

Town Clerk

MINUTES
OF THE
FINANCE COMMITTEE
TUESDAY, MARCH 24, 2015
7:00 P.M.
TOWN HALL MEETING ROOM
130 MAIN STREET, SANDWICH, MA

TOWN CLERK
TOWN OF SANDWICH
APR 03 2015
8 H 00 M A M
RECEIVED & RECORDED

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

Also Present: Town Manager George Dunham, Superintendent Robert Dutch of the Upper Cape Cod Regional Technical School 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 March 17, 2015-

***MOTION WAS MADE BY MR. SNYDER TO APPROVE THE MINUTES OF MARCH 17, 2015 AS PRESENTED. SECONDED BY MS. GRUNDMAN VOTE – UNANIMOUS MR. TERRY/ABSTAINING**

ITEM#4
PUBLIC FORUM

No one.

ITEM #5
SUPERINTENDENT OF UPPER CAPE COD REGIONAL TECHNICAL SCHOOL BOB DUTCH – FY'16
UCCRTS BUDGET

Mr. Dutch introduced others who have attended with him – Steve Chalke, Treasurer; Mike Degan, Sandwich Representative to the UCCRTS School Committee and Mary Crook from Bourne and then gave an overview, using a power point presentation, of the FY'16 Upper Cape Cod Regional Vocational Technical School Budget beginning with 'Guiding Principles'. The foundation budget has increase 4.42% from FY'15. The total assessment for Sandwich is \$2,049,172.00. There has been an increase of students but not increase in staffing. The foundation budget is \$12,961,736. Mr. Dutch noted some of the larger increases to the budget i.e. the athletic program which previously had private financial assistance, now the school is responsible for the full expenses and Student body activities. The FY'16 Capital Budget is \$334,395...a decrease of 0.39% from FY'15 \$335,700. Student enrollment – FY'16 - 127 Students as compared to FY'15 - 117 Students. The Sandwich assessment reflects a 10.772% increase. Enrollment at the school is up 8.5%.

Questions from the FinCom –

Mr. Dutch noted that the school does look at and compare the UCCRTS with other type schools in the state. Mr. Terry asked Mr. Dutch to talk a little about the UCCRTS Long Range Capital Plan and how it will be financed. Mr. Dutch noted that there will be bonding which will be voted on by the five member towns, approved and then bonded. There is no plan at this time to rebuild from scratch and no plan to expand. We do have crowding issues. We are looking into standalone buildings. Possibly looking into private funding, recognizing the burden on the member towns.



Mr. Dwyer congratulated the school on the number of students graduating and going on to two and four year colleges.

Mr. Dutch noted that when the waste water treatment project comes on line it is not bonded, it will come out of Stabilization. The cost of operating it will be some increase to operating budget. We have members of our staff who are qualified for this.

Mr. Dwyer asked for an explanation of capital projects.

Mr. Dutch explained that a lot of their capital expenditures are for equipment in the shops.

Mr. Hickey asked if there are any large projects in the capital budget...down the road that they anticipate...any additions or big pieces of equipment.

Mr. Dutch – the roof is 16 years old...it had a 15 year life expectancy. We are looking at ways to offset the cost. The hair salon is scheduled for a ‘redo’. We hope to pay for it out of their revenues. A five year plan of items under discussion is to be determined. E&D fund (excess and deficiency) a rainy day fund can be up to 5% of the budget...all five towns must agree to use these funds.

Mr. Snyder inquired about the difference between the E&D fund and the Stabilization.

Mr. Dutch noted that the Stabilization Fund is for a specific purpose...the E&D fund is for non-specific items.

Mr. Snyder – why is it that Sandwich is paying more per student?

Mr. Dutch – The state thinks that you (Sandwich) have a lot of money to spend.

Mr. Parini – re Chapter 70 money...do you apply for grants?

Mr. Dutch – yes, Perkins and Title I among others. We don’t include them in the budget because they are not guaranteed. Equipment grants. We do participate in grant programs...for capital needs. We get approximately \$650,000 in grants total. We do have a grant writer... not a salaried position it is pro bono the person gets a percentage.

Mr. Guerin – referencing ‘UCCRTS Guiding Principles’ - Intend to minimize expense increases. Most towns are limited by Prop 2.5% and increase growth 4.42% is more than 2.5%. Budget increases and the availability of real revenues and we have to be aware of this situation otherwise we are digging ourselves into a hole.

Mr. Dunham noted that teacher retirement does get paid for by the state...not the town. If the amount every got shifted to the town that would bankrupt the town.

Mr. Dutch noted that, based on the required minimum, we cannot spend less than what the state says.

Mr. Guerin, referencing ‘guiding principles’ noted that revenue has not grown as much and the budget is increasing.

ITEM #6

TOWN MANAGER REPORT

-FY’16 Budget updates – nothing new from last week’s meeting.

-Overview of the Capital Summary. The Capital Improvement Planning Committee (CIPC) met yesterday. All capital budget everything was approved as presented with the exception of the restoration of the piano upstairs at town hall. Recommended to take this \$10,000 item off the list. The CIPC recommended that the Board of Selectmen consider the large road bond at some point in the near future.

Other – None.

ITEM #7

FINANCE COMMITTEE DISCUSSION

Town Budget Discussion-

Mr. Parini gave an overview of last week’s Board of Selectmen’s meeting which he and Mr. Dwyer attended. Mr. Parini has asked the Selectmen to schedule a meeting with the Finance Committee. The meeting has been tentatively set for the Selectmen’s meeting on April 2.

Mr. Guerin noted that if the FinCom is going to meet with the Selectmen we need a draft agenda ahead of time. Be sure the meeting is posted for the Finance Committee as well as the Board of Selectmen.

Mr. Parini asked the FinCom members to please send him any ideas to be discussed at this meeting.

Mr. Dwyer asked if there is any reason not to vote on the municipal budget tonight.

Mr. Parini – we generally wait for the warrant articles...wait 'til next week's meeting (Tuesday, March 31, 2015) to vote on the warrant articles. If you have any major concerns this is the time to bring them up. There were no concerns expressed.

Mr. Parini – the school budget overview including Chapter 70 funding. The salaries for the Wing School have transferred to the Forestdale and Oak Ridge Schools. It is estimated that it will cost \$245,000 for the discontinuation of the Wing School. Going forward, they will have a revolving account for the high school cell tower revenues.

Mr. Dunham noted that they cannot just set up a revolving account...it takes a vote of Town Meeting also.

Mr. Parini – having reviewed the school budget...are there any questions or concerns about the budget. Did you get sufficient answers on the questions you asked or do you need more information.

Mr. Lehane – Most all my questions have been addressed. We wish we had the information earlier in the process so that we could have reviewed it between receiving and when we have to make our recommendations. A week is an insufficient amount of time...we need to spend a good deal more time on this. The municipal budget...I am prepared to vote on it tonight.

Mr. Parini – I think I may have not gotten the superintendent the questions in a timely manner. I have voiced my opinion about their staffing etc. Dr. Canfield fully intends to produce the Program and Staffing Use report for next year. Would like a better break down...how many teachers and funding. Ms. Grundman and Mr. Dwyer talked about having a budget steering committee consisting of two people from the FinCom, the Board of Selectmen and the School Committee to foster a better understanding of what we do.

Mr. Snyder – we just got the school budget. We are all comfortable with the municipal budget. I understand that you want to wait but it might make sense to do the municipal budget tonight and review the information we have from the schools and wait on that until next week.

Mr. Parini – it is all one budget, school and municipal, they are not broken up. It is one warrant article covering the entire budget.

Mr. Guerin – would like a statement of recommendations for all the budgets we have already recommended.

Mr. Dwyer – Disappointed on the timing of the information from the School Committee. Would also like to comment recently that we have turned a corner...the information we did receive is important I think that should be the focus. During the past couple of weeks we received information from Dr. Canfield and from School Facilities Manager, Alan Hall...supporting documents and there are a couple of other issues on the school budget. I would suggest Dr. Canfield and the school committee members, may be not so much for this committee, but for their own message(remembering something Ellen Yaffe mentioned during her time on the FinCom)...it was the impression that the closing of the Wing School would bring us substantial savings. Going through the budget & workshop meetings, maybe it would be efficient to do an executive summary what the expenses...go to...it is all there but not all in the same place. Would like to continue with this positive feeling and get beyond the dysfunctional feeling.

Mr. Dunham noted that the Selectmen will be discussing the capital project planning.

Mr. Dwyer thinks the FinCom should have an accounting of capital projects that have been completed from the municipal and the school departments. Asked if there is a way to morph and integrate these projects to have more of a unified budget? Noted that 70% of the school budget is salaries.

Mr. Reilly - last year we voted to recommend the school department budget and Dr. Canfield told us there would be a substantial decrease.

Mr. Guerin recommends the FinCom have a better understanding of what the word savings means from the Schools...define what they mean. The budget increase was significantly less than what it could have been. Recommends we should be looking at budget information for a period of time greater than one year to the next.

It was noted that the budget process began this year with the Selectmen recommending a percentage increase for both the School and Municipal budgets. We should participate more fully with the Board of Selectmen and the schools. There is significantly more spending in the school department budget. How will all day kindergarten and additional administrative staffing effect the school budget. What are the actual costs to the budget i.e. staff steps and longevity.

Mr. Dwyer – next Tuesday at our meeting we will plan on voting the full budget on articles 1, 2 & 3. There is a lot of work to be done before then. We need some help. My recommendation will not be ready next week. It will be ready prior to Town Meeting.

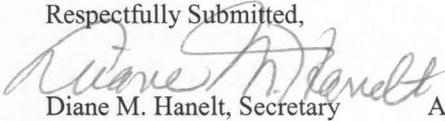
Mr. Parini – if there needs to be more fact finding...trying to fix and be more inclusive with people and board and committees. Next week I am prepared to vote on the warrant articles.

ITEM #8
ADJOURNMENT

8:55p.m.

***MOTION TO ADJOURN WAS MADE BY MR. SNYDER. SECONDED BY MR. GUERIN. VOTE – UNANIMOUS.**

Respectfully Submitted,



Diane M. Hanelt, Secretary

Approved: 3/3/15

Supporting Documents:

- Project Revenues and Expenses – FY'16 (GHD Draft 3/20/2015)
- FY'16 Budget Totals (GHD Draft 3/20/2015)
- FY'16 Recommended General Government Budget – Summary of Significant Budget Changes (+/- \$5,000) (GHD Draft 3/30/2015)
- FY'16 Capital Budget Summary – Presented to CIPC 3/23/2015
- Upper Cape Cod Regional Technical School – Assessment letter dated 3/13/2015
- UCCRTS FY2016 Budget Function etc.