Town Clerk

MINUTES
OF THE
FINANCE COMMITTEE
TUESDAY, MARCH 10, 2015
7:00 P.M.
TOWN HALL MEETING ROOM
130 MAIN STREET, SANDWICH, MA

TOWN CLERK
TOWN OF SANDWICH
MAR 18 2015
10 H 57 M A M
RECEIVED & RECORDED

Present: Gene Parini, Linell Grundman, Rich Reilly, Mark Snyder and Bob Guerin
Tom Hickey and Matt Terry arrived after the approval of the minutes.

Absent: Mike Dwyer and Jim Lehane

Also Present: Town Manager George Dunham and SCT

ITEM #1
CALL TO ORDER

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

ITEM #2
PLEDGE OF ALLEGIANCE

ITEM #3
REVIEW AND APPROVAL OF MINUTES

Minutes of February 24, 2015-
***MOTION WAS MADE BY MR. SNYDER TO APPROVE THE MINUTES OF FEBRUARY 24, 2015 AS PRESENTED. SECONDED BY MR. REILLY. VOTE – UNANIMOUS**

Minutes of March 3, 2015 –
***MOTION WAS MADE BY MS. GRUNDMAN TO APPROVE THE MINUTES OF MARCH 3, 2015 AS PRESENTED. SECONDED BY MR. SNYDER. VOTE - UNANIMOUS**

ITEM#4
PUBLIC FORUM

None

ITEM #5
TOWN MANAGER UPDATES

Overview of:
-Upper Cape Cod Regional Technical School (UCCRTS) Superintendent Robert Dutch will be coming to the March 24, 2015 FinCom meeting. $2,034,000 is the final assessment number which is an 11.3% increase.
-Projected Revenues and Expenses (GHD Draft 3/9/2015)
-FY'16 Budget Totals (GHD Draft 3/9/2015)
-Town of Sandwich / All Department Expenditure Report from 7/1/14 to 6/30/15
-C.S. 1-EC Comm. of Mass. Dept. of Revenue FY 2015 / Notice to Assessors of Estimated Receipts
-FY'95 – Present Cherry Sheet Receipts
-Tuition Assessments & Discretionary Aid Receipts History
-FY'16 Cherry Sheet Receipts
-FY'16 Cherry Sheet Assessments
-Debt Schedule – Summary
-Town of Sandwich Total Exempt Debt & Capital Outlay Expenditure Exclusions
-FY'16 Recommended General Government Budget – Summary of significant Budget Changes (+/- $5,000) 3/9/15
-E-mail and MOU from Dr. Canfield 2/2/15

Referencing the Expenditure Reports Mr. Dunham noted that this is money that was appropriate through town

meeting vote and not used…it reverts to the general fund. Finance Director/Town Accountant Doreen checks with the different departments heads to make sure they don't need to keep the money in the account.
Mr. Dunham gave, for an example, Waste Water Management and Software Package money…he would not return the money to the general fund because we will always have needs.
Mr. Guerin – the balances that sit in an account for about nine years (one in the school department). We might consider putting some sort of limits on holding the money for up to and including ten years.
Mr. Hickey – who makes the decision on when money gets kept in accounts?
Mr. Dunham – Ms. Guild usually has a conversation with the department heads and determines the need.
Mr. Parini noted…it appears that sometimes it is more efficient to leave some of this money in the accounts for future needs.
Mr. Dunham – The Mass. Estuaries Program (in budget #510) probably has the largest amount in their account but the waste water plant is not done yet…we will eventually spend it.
Ms. Grundman – can't we, re appropriate funds if we give it back to the general fund?
Mr. Dunham – yes, but it takes a lot to get the funding.
Mr. Hickey agrees with Mr. Guerin…eight or nine years of money sitting idle. There may be circumstances, but thinks the tax payers would like their money back…two years may be three at the most.
Mr. Parini – Sounds like you would like to have some sort of threshold for time.
Ms. Grundman – thinks it is time to look at policy. It is possible to tighten things up a bit.

Brief discussion on the Capital Budget.

Summary Cherry Sheet Assessment-
It was noted that Cherry Sheet Assessments are not voted at Town Meeting.
Mr. Parini – re state land assessments/taxes?
Mr. Dunham – the PILOT program covers this. Principal Assessor Ed Childs can talk with the Committee about this. Three of the top five largest areas that the state has are in Plymouth, Sandwich and Bourne (the MMR and the State Forest among them). Public access land that is state owned land is worth more money (such as the game farm at Scorton Creek).

Debt Schedule Summary-
Exempt debt outside of Prop. 2 ½; non-exempt debt within Prop. 2 ½ and Land Bank Debt such as Sandwich Hollows Golf Club.
Mr. Parini noted that the total combined debt is $24M for 2016.
Mr. Dunham -That is the amount if you had to pay it off today but most of our debt is split up over time. Debt outside of Prop. 2 ½ is about $3.6M.
Mr. Dunham noted that we have some large pent up needs but the longer we wait, the more expensive things get.

Summary of New General Government Spending-
Discussion about enrollment at the schools being down.
Tax money is out of sanitation through the PAYT program

Mr. Terry asked what the explanation is for the 11% increase at the Upper Cape Cod Regional Technical School?
Mr. Dunham noted that, yes, it will be interesting to see about that when they come in the 24th of March. They are supposed to be voting their budget this week so we should know next week.

Mr. Guerin – re the UCCRTS budget …are we simply recipients of the bill from the UCCRTS.
Mr. Dunham – yes…it would take four of the five towns to vote to change things at the UCCRTS. There is no reason for the other towns to support to change anything as their assessments are down. Any debt issue has to be approved by all five towns. These are good questions to ask the UCCRTS Superintendent, Bob Dutch when he comes in on the 24th….are they planning to do any additions to the school in, say, the next five years…because that will make a big difference.
Brief discussion of the assessment, the town's population, the census, the levy limit and the total value of the town.
It was noted that the town contracts with be negotiated in another year and a half.
Ms. Grundman asked if all the new staff proposed for the FY'16 budget is in the union?
Mr. Dunham – yes, except the program director for the Recreation Dept. …that person would be a department head.

In response to a question raised by Mr. Hickey, Mr. Pierce noted the incremental percentage of increases for FY'16 and succeeding years for the school department personnel budget.

Mr. Guerin – at future meetings could we get the school department contracts on the agenda and get the numbers for longevity, term of contracts, their step increases etc., put on an agenda and get back up information.
We should consider certain line items in the budget, see if they are sustainable.

ITEM #6
OLD BUSINESS

MOU (Memorandum of Understanding) Wing School –
Mr. Hickey noted, as he has in the past, his concerns about what is going to happen to the Wing School.
Mr. Guerin –what about having some input from the FinCom into the MOU?
Mr. Parini- asked that the draft MOU be copied to the FinCom members so that we can provide feedback to the Board of Selectmen…still waiting to hear back.
Ms. Grundman – the MOU is a public document.

Capital Budgeting Process –
Mr. Parini noted that he and Ms. Grundman discussed what could be done to affect some positive changes in certain areas. Will be brought up at future meetings for discussion…the Capital Budgeting process and the areas that will be on the front burner going forward.

ITEM #7
FINANCE COMMITTEE DISCUSSION

Town Budget Discussion-
Reviewed the Police, Fire, DPW, Recreation budget; School workshop; tonight we are discussing the Cherry Sheet; debt; new spending and increased spending.

On March 24, 2015 the Superintendent of the Upper Cape Cod Regional Technical School, Robert Dutch, will be in to the meeting.

Mr. Parini asked the Committee members how comfortable they are with this budget? What are the things we have to think about and maybe discuss next week? $72.9M for this year's budget. Are you comfortable with voting to recommend or do you need more information.
Mr. Snyder noted that we still need to discuss each of the budgets.
Mr. Terry – We have had hours of meetings for the school department budget. That was the time to speak about it.
Ms. Grundman noted that we did have the work shop but not all our questions have been answered. The FinCom has received many pages of numbers from the school department and nothing to back it up. Concerned about what the budget represents. We are not moving forward very much.
Mr. Parini noted that the Sandwich Police Dept. came in…what is your comfort level with the new hires. How do you feel about the new hires…will they protect this town a little better. What effect will a new public safety building have on the town taxes? How do you feel about a road bond…that might be a warrant article. How comfortable are you with the school department budget…Dr. Canfield adding staff to administration. The Wing School information…is the closing of the school going to save or cost money? What effect will full day kindergarten have on the budget i.e. staffing.
Ms. Grundman – is the Board of Selectmen going to support the public safety building and ignore the road bond?
Mr. Dunham – It is on the agenda…public safety building and the roads.

Ms. Grundman noted that dispatchers are needed regardless of the public safety building?
Mr. Dunham – yes, it will give us better coverage and police officers can be out on the road.

Mr. Hickey – feels very comfortable with the police/fire and DPW presentations. Do they need more personnel, yes. Would like to hear from Bob Dutch at UCCRTS. Feels more comfortable with the School Department numbers than he has in the past years.

Mr. Guerin – Doesn't think he has any additional questions for anyone. We do have a lot to discuss as a committee. We should set aside a significant amount of time for discussion and making the recommendations. The budget represents choices…what money is going to be spent on and what is not being financed and budgeted for. One option is, we can take existing cash income and spend it, look at the operating budgets and consider diverting to capital needs. Looking at choices as opportunities. Schedule all questions identified for discussion.
Mr. Parini – We will start next week (March 17) with discussions; March 24 we will have the Superintendent from the UCCRT School in; March 31 final discussions and we should be prepared to vote our recommendations for April 7. Mr. Parini asked that if anyone has any ideas for the agenda, please contact him.

Mr. Snyder – Maybe we could discuss some of the budget…we have not discussed it yet.

Mr. Dunham asked if there is anything the committee needs him to prepare for next week's meeting or just talk about the information in the budget binders.
Mr. Parini – yes, just the budget binders or we'll let you know if there is anything else to add.

Mr. Parini – unexpended capital appropriation budget with the school department should be discussed and the effect it will have on the tax rate and tax bill.

ITEM #8
ADJOURN

8:45 p.m.
***MOTION TO ADJOURN WAS MADE BY MS. GRUNDMAN. SECONDED BY MR. SNYDER. VOTE – UNANIMOUS.**

Respectfully Submitted,

Diane M. Hanelt, Secretary Approved: 3/17/15

Supporting Documents:

-Project Revenues and Expenses – FY'16 (GDH Draft 3/9/2015)
-FY'16 Budget Totals (GHD Draft 3/9/2015)
-Town of Sandwich All Departments Expenditure Report 7/1/14 – 6/30/15
-Comm. of Mass. DOR FY 2015 - Notice to Assessors of Estimated Receipts
-FY'95 – Present Cherry Sheet Receipts
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-Debt Schedule Summary
-Town of Sandwich Total Exempt Debt & Capital Outlay Expenditure Exclusions
-Total Exempt Debt
-Recommended General Government Budget (Summary of Significant Budget Changes (+/- $5,000) GHD Draft 3/9/2015
-E-mail from Dr. Canfield to Mr. Dunham (2/2/2015) including MOU and Plan for the Wing School
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