



FINANCE

**MINUTES OF THE FINANCE COMMITTEE
FEBRUARY 14, 2012**

TOWN CLERK
TOWN OF SANDWICH

MAR 13 2012

4:00 P.M. S
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7:00 P.M.
Sandwich Town Hall
130 Main Street
Sandwich, MA 02563

Present: Bill Diederling, Chair; Paul Sylvia; Thomas Hickey; Ellen Yaffe; Gene Parini and John Vibberts.

Staff: George "Bud" Dunham, Town Manger; Doug Lapp, Assistant Town Manager; Doreen Guild, Town Accountant and Jan Timmons, Director, Council on Aging.

Mr. Diederling called the meeting to order.

Review and Approval of Minutes

None.

Council on Aging FY '13 Discussion – Jan Timmons, COA Director

Mr. Dunham pointed out the COA budget information in the packet. Mrs. Timmons gave her presentation. She defined her department and the services they provide. The department used to be dedicated to seniors but over the past few years, they have increasingly been working with those under 60 as well. Many of their needs are similar to the over 60 population. There are many volunteers associated with the COA as well. Pat Ryan is the Volunteer Coordinator. They also coordinate the Tax Credit Program and the SHINE Program. Mrs. Timmons said they are always advocating for more staff and maybe a new building down the line as needs continue to increase.

Mr. Hickey asked about any projection time for a new building. Mrs. Timmons said 3-5 years. Mr. Diederling asked Mr. Dunham if there are any plans in the long range plan for a potential new building. Mr. Dunham explained the different projects and the process involved. He said there may be opportunity in the Golden Triangle some day. Mr. Dunham also commented on the staffing issues. He noted that people think there is more staff in all departments throughout the town when in fact; the smaller departments get overlooked all the time.

Mr. Parini asked about the State grant. Mrs. Timmons explained it is a formula grant. She said they are looking at other grants as well but there is a need to form a consortium with other



towns. Mr. Parini asked if the grant is reflected in the COA budget. Mrs. Timmons said no, it is over and above. The grant funds the Volunteer and a part-time clerk.

The Committee thanked Mrs. Timmons for her presentation and her attendance at this evening's meeting.

Town Manager's Report

Mr. Dunham reviewed the FY '13 Projected Revenues and Expenses. He noted that currently, he has budgeted 15% for the Upper Cape Regional School. This amount may decrease once the final numbers are provided by Upper Cape. He added the Capital budget has been updated. Health Insurance mitigation is done.

Charter Review Committee

The Charter Review Committee will be meeting on February 23rd. Mr. Dunham reviewed the budgetary items included in the Charter. On page 5 of the Charter it notes the "Board of Selectmen shall set guidelines for the preparation of the annual budget and present the budget to the Town Meeting." It has been recommended "guidelines" be changed to "directives". Page 10 of the Charter allows for the Town Manager to "transfer funds between individual line items within a department account during the fiscal year" and other budgetary transfers. Under Financial Provisions and Administration a new paragraph has been added which reads "The Finance Committee can require that the Town Manager, School Committee, any town department, office, board, commission or committee furnish appropriate additional financial information, as needed."

Mr. Diederling said the Finance Committee has been invited to the Charter Review Committee meeting on February 23rd. The Finance Committee had previously decided to be hands-off but it is a good opportunity to go and listen. In discussion, Ms. Yaffe addressed the section of the Charter dealing with the Library Trustees and procurement. Mr. Dunham explained procurement stays with the Town Manager's Office. He (Mr. Dunham) has full authority. The Trustees oversee personnel issues. Mr. Diederling added that in terms of the Charter, the roles of the Finance Committee, School Committee and Board of Selectmen should be reviewed.

Mr. Diederling asked if there was consensus to support the changes to the Charter submitted by Mr. Dunham. The committee agreed but also noted there were still questions to be answered particularly, as stated previously, with regard to the role of the Finance Committee, School Committee and Board of Selectmen. Ms. Yaffe, Mr. Sylvia and Mr. Diederling said they would attend the Charter Review Committee meeting on the 23rd. Mr. Parini said he would attend the Board of Selectmen budget meeting which takes place on the same evening.

Free Cash Certification Explanation ~ Town Manager and Doreen Guild, Town Accountant

Mrs. Guild explained it takes approximately 19 months to certify free cash so it would be prudent to be conservative when proposing to use these funds. Mrs. Guild explained in detail how free cash is generated. Mr. Vibberts asked how it is appropriated. Mrs. Guild said it is appropriated at Town Meeting toward the Capital budget. There was discussion regarding the conservative way it appears free cash is being looked at. Mr. Dunham said you would have to

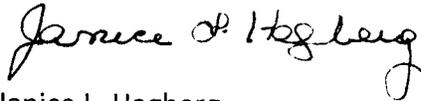
go back in time to past budgets. There used to be excess levy capacity. That is now gone. He and Mrs. Guild look closely at this free cash issue every year. There is no hidden free cash. It's all out there. Mr. Vibberts asked if free cash could be the source of funding for something after it's been certified. Mrs. Guild said a motion at town meeting will say "raise and appropriate" a certain amount from surplus revenue. That is free cash. Mr. Diederling asked how it is determined where some of it will go. Mrs. Guild said it goes to the Capital budget which is a separate line item. Mr. Dunham further explained they have always tried to fund capital budget items from surplus funds.

Committee Updates

A schedule has been given to the committee members outlining the next meeting and which department(s) will be on the agenda. The next meeting will be February 28th as next week is school vacation week. Mr. Diederling explained briefly the process for getting Finance Committee recommendation to Town Meeting. Different warrant articles are voted separately however, the budget in total is one vote. The Finance Committee recommendations will be explained at Town Meeting.

Ms. Yaffe moved to adjourn. Mr. Vibberts seconded. Unanimous.

Respectfully submitted,



Janice L. Hagberg