrees.

-Mr. Pare' – likes the idea of the project but there is a problem with supporting a new library i.e. staffing. The LRP that the Board of Selectmen are writing says that no jobs will be lost over building anything; however hopes that we can go to our State Representative and State Senator to keep this on a future list for the matching funds at a future time.

-Mr. Diederling agrees...on the capital improvement needs budget, a new library would fall close to the bottom of the list...what with staffing issues etc.

Articles #16-21

There will be a CPC presentation next week.

-Mr. Diederling noted, with reference to Article #19 (Sandwich Chamber of Commerce Old Harbour Walk Project), that he is having a problem understanding how this is a CPA project. Thinks it is a stretch that any part of this should be coming from the CPA funding.

-Mr. Dunham offered that it is preservation of historic land. They will also be asking for money from the Cape Cod Economic Development fund.

-Mr. Vibberts – agrees with Mr. Diederling...likes the idea of having the boardwalk but it seems like a bit out of this funding source.

-Mr. Sylvia agrees – this is in fact tax dollars and they said they weren't going to use any tax money.

-Mr. Kilty- We supposed to decide whether it is affordable under the CPA and what the impact is to the taxpayers.

-Mr. Diederling – I don't think it is proper to fund it through the CPA.

-Mr. Kilty – that is a personal opinion. Let the CPC debate and justify the use of the CPA funds.

-Mr. Diederling – thinks many votes we take are a personal opinion. Walking is the only thing that prevents me from feeling this is the wrong use of CPA money.

-Mr. Vibberts thinks it should be funded by other means.

-Ms. Yaffe agrees with Mr. Kilty.

-Mr. Pare' noted that there is no such thing as a value free judgment. Agrees with Mr. Kilty and Ms. Yaffe. If we are going to have a presentation next week, suggested we hold our questions 'til that time.

-Mr. Vibberts noted that 3% of our tax bill goes to CPA funds. It is not as simple as ...what's available in the fund. The compensation from the State government is less now than it used to be. There is more of a compounding effect on this fund.

Mr. Dunham updated the committee on recent efforts to do some refinancing to save the Town about \$300,000. Standard & Poor's rating for the Town stayed the same at AA. Mr. Dunham, Town Accountant Doreen Guild, Town Treasurer Craig Mayen and Jim Eldridge from the Cape Cod 5 recently participated in a conference call. Mr. Dunham will have a copy of this information for next week's meeting. We always reserve the rite to pull out if the rates are bad on the day it is done. They ask a lot about the Stabilization Fund. They were please we did not have to touch it this year. The Finance Committee and Board of Selectmen are safe with our money and they appreciate that. They look at it as healthy if you use your money for up keep and maintenance for structures.

ITEM 6

VOTE ON JOINT SUBCOMMITTEE

Mr. Diederling, reading from the LRP wording which the Board of Selectmen has been working on, noted that the LRP has addressed that concern. Recommends that the Finance Committee not vote on a joint committee tonight. Is pleased that there is progress on this through the LRP and the Board of Selectmen.

ITEM #7
OTHER

- Ms. Yaffe – regarding the CPA funding discussion...unfortunately the matching funding from the State is no longer 100%. The 3% commitment from the Town with the States commitment at less than the 100% has to be considered. Following a brief discussion on the CPA, Mr. Dunham noted that we may be restricted about getting out of the CPA.
- Mr. Diederling - the match was discussed at Town Meeting that it would probably not always be the 100%.
- Mr. Kilty – we could put a moratorium on use of any CPA funding.
- Mr. Dunham – the Town Meeting may not be able to tell the CPC and Board of Selectmen what to do.
- Mr. Yaffe – We do have a commitment for all presently approved projects. Just thinks the committee should be discussing this.
- Mr. Sylvia asked for separate sheets on this information.
- Mr. Dunham - yes, for next week.
- Mr. Diederling – we cannot change the 3% because we came on to the CPA from the land bank.
- Mr. Vibberts – can we go from CPA to land bank?
- Mr. Dunham – not sure...can look into it.
- Mr. Diederling noted that he is always concerned about having enough funding for conservation land.

ITEM #8
ADJOURNMENT

9:00 p.m.

***MOTION TO ADJOURN WAS MADE BY MR. VIBBERTS. SECONDED BY MR. PARE'. VOTE – UNANIMOUS.**

Respectfully Submitted,


Diane M. Hanelt
Secretary

Approved: 4/5/11 as amended

Supporting Documents:

- Projected Revenues & Expenses – FY'12 (GHD Draft 3/29/2011)
- FY'12 Budget Totals (GHD Draft 3/29/2011)
- FY'12 Capital Budget Summary (Final 3/29/2011)
- Ambulance Fund/Other Transfers (Final 3/29/2011)
- Reconciliation
- Annual Town Meeting Warrant Articles (GHD Draft 3/29/2011)
- Proposed Ballot Questions & Corresponding Warrant Articles-EAPD (Bond Counsel) Final Draft 3/25/11
- 2011 Summary of CPC Approved Projects
- Overtime Explanation/What are we doing to control overtime/What is Needed