

TOWN CLERK  
TOWN OF SANDWICH

JUL 11 2013

S H 30 M A M  
RECEIVED & RECORDED

MINUTES  
OF THE  
FINANCE COMMITTEE  
TUESDAY, APRIL 2, 2013  
7:00 P.M.  
TOWN HALL  
130 MAIN STREET

Present: Paul Sylvia, Gene Parini, Bill Diederling, Tom Hickey, Linda Bliss, Courtney Bridge, Ellen Yaffe, Michael Dwyer, Richard Reilly

Also Present: Town Manager George Dunham; Town Accountant Doreen Guild; School Committee Rep.; Mary Stanley and SCT

ITEM #1  
CALL TO ORDER

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

ITEM #2  
REVIEW AND APPROVAL OF MINUTES

Minutes of March 26, 2013-

**\*MOTION WAS MADE BY MR. DEIDERING TO APPROVE THE MINUTES OF FEBRUARY 26, 2013 AS PERSENTED. SECONDED BY MR. DWYER. VOTE – UNANIMOUS MS. YAFFE AND MR. PARINI ABSTAINING**

ITEM #3  
TOWN MANAGER'S REPORT

Overview of Projected Revenues and Expenses - FY'14 - Increased Chapter 70 Aid – Selectmen Vote – 3/29/13; FY'14 Budget Totals (GHD Draft 4/2/2013); FY'14 Capital Budget Summary (Draft 4/2/2013); Ryder Levett Bucknall Report – Draft – Preliminary Cost Estimate – Sandwich High School Wing A Window Sill Renovations; Library HVAC Project – March 21, 2013 (Option #6 Recommended; Index of Warrant Articles (GHD Draft 4/2/2013).

General discussion on Annual & Special Town Meeting Warrant Articles to be presented on Monday, May 6 and Tuesday, May 7, 2013 at 7 pm at the Sandwich High School.

Mr. Diederling noted that he is concerned about a disparity in the operating budgets. The school budget local contribution...the numbers indicate that we are not correcting our financial course for the changes that are occurring largely by changes in enrollment. If you don't make the changes it just keeps going on and on. For many years the Town Manager tells us about the needs on the General Government Budget. Now I do think we have a chance. We have underfunded and understaffed our Town staffs by necessity. Next year we should make the change by choice. We don't have to increase the School Dept. local contribution by 2 ½ %. We can add to General Government staffs. We can balance the needs in the town. Mr. Diederling noted that he will not support the current budget as presented. We need to balance our resources. If you could add five people think of the impact it would have.

Brief discussion on the increase to the FY'14 SPED budget compared to last year.

Mr. Dwyer noted that he supports the budget but we have bent over to supply the school needs. Pensions and insurance are the biggest expenses. Why can't we look at getting rid of duplicity...look at the staffing and administration. We should look at some structural ways of combining resources with the School Dept. and General Government.

Mr. Dunham noted that tuition assessment is a big budgetary issue...it comes out of the budget, but not the schools budget.

The STEM effort is a good idea...trying to stem the tide of students leaving.

It was suggested that maybe the SPED costs are rising. Suggested that the SPED Budget should be decreased.

Mr. Parini suggested that Dr. Canfield be asked to come to next week's meeting so that we could raise additional questions to him. The balanced budget is coming from the Stabilization Fund.



Ms. Yaffe – thinks we should call for a vote on the budget.

Mr. Sylvia noted that the job of the Finance Committee is to either recommend the budget or not...we vote the budget 'yes' or 'no'.

**\*MOTION WAS MADE BY MS. YAFFE THAT THERE IS A CONCENSUS WITH ARTICLE #2 – THE BUDGET- THAT THE FINANCE COMMITTEE RECOMMEND THE FY'14 BUDGET AS PRESENTED IN THE AMOUNT OF \$69,898,759. SECONDED BY MR. DIEDERING. VOTE – 2 AYES / 7 NAYES MOTION FAILS.**

Ms. Bliss suggested that members of the Committee indicate why we voted the budget down.

Mr. Sylvia – because the schools continue to get more money than the general government.

Ms. Yaffe – doesn't think so...we did not send additional question to the School Department. We should have had Dr. Canfield in again. If we don't think there should be increases to the school budget then we should have told the Board of Selectmen that before the Board of Selectmen put forth their recommendations.

Mr. Diederling – the Finance Committee was excluded from the process.

Ms. Yaffe – we could make our recommendations before the guidelines were put down.

Mr. Parini – thinks this is the first time we are seeing money come out of the Stabilization Fund to balance the budget. That wasn't there a couple of weeks ago.

Ms. Bridge – it was wrong that we were not invited to a try board meeting.

Ms. Yaffe – If the budget is not recommended by the Finance Committee, we should have something in the warrant explaining why we did not recommend it.

Ms. Bridge – because of the school budget...streamlining the process would be more efficient. Also, the HVAC system (article #6) has not been addressed to satisfactorily.

Mr. Parini – the Stabilization Fund issue is the reason I will not support it.

Mr. Dwyer – use of the Stabilization Fund is my reason also.

Mr. Sylvia – the Finance Committee has no authority...we can only recommend.

Mr. Diederling – hopefully our recommendations have some value to someone somewhere.

Mr. Diederling thanked the Town Manager, again, for the budget package and answers all the time.

Mr. Sylvia – the Town Manager attends, participates and presents at every meeting...thank you.

Mr. Dunham – are you looking at a specific line item or is it the budget in general?

Mr. Sylvia – we have an issue with taking from Stabilization and we have an issue with the local contribution to the schools.

Mr. Sylvia noted that there could be changes made to this budget, we can make our own recommendation for a budget.

Mr. Diederling – for the Finance Committee to have another column for the budget...it would have to be another vote? That would not be my preference. We voted not to recommend this budget and that is it.

Mr. Hickey – we don't have the time to come up with a new budget but, as a thought, this seems to be sticking in our minds...the \$500,000 from Stabilization. We recommend the \$500,000 be paid by the school department rather than from the Stabilization Fund...reducing their budget by \$500,000 and then they would get back reimbursement to them from the Mass. School Building Assoc. (MSBA).

Mr. Diederling noted this is a great thought but it doesn't work for him because he is more concerned about balancing the budget and re-allocating the budget. The Stabilization Fund is an issue too but not the bottom line for me.

Mr. Hickey – just something to consider. Next year we will be doing things differently or do you not consider suggestions. We need to make a concerted effort for next year's budget to change things. The schools continue to increase staffing and the town is operating on a shoe string.

Mr. Reilly – what was the school budget last year?

\$29,759,793 local contribution and chapter 70 funds...so, if we took the \$500,000 from their budget, it would bring them back to last year's amount.

Mr. Sylvia – we know what the budget was back in January...that would have been the time to object. We waited too long to object. We did not raise it when we had the opportunity.

Mr. Parini is concerned that we are hurting the town by lowering the Stabilization Fund to \$500,000. Would like some shared concern.

Ms. Bridge – thinks we have talked about the numbers as much as we could have.

**\*MOTION WAS MADE BY MR. HICKEY THAT THE FINANCE COMMITTEE RECOMMEND THAT THE \$500,000 BE REDUCED FROM THE SCHOOL DEPT. BUDGET AND NOT PAID FROM THE STABILIZATION (FOR THE REPAIRS TO THE WINDOW SILLS AS THE HIGH SCHOOL).**

Mr. Diederling suggested the Committee recommend to the Board of Selectmen and Town Meeting – reduce local contribution of \$500,000 and not take money from Stabilization for the window repairs...it would come out of the School Dept. budget and if there is any reimbursement from MSBA it goes to the schools budget.

Mr. Hickey noted that he just doesn't want the School Committee to not fix the windows – recommends that the schools repair the windows with their budget.

**\*MOTION WAS MADE BY MR. DIEDERING TO RECOMMEND LOWERING/REDUCING THE LOCAL CONTRIBUTION BY \$500,000 AND INCREASING BY \$500,000...ADDING REPAIR OF THE WINDOWS TO THE CAPITAL BUDGET AND NOT THE TRANSFER OUT OF THE STABILIZATION.**

**\*MOTION WAS MADE BY MR. HICKEY TO RECOMMEND THAT \$500,000 DOES NOT GET TRANSFERRED OUT OF THE STABILIZATION FUND AND TO LOWER THE LOCAL CONTRIBUTION BY \$500,000. INCREASE THE SCHOOL'S OPERATING BUDGET BY \$500,000 TO PAY FOR THE REPAIR OF THE WINDOW SILLS AT THE HIGH SCHOOL.**

**\*MOTION WAS MADE BY MR. HICKEY TO RECOMMEND TO NOT TRANSFER THE \$500,000 FROM THE STABILIZATION FUND, LOWER THE LOCAL CONTRIBUTION TO THE SCHOOL DEPARTMENT BUDGET. SECONDED BY MS. BRIDGE. VOTE – EIGHT (8) – AYES / ONE (1) NAYE**

Ms. Bridge noted that the Committee still needs to address the issue for next year.

-ATM & STM Warrant and Recommendations

Article #3 FY'14 DPW – Sanitation Division Operating Budget-

**\*MOTION WAS MADE BY MR. DIEDERING TO RECOMMEND PASSAGE OF ARTICLE #3. SECONDED BY MR. PARINI VOTE - UNANIMOUS**

Article #4 FY'14 Golf Department Operating Budget-

**\*MOTION WAS MADE BY MR. DIEDERING TO RECOMMEND PASSAGE OF ARTICLE #4. SECONDED BY MR. REILLY. VOTE - UNANIMOUS**

Article #5 Stabilization Fund Transfer for SHS A Wing Repairs & MSBA Project-

Mr. Diederling suggested recommending that the project be completed but we don't recommend using money from the Stabilization Fund.

**\*MOTION WAS MADE BY MR. DIEDERING TO NOT RECOMMEND PASSAGE OF ARTICLE #5. SECONDED BY MR. PARINI. VOTE – RIGHT (8) AYES / ONE (1) NAYE**

Article #6 FY'14 Capital Budget (including \$150,000 for the HVAC project at the Library)-

**\*MOTION WAS MADE BY MR. DIEDERING TO RECOMMEND ARTICLE #6. SECONDED BY MS. YAFFE.**

Discussion-

Ms. Bliss – not comfortable with the recommended solution for this project. We didn't give good consideration to the other alternatives on the HVAC project at the Library.

Ms. Yaffe noted that she also has questions about this but supports this project.

There are additional questions on this article.

Mr. Sylvia suggested letting Bud come back with another Capital Budget.

**\*MR. DIEDERING WITHDREW HIS MOTION.**

Mr. Dunham noted that Articles #7, 8, 9, 10, 11 & 12 have already been discussed-

Article #7 – Sandwich Promotions Fund; Article #8

Article #8 - Ch. 90 State Aid to Highways Program

Article #9 – Establish Variable Interest Rate for FY'14 Tax Deferral Program

Article #10 – SHS Athletic Fields Maintenance Transfer from Cellular Lease Account

Article #11 – CPA Fund Expenditure – Administrative Costs & 10% Allocations

Article #12 – CPA Fund Expenditure – Old Town Cemetery Improvements

**\*MOTION WAS MADE BY MR. DIEDERING TO RECOMMEND PASSAGE OF ARTICLES #7, 8, 9, 10, 11 & 12 AS PRESENTED. SECONDED BY MR. REILLY. VOTE - UNANIMOUS**

Article #13 Authorize Extended Contracts for Power Purchase Agreements – will wait until next week.

Article #14 – Authorize Creation of Stabilization Fund for UCCRVTS-

**\*MOTION WAS MADE BY MS. BRIDGE TO RECOMMEND PASSAGE OF ARTICLE #14 AS PRESENTED. SECONDED BY MR. PARINI VOTE – UNANIMOUS**

Article #15 – Recommend Town Charter Revisions –

**\*MOTION WAS MADE BY MR. PARINI TO RECOMMEND PASSAGE OF ARTICLE #15 AS PRESENTED. SECONDED BY MS. BRIDGE. VOTE – UNANIMOUS**

The general consensus is that the Charter is not financially related.

Special Town Meeting Warrant-

Article #1 Debt Exclusion for Joint Public Safety Building-

Brief discussion.

**\*MOTION WAS MADE BY MR. PARINI TO RECOMMEND PASSAGE OF THIS ARTICLE FOR A DEBT EXCLUSION FOR A JOINT PUBLIC SAFETY BUILDING. SECONDED BY MS. BLISS. VOTE – SIX (6) AYES / THREE – NAYES**

Annual Town Meeting Warrant-

Article #21 Petition Article: Local Option Meals Tax Program-

**\*MOTION WAS MADE BY MR. PARINI TO NOT RECOMMEND ARTICLE #21 AS PRESENTED. SECONDED BY MS. BRIDGE.**

Discussion-

Mr. Diederling noted that he is in favor of this motion to not recommend Article #21.

Mr. Sylvia noted that he is not in favor of Article #21. Does not feel it is fair to tax one particular industry.

**VOTE – SEVEN (7) IN FAVOR OF THE MOTION TO NOT RECOMMEND PASSAGE OF ARTICLE #21 / TWO (2) NAYES.**

Annual Town Meeting Warrant-

Article #24 Petition Article: Beach Parking Receipts to Re-nourishment Fund-

**\*MOTION WAS MADE BY MR. PARINI TO NOT RECOMMEND PASSAGE OF THIS ARTICLE. SECONDED BY MR. DIEDERLING. VOTE – SEVEN (7) –AYES / ONE (1) NAYE / ONE (1) ABSTENTION**

Mr. Dunham will have a different budget article using the difference between what the Board of Selectmen voted and what the Finance Committee voted.

Ms. Yaffe noted that since last fall there have been discussions about the \$500,000 from the School Dept. The vote today has been to pull the carpet out from under their feet. Dr. Canfield has been working in good confidence. Thinks this is a sad moment.

Mr. Diederling – this is not a vote of no confidence for Dr. Canfield...we are very fortunate to have him. He has made significant contributions. I am ecstatic that he is our superintendent. I think we really have a short fall. I think it is time to ask the School Dept. to make some cuts...shared cuts.

Mr. Parini – reducing the Stabilization Fund to \$500,000 is a detriment to the town.

Ms. Yaffe disagrees.

#### ITEM #4 COMMITTEE

Sub-Committee Reports –

None

Future Meeting Schedule-

The next Finance Committee meeting is scheduled for Tuesday, April 9<sup>th</sup>.

Other-

None

ITEM#5  
ADJOURN

9:35 pm

**\*MOTION TO ADJOURN WAS MADE BY MR. DIEDERING. SECONDED BY MS. BLISS VOTE – UNANIMOUS.**

Respectfully Submitted,

  
Diane M. Hanelt, Secretary

Approved: 7/9/13

Supporting Documents:

Projected Revenues and Expenses – FY'14 – INCREASED CH. 70 AID (Selectmen Vote 3/28/13)  
FY'14 Budget Totals (GHD Draft 4/2/2013)  
FY'14 Capital Budget Summary (Draft 4/2/2013)  
Rider Levett Bucknall Report – Draft - Preliminary Cost Estimate SHS Wing A Window Sill Renovation  
Library HVAC Project – Marsh 21, 2013  
Index of Warrant Articles (GHS Draft 4/1/2013)  
Ballot Question – May 9, 2013 Annual Town Election (GHD Draft – 3/29/13)  
Six (6) Petition Articles