

MINUTES  
OF THE  
FINANCE COMMITTEE  
TUESDAY, JUNE 14, 2011  
7:00 P.M.  
TOWN HALL MEETING ROOM  
130 MAIN STREET

TOWN CLERK  
TOWN OF SANDWICH

SEP 15 2011

10 H 45 M A M  
RECEIVED & RECORDED

Present: Bill Diederling, Paul Sylvia, Tom Hickey, Ellen Yaffe, Courtney Bridge, Paul Kilty

Also Present: Town Manager George Dunham; Selectmen Linell Grundman and Jim Pierce; Town Accountant Doreen Guild; School Committee member Susan Sundermeyer; SCT

ITEM #1  
CALL TO ORDER

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

ITEM #2  
POTENTIAL FORMATION OF TRI-BOARD GROUP

Ms. Grundman addressed the Finance Committee regarding trying to come together and form a committee of some type of all three boards – Board of Selectmen, School Committee and Finance Committee. There was a Covenant Committee at one time – comprised of representatives from the Board of Selectmen and School Committee. It was very effective providing communications between committees. It was voted out of existence a couple of years ago. We now need to get together and decide how to get communication out to the community better. Ms. Sundermeyer is the representative from the School Committee and Ms. Grundman is the representative from the Board of Selectmen. It is thought that the Finance Committee should be represented.

It was noted that the committee must be task oriented and it needs to come up with a mission statement and get it back to the Board of Selectmen. Communication and policy are important.

-Mr. Diederling – Point of clarification...when we discussed this in the past, it was quite a few months ago...you are here tonight representing the Board of Selectmen and they are aware that you are here for this purpose.

-Ms. Grundman – yes, I was tasked with this.

-Mr. Diederling – in previous discussions, the Finance Committee was mixed about this issue. What has changed since the last time we talked?

-Ms. Grundman – we are talking about a Chief Financial Officer. We need to explore this possibility. We need to decide what the job of the committee is, first. It is not about who is on the sub-committee it is more about what the job of the committee will be. Need clearer deliverables and tasks. We need a clearer understanding and feed back from our professional staff. We need to be task oriented.

-Mr. Diederling opened discussion up to the Committee-  
No comments.

-Mr. Pierce noted that, yes, Ms. Grundman is acting at the behest of the Board of Selectmen. There are a number of subjects that need to be discussed and there are a number of issues that clearly need the input from all three committees. There is no policy that gets approved...this is simply a committee to use as a tool.

-Mr. Diederling - should this initial committee decide what the intent of the committee will be? Ms. Grundman – yes...a mission statement and an outline.

-Mr. Sylvia – Would you say the mission would change as needed? Ms. Grundman – yes.

-Ms. Bridge noted that she is for the committee if the items are rotated etc.

-Mr. Hickey – Have you put any feelers out to the community and what is the feed back? Ms. Grundman – yes, completely positive.

-Ms. Hickey – has heard from some people that they don't want to see the Board of Selectmen and Finance Committee too close. Ms. Grundman – has heard that too, but believes that we have to move ahead and the communication between the committees has to be stronger.

-Ms. Grundman – We have a better understanding now of what we don't want.

-Mr. Kilty – Could you succinctly state the purpose and/or object of the committee?

-Ms. Grundman – We need to get a representative from each of the Committees. Task and information and opinions and then they bring it back to their own committee.

-Ms. Yaffe – from her understanding the idea is good. This is just an initial step...sounds like a good way to go.



-Mr. Diederling – the first objective of this committee would be to come up with a proposal for a tri-board committee and what type of work it would do and then we can decide if we want to continue.

-Mr. Pierce – how to exchange information on very task oriented issues. We need to have a communication and accurate information exchanged between the boards.

-Mr. Kilty noted that this sound similar to something he and Mr. Vibberts suggested in the past and it didn't go anywhere. There has been discussion about a central finance department. In the past Mr. Vibberts expressed concern. What will the committee do? Would like to see a very specific intent. Preliminarily right now, is in favor of it.

-Ms. Grundman – the goal is definitely task oriented.

-Mr. Kilty – thinks the proposed committee has to start with a task to be worked on. Would like to see an issue brought forward initially. Would like to have the objective clearly defined.

-Mr. Diederling – Do we want to move forward with this at this time?

**\*MOTION WAS MADE BY MS. YAFFE TO HAVE A MORE FORMAL CHARGE OF DUTEIS AND A MISSION STATEMENT FOR THE PROPOSED BOARD. SECONDED BY MR. SYLVIA.**

**Discussion –**

-Mr. Kilty- would there be one or two members from the Finance Committee on the tri-board?

-Mr. Diederling – there would be one for this committee for phase 1 to join into this.

**VOTE - UNANIMOUS**

**\*MOTION WAS MADE BY MR. KILTY TO NOMINATE MR. DIEDERLING TO SERVE ON THE PROPOSED TRI-BOARD COMMITTEE. MOTION WAS NOT SECONDED.**

-Mr. Kilty feels the chair or vice-chair of the respective committees would be the most favorable person at least initially. There is more in terms of time requirements...maybe leaving it up to the chair or vice-chair who should attend.

-Mr. Sylvia, in reply to being asked if he would consider serving on this committee, noted that he would not mind doing the initial part...that is ok...but not permanently.

-Ms. Bridge noted that, at a future date, if the proposed committee does a rotation, she would like to serve.

**\*MOTION WAS MADE BY MR. KILTY TO APPOINT MR. SYLVIA TO BE THE LIAISON FOR THE FINANCE COMMITTEE TO THE TRI-BOARD COMMITTEE. SECONDED BY MS. BRIDGE. VOTE – UNANIMOUS**

### ITEM #3

#### REVIEW AND APPROVAL OF MINUTES

Minutes of Monday, May 2, 2011 (meeting held just prior to Annual Town Meeting)-

**\*MOTION WAS MADE BY MS. YAFFE TO APPROVE THE MINUTES OF MONDAY, MAY 2, 2011 AS PRESENTED. SECONDED BY MR. SYLVIA. VOTE – UNANIMOUS MR. KILTY ABSTAINING**

Mr. Diederling noted that the Finance Committee has received a copy of the Upper Cape Cod Regional Technical School finance budget which all members received by e-mail.

### ITEM #4

#### TOWN MANAGER'S REPORT

-The 3<sup>rd</sup> week in July we will be closing the books for FY'10/'11.

-Overview of FY 2011 Reserve Fund Transfer Approvals / Requests

-Mr. Diederling – if we don't vote this tonight, could we vote it later when we have a more exact numbers on everything?

-Ms. Guild – you need to take the vote before June 30, 2011.

-Mr. Diederling, concerned about the Library issue, noted that being able to cover your payroll is basic.

-Ms. Yaffe asked if there is a reason for this issue.

-Mr. Dunham noted that it is, in part, due to money that the Library doesn't control.

-Ms. Yaffe – are the Sunday hours part of the reason?

-Mr. Diederling – it could be but it could be something else.

-Ms. Yaffe noted that the Committee never sees the Library whole budget. We go into that with just a portion of the information so now this is a short fall for them. Is ok to approve this but we need to scrutinize it for FY'12.

-Mr. Dunham gave an overview of the Library budget information from the budget binder that everyone received at the beginning of the budget season.

-Ms. Guild noted that she spoke with the Library Director today. The Weston Memorial Trust Fund will be voting in the future and they may not need the transfer if the trust gives them the money.

-Mr. Diederling -- If we approve this then the trustees will probably not vote their funding.  
-Mr. Sylvia -- would like to have had a full explanation of this...where is the \$15,000 should fall coming from.  
-Mr. Diederling agreed.

**\*MOTION WAS MADE BY MS. YAFFE TO APPROVE A RESERVE FUND TRANSFER OF UP TO \$15,000 TO THE LIBRARY ACCOUNT. MOTION DIES FOR LACK OF A SECOND.**

**\*MOTION WAS MADE BY MS. YAFFE TO APPROVE A RESERVE FUND TRANSFER OF UP TO \$25,000 TO THE FIRE DEPT. OVERTIME ACCOUNT. SECONDED BY MS. BRIDGE. VOTE -- UNANIMOUS**

**\*MOTION WAS MADE BY MS. YAFFE TO APPROVE A RESERVE FUND TRANSFER OF UP TO \$50,000 TO THE POLICE DEPT. OVERTIME ACCOUNT. SECONDED BY MR. KILTY. VOTE -- UNANIMOUS.**

**\*MOTION WAS MADE BY MS. BRIDGE TO APPROVE A RESERVE FUND TRANSFER OF UP TO \$75,000 TO THE LEGAL ACCOUNT. SECONDED BY MS. YAFFE.**

There was a general discussion after which Mr. Kilty noted that the \$75,000 Reserve Fund Transfer to the Legal Account is clearly something we should support.

**VOTE -- UNANIMOUS**

**\*MOTION WAS MADE BY MS. BRIDGE TO APPROVE A RESERVE FUND TRANSFER OF \$117,246.92 TO THE SNOW AND ICE ACCOUNT. SECONDED BY MS. YAFFE. VOTE -- UNANIMOUS.**

Mr. Dunham gave a general overview of Mass. Dept. of Revenue, Division of Local Services, FY2012 Local Aid Estimates, FY2012 Local Aid Assessments, FY'12 Cherry Sheet Receipts (GHD Draft -- 6/14/2011)

Mr. Dunham noted that the Community Preservation Committee met last week. John Juros will be the Chairman and John Vibberts will still be the representative from the Finance Committee.

The MSBA (Mass. School Building Authority) has voted to approve the money for the Forestdale and Oak Ridge School projects.

Mr. Diederling talked about what to accomplish this summer. If we could meet two or three times between now and Labor Day we might be able to accomplish some things we cannot get to in the winter. Also, if the Town Manager objects to anything he should express that and feel comfortable.

Mr. Diederling suggested the following topics for future discussion --

1) Discuss use of and minimum balance of the Stabilization Fund, guide lines etc. Is that something the Committee would like to discuss during the summer?

2) Meet the new Superintendent of Schools without any particular issues. Just a general type discussion. -- Mr. Kilty agreed that is a good idea and can also voice any issues we have had in the past. It would be a good idea to address these issues up front before the budget season.

Ms. Bridge asked if we could also invite the golf group in. Mr. Diederling -- yes.

Ms. Yaffe suggested a CPA (Community Preservation) funds discussion. We had some disagreement within the Committee on this during the budget season.

Mr. Sylvia suggested a discussion on a joint public safety building. If there is anyone who has not taken a tour of the current buildings and the new member...whoever it will be.

Mr. Diederling -- regarding capital needs, do we want to get into that as far as prioritizing what we would like to see done first etc. Ms. Yaffe noted that that is what we have a CIPC (Capital Improvement Planning Committee) for.

Ms. Bridge noted that she would like to get information from the public on their priorities.

Mr. Diederling noted that last year when we were discussing the library some of the Committee members said we had to prioritize what we felt was important.

Mr. Dunham -- The Board of Selectmen has asked, as part of the LRP (Long Range Plan), that he prioritize the larger capital projects over the next ten years and the tax impact from them.

-Mr. Pierce - thinks it is appropriate for the Finance Committee to influence the priorities but it up to the Selectmen to decide the priorities. Has no problem with taking suggestions from the FinCom if they are submitted as ideas.  
-Mr. Diederling agreed.  
-Mr. Kilty thinks it is a great idea to hear from the CIPC. It is good to be aware of what the potential projects could be. We should hopefully have the CIPC and the Board of Selectmen in to a meeting.

-Mr. Dunham mentioned that if anyone would like to apply to be on the Charter Review Committee or if there are any changes to the Charter the Finance Committee would suggest...the letter of interest is due by September 1<sup>st</sup>. It would be good to have the Finance Committee represented because it will ultimately involve town funds.  
-Mr. Diederling noted that there are some ways that we do the budget that he doesn't like. Maybe we can talk about it. We talked about the ideas of the way we allocate Free Cash comes from end of year cash revenue...the town ends up contributing more than the school department. There is a way to take that Free Cash and decide how to allocate it. Would rather have a discussion on this before the budget.  
-Ms. Yaffe - is it ever allowed to break out unspent money?  
-Mr. Kilty -we have asked for the group health insurance item separated out - town and schools. We should have something that is a bit more involved i.e. payroll costs etc., pension costs any payroll associated cost percentages.  
-Mr. Pierce, on the matter of Free Cash, noted that it is a little misleading to hang it all on the schools. We need to understand where the Free Cash comes from.  
-Mr. Dunham - There are so many things that enter into that number.  
-Ms. Guild - It is not just the expenses side.  
-Mr. Diederling - the school budget does not have line items except Chapter 70. They just have one number they deal with. Would like to see revenues separated from expenses and shown in their budget.  
-Ms. Yaffe - transparency at its best would be to see all revenues and all expenses clearly.  
-Mr. Dunham - If the Committee wants to talk about different ways to present the budget detail, let me know.  
-Mr. Diederling - sending tuition...how does it show up in the general government budget and not the schools budget? If there is a way, we might want to change the budget.  
-Mr. Kilty - would like to get into a level of detail on the budget with options for future budgets such as 1) severe cuts; 2) override 3) a combination of the two. We need a level of details for each department and associated costs.  
-Ms. Bridge - if we could know about the topics that we are going to be discussing for each department and make the big topics separately.  
Other- None

**ITEM #5**  
**FINANCE COMMITTEE ITEMS**

Summer agenda and related items:

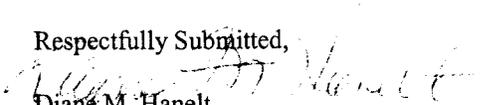
Mr. Diederling opened a discussion on future meetings. It was agreed that the next meeting would be scheduled for Tuesday, June 28 at 7 p.m. in the Town Hall Meeting Room, 130 Main Street upper level and a meeting on Tuesday, July 12 will be decided and then go from there. The first week after June 30 the committee will need to reorganize.  
Other - None

**ITEM #6**  
**ADJOURNMENT**

**8:47 p.m.**

**\*MOTION TO ADJOURN WAS MADE BY MS. YAFFE. SECONDED BY MR KILTY. VOTE - UNANIMOUS.**

Respectfully Submitted,

  
Diane M. Hanelt  
Secretary

Approved: 9/13/11  
Supporting Documents:

FY'2011 Reserve Fund Transfer Approvals / Requests  
Mass. Dept. of Revenue, Division of Local Services, FY'2012 Local Aid Estimates  
FY'12 Cherry Sheet Receipts (GHD Draft 6/14/2011)  
FY'12 Cherry Sheet Assessments (GHD 6/14/2011  
July, August and September 2011 blank calendars