TOWN CLERK
TOWN OF SANDWICH
FEB 17 2014
11 H 55 M AM
RECEIVED & RECORDED

MINUTES
OF THE
FINANCE COMMITTEE
TUESDAY, JANUARY 7, 2014
7:00 P.M.
TOWN HALL MEETING ROOM
130 MAIN STREET, SANDWICH, MA

Present: Paul Sylvia, Ellen Yaffe, Gene Parini, Tom Hickey, Mike Dwyer, Linell Grundman, Matthew Terry and Anne Dessertine

Absent: Rich Reilly

Also Present: George Dunham, Selectman Chairperson Jim Pierce, Financial Director Doreen Guild 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 Tuesday, October 29, 2013-
***MOTION WAS MADE BY MR. PARINI TO APPROVE THE MINUTES OF OCTOBER 29, 2013 AS PRESENTED. SECONDED BY MS. YAFFE VOTE – UNANIMOUS Mr. Dwyer and Ms. Dessertine abstaining**

ITEM #3
TOWN MANAGER / FINANCE DIRECTOR REPORT

Mr. Dunham gave an overview of budget information that was discussed at the joint meeting of the Board of Selectmen and School Committee held in December. The budget deficit was over $900,000; however, the County Retirement Assessment which was budget for a 7-9% increase and it only went up by 1% which brought the deficit down to $734,548. State Cherry Sheets numbers were discussed noting that the first look comes at the end of January 2014. It is also common that those numbers change. Health Insurance numbers – the Town's Human Resources Director is on the steering committee for Barnstable County group. In early February we should have that number then we make decisions to balance the budget.
Ms. Dessertine noted that increases in the health insurance numbers are not sustainable. Ask for an explanation from the Town Manager as to why it keeps going up so much.
Mr. Dunham noted that we manage our costs but it is still going up.
Ms. Dessertine – can we do something about the co-payments, percentage of premiums that employees with health insurance coverage pay, etc.?
Mr. Dunham – this is part of the union negotiations and all unions have to agree. We do take advantage of Plan Design. There have been some changes in the co-pays and deductibles, etc. There are some things we have no control over. We have no control over tuition assessments.
Ms. Grundman – this committee has talked about the Structural Deficit for a long time. There is work being done through the Mass. Municipal Association on this topic but there is no solution yet. Was hoping there would be legislative action soon to deal with this.

Mr. Dunham noted that the budget binders will be ready for the next Selectmen's meeting scheduled for Thursday, January 16th and gave an overview of the Proposed Timeline For the FY'15 Budget. Working with department heads on the Capital Budget to prioritize projects to keep within the $500,000 budget. Requests are currently at over $1 million. The final budget will be voted on by the Finance Committee the first of April, 2014 as the Annual Town Meeting Warrant needs to be finalized by April 10, 2014 to have it ready for the Annual Town Meeting on Monday, May 5, 2014.

Mr. Sylvia - this year the budget meetings will start on February 4 with the big three Police, Fire and Dept. of Public Works (DPW).

Mr. Parini noted that the School Committee is having a budget workshop tomorrow night Wednesday, January 8.

Mr. Dunham - there will be more budget details available by the February meeting when the binders are ready. The direction Mr. Dunham received from the Board of Selectmen was to come back with a 2 - 3% increase.

Mr. Dunham – Referencing the Capitol Budget, noted that Mr. Tilton, DPW Director/Town Engineer was in to a Selectmen's meeting and gave details about the condition of town parking lots, roads etc. He will be back in the near future with an update. Beach issues funding other than funding through local receipts is being discussed. Public Safety and Waste Water are also being discussed.

Mr. Dwyer – questions about school capital needs discussed at past Selectmen's meeting.
Mr. Dunham noted that at the December meeting of the CIPC, $75,000 was appropriated through the capital budget for the Wing School. Between zero and three years from now for the Wing School project. Discussion as to whether it would be worth doing the projected work now…if not then we should wait for a future capital budget.

Mr. Dwyer – on the matter of the pool and window sills' oversight…is that going to be done internally or are we hiring?
Mr. Dunham – it is going to be done internally…Assistant Town Manager Doug Lapp, Superintendent of Schools Dr. Canfield, Schools Facility Manager Alan Hall and a member of the School Committee will be overseeing it as a group.

Ms. Dessertine – when the Wing School is abandoned what is the cost of coverage.
Mr. Dunham noted that he has no numbers on that.

Brief discussion about the Sanitation Enterprise Fund and local receipts.

ITEM #4
COMMITTEE

Sub-Committee Reports-
Mr. Parini reiterated that the School Committee will hold a workshop meeting tomorrow Wednesday, January 8th
Has attended one or two Selectmen's meeting and offered an overview of some of the points he felt were noteworthy – The Fire Chief recently retired…currently screening for a new Chief; a Cape wide 911 system is being encouraged; the joint meeting of the Board of Selectmen and School Committee. The Selectmen are comfortable with about a 2% increase but no particular guidelines; new software system being implemented so that the whole town (Municipal and School Department) will be operating on the same system; $1.1 million has been approved by the Community Preservation Committee (CPC)for the Capt. Gerald DeConto Sports Stadium covering various items such as the press box, seating, field work and lighting…funding for artificial turf will be presented for Town Meeting vote as this is not something that the CPC can fund; increase to beach stickers for residents from $30 -$35, non-resident from $90 to $105, 1-day beach pass from $10 to $15 – to generate additional revenue and it is planned that some of the funding would be air-marked for beach re-nourishment.

Mr. Dunham gave an update on the software project implementation with the School Dept. The cost to actually switch is covered by money that was set aside…no 'out of pocket expenses'. The next employee pay check will be issued from the Treasurer's Office under the new system. The School Dept. will not be on the system until July 1, 2014…that is when the time savings will occur…again, no added costs. There will be a slight increase in the software maintenance costs. The Assessing Department will be a little different coming on the system because there isn't a software program to do it now. They have to wait about three years.
The schools have been very cooperative working with us.
This system will put the schools and the town government on the same system so if the schools have questions about what the balance is in a particular account that can look it up and everyone has the same information…if there are any questions.
SoftRight is the name of the software company. There are currently over 100 towns in the state on this system. Bourne and Falmouth switched to this system recently.

Mr. Parini asked about the financial impact of the law suit with the former superintendent which is not mentioned in the budget.

Mr. Dunham noted that, depending on what the final resolution is…what the number is, Mr. Dunham and the School Superintendent have talked about it and we will try to cover it. If the number is greater than that then we will have to talk about it…once we know what the final number is.

Ms. Grundman noted that she will be at the workshop meeting the School Committee is holding tomorrow night and all their meetings. No information yet on the School's budget other than the fact that STEM has been separated out from the overall budget. She also attended the recent joint meeting with the Selectmen and the School Committee and noted that they agreed to a 2-3 % budget increase and the guidelines were clear from her perspective.

In answer to a question raised about the fact that the software conversion could be costly, Mr. Dunham noted that… what we are currently doing there is no out of pocket expenses not planned for. We will have to pay for the Assessing software until they are able to update it in a few years (as noted earlier in meeting).
Mr. Sylvia – We have better communication with the new Superintendent and now we will have transparency in the software.
Mr. Dunham –both the schools and the general government are in the same system. We are all looking at the same numbers.

Ms. Grundman - $500 thousand is budgeted for CIPC…is there anything we can do to increase that?
Mr. Dunham – Somehow, with each budget, we find a way from another source each year.
Ms. Grundman – minor capital improvements…can we raise the line item?
Mr. Dunham – our Facilities Dept. does a great job with its budget.
Mr. Dwyer – on the matter of deferred maintenance…what are the standards that we should be spending. How much more than the $500 thousand that is budgeted would be a better budgeted amount.
Mr. Dunham – we should try to increase the $500 thousand but we chip away at the list of capital improvements. The Fire Dept. does a great job with what they have. $250 thousand in the Facilities Dept. budget is spent on building repairs. We are trying to save money on the electric budget and that will go into the Town's maintenance budget for our buildings.
Mr. Dwyer suggested it would be nice to set a goal or you will never have enough money. What do you really need?
Mr. Dunham – we get over $2 million in capital expense requests and we get it down to $500 thousand.
Mr. Dwyer – following up on something Ms. Yaffe mentioned at a previous meeting…is it possible to get private money to put towards capital projects?
Mr. Dunham – There are some departments that are a lot more dependent on their capital budget than others.

Mr. Sylvia noted that the Upper Cape Cod Tech School has submitted its Long Range Plan.
The Conflict of Interest 2014 State Ethics training previously e-mailed to the membership should, upon completion, be submitted to the FinCom Secretary or Town Clerk's Office directly.

Future Meeting Schedule-
Mr. Sylvia noted that the next two dates for FinCom meetings are Tuesday, January 21 and Tuesday, February 4.

Other-
None

ITEM #6
ADJOURN

7:50 p.m.
***MOTION TO ADJOURN WAS MADE BY MS. YAFFE. SECONDED BY MR. PARINI. VOTE – UNANIMOUS.**
Respectfully Submitted,

Diane M. Hanelt, Secretary Approved: _____

Supporting Documents:
Projected Revenues and Expenses – FY'15 (GHD Draft – 1/7/2014)
Proposed Timeline for FY'15 Budget (GHD Draft – 1/7/2014)