

AUG 03 2015

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RECEIVED & RECORDED

MINUTES  
OF THE  
FINANCE COMMITTEE  
TUESDAY, JUNE 2, 2015  
7:00 P.M.  
TOWN HALL MEETING ROOM  
130 MAIN STREET, SANDWICH, MA

Present: Gene Parini, Linell Grundman, Tom Hickey, Mike Dwyer, Rich Reilly, Mark Snyder, Bob Guerin and Jim Lehane  
Absent: Matt Terry

Also Present: Assistant Town Manager Doug Lapp, Finance Director Mimi Spahr, Director of Assessing Ed Childs 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 April 14, 2015-

**\*MOTION WAS MADE BY MR. SNYDER TO APPROVE THE MINUTES OF APRIL 14, 2015 AS PRESENTED. SECONDED BY MS. GRUNDMAN. VOTE - UNANIMOUS MR. DWYER ABSTAINING**

ITEM#4  
PUBLIC FORUM

No one

ITEM #5  
TOWN MANAGER REPORT

-Mr. Lapp introduced the new Finance Director Mimi Spahr noting that there were 29 applicants for the position. Mimi has a lot of experience; has worked in Bridgewater and Yarmouth; adjunct at Cape Cod Community College. Mimi noted some items of interest about herself and her new position from her perspective. Mr. Parini welcomed Mimi on behalf of the Finance Committee. Mr. Parini thanked former Finance Director Doreen Guild for all her help and support to the Finance Committee. She is a tremendous resource...always willing to answer questions. The best of luck to Doreen in her retirement.

-Update on Town Buildings study on the Deacon Eldred House, the Clark-Haddad Building/Dewey Ave Bldg. /Sand hill School, and the H.T. Wing School. We secured funding for feasibility studies. Public forums have been held. We will be presenting the information to the Board of Selectmen soon. We have detailed cost estimates to rehab the buildings: Clark-Haddad/Dewey Ave Building cost estimate over \$1.1 m...this is a preliminary cost estimate, not detailed construction document. The Deacon Eldred House (has some uses as a museum) a little over \$740,000 (other uses might involve leasing it out etc.). Additional work would have to be done to lease it out which could cost about \$878,000. Both of these buildings would probably be eligible for Community Preservation Act (CPA) funding.

Brief discussion over who has control of these buildings.

The H.T. Wing School- These studies were done by a third party and are preliminary cost estimates.

- Demolish everything except the older part of the building - \$3.7 m
- Keep the whole building but just make basic repairs - \$31.7 m

-Fit out the entire building (Turn Key...to use any purpose) \$66.7 m

Other options for the Wing School:

-Restore the 1927 building (all brick building) and demolish everything else and build something new - \$71m

-Renovate the 1927 building and demolish the rest and construct a new gym. We don't have a price on this at this time.

There will be more public forums on these buildings.

Ms. Grundman noted that the 1927 building is not eligible for CPA funding because it is not 100 years old.

Mr. Lapp mentioned that he is not sure if there is enough money to fund something like this in the CPA fund.

Mr. Parini – has there been any discussion about cost estimates for revenues?

Mr. Lapp – That was not what we asked the studies to do but thinks the pay back on something like these is... unrealistic to think there would be any significant pay back.

Mr. Guerin noted that the Clark-Haddad building and Wing school were looked at as surplus by the School Dept. to save money. There should be a discussion about whether or not to maintain some of these properties. We have spent some time on prioritizing our buildings. We should be discussing what is really affordable.

Mr. Parini – regarding the Wing School, has there been any discussion about doing some repairs and then selling?

Mr. Lapp – I assume the Board of Selectmen will be discussing that type of thing. We are not there right now...that was not the purpose of the meeting.

#### FY'16 State Budget Update-

Mr. Lapp noted that we are a least six (6) weeks away from receiving state budget numbers. It does appear, however, that the senate discretionary aid is up some; Chapter 70 is up some. Over the next several weeks there may be more information that comes out we may have to go to a Special Town Meeting but we don't have enough information at this time to make that date. We will re-assess that as needed. The June 15<sup>th</sup> meeting, which is suggested by the Town Charter, is probably premature...it is probably better to wait until sometime in July and do the Reserve Fund Transfers at that time.

#### Selectmen Large Scale Capital Planning Discussions & Priorities –

Mr. Lapp noted that the Selectmen may be trying to look at this a little differently. The Town Manager and his staff will put some numbers together.

Mr. Dwyer – what documents will guide you looking at projects individually...a budget?

Mr. Lapp – We are looking at a lot of other things besides schools such as beaches, roads, public safety, and water. The Long Range Capital Plan will be one of the documents that will guide the Board of Selectmen.

Mr. Dwyer- what about deferred maintenance? Town and school infrastructure...regular maintenance is the unmet need.

Mr. Lapp noted that the town has done an excellent job with the money we have. We renovated the Town Hall, a lot of work on various projects at the Library. We are slowly chipping away at the projects but we knew it would never be enough for what we really need. We look at what can we accomplish if we do the projects in phases.

Director of Assessing Ed Childs gave an overview of the Statutory Role of the Board of Assessors, Payment-in-Lieu-of-Taxes, Tax Rate Setting Process and Impacts with some handouts.

The Board of Assessors oversees the process of abatements including voting on their approval. The Assessor does not ever sign them.

Referenced the Revenues and Expenses sheet of information that the Town Manager work with. You don't ever want to have a review short fall.

Gave an overview of the levy limit work sheet.

In response to a question raised by Mr. Dwyer, Mr. Childs explained how the assessors calculate new growth.

Mr. Parini – are you about to do growth projections?

Mr. Childs – yes.

Mr. Childs offered handouts and an overview on Chapter 1 – Assessment Administration / Agenda and Objectives (Rev. 1/13); Town of Sandwich Fiscal 2015 Classification Workshop Term Definitions; Top Ten Exempt (Non-Government); PILOT overview; Policy Focus Report – Lincoln Institute of Land Police...Payments in Lieu of

Taxes, Balancing Municipal and Non Profit Interests (Daphne A. Kenyon and Adam H. Langley); 2013 Town of Andover, Massachusetts PILOTS: Payment in Lieu of Taxes (extensive report).

Mr. Childs notes that the town receives an average of about \$540,000 in PILOT money from the state per year over the last several years. We received PILOT money from the housing authority property. Everything else in PILOT is strictly voluntary. While meeting at various times with Assessors from other towns, Mr. Childs noted that ten towns on cape do not have a PILOT program in place. Two towns on cape have PILOT Programs in place that they use...again, PILOT Programs are voluntary. PILOTS allow non-profits to help with use of public service departments. PILOT programs can produce review but it is not reliable. Some community's offer a discount for vacant land...values vary. Primarily, PILOT is something we are trying to act on on a one on one basis. Mr. Lehane – the Spaulding Rehab PILOT agreement goes back to when they built the building. It was not voluntary.

Mr. Childs noted that it was not actually part of the agreement but it was at the inception of the building of the hospital.

Mr. Lehane – currently discussions are not happening with the Board of Selectmen?

Mr. Childs...no, just with Mr. Childs.

Mr. Lehane – it would be up to the Board of Selectmen to put a stake in the ground...the Board of Selectmen would make a discussion about whether or not to pursue this.

Mr. Snyder noted that, yes, if there was a set policy would it be easier for you to bring the programs to the people?

Mr. Childs...not necessarily, would have to receive enough feedback on it from other towns.

Mr. Dwyer – is there any discussion as to the giving items...other than money...how can you give 'in kind' services.

Mr. Child noted that there is a 'barter' type system...there are various 'in kind' options...contributions to your community...it is not just cash.

Mr. Grundman noted that she really likes the idea of 'in kind' services and contributions to your community.

Mr. Parini asked if there is any estimate on how much some of the non-profits use of town services.

Mr. Childs – not really. We have things that are false alarms etc.

#### ITEM #6

#### FINANCE COMMITTEE DISCUSSION

Mr. Parini gave an overview of the Budget Analysis with a discussion of future analysis; % Change in Revenues & Expenses, Etc. noting that there is \$7.5 m in total estimated expenses. Going forward there could be other analysis we could look at. We could take a look at salary figures. The Mass. DOR website is a wealth of information.

Update on Finance Committee recommendations-

The Mr. Parini noted that he and Ms. Grundman met with the Chairman and Vice-Chairman of the Board of Selectmen recently...will follow up. They also reached out to the Chairman and Vice-Chairman of the School Committee. They were responsive to a meeting...possibly in the next week or two.

Ms. Grundman mentioned that at a future meeting she would like to have a social media discussion...open meeting law, etc. Handed out copies of a letter dated March 11, 2013 from the Attorney General regarding Open Meeting Law Complaint and a letter dated May 13, 2013 from the Attorney General regarding Open Meeting Law Complaint – Nantucket Energy Study Committee. Has spoken with the Town Clerk. Training on open meeting law will be offered in the next future.

#### ITEM #7

#### REORGANIZATION

Nominations for Chairman and Vice-Chairman-

Mr. Parini thanked the Committee. It was a pleasure being the Chairman this year...all the work we got done. Thanked the Committee for being engaged.

Ms. Grundman thanked Mr. Parini on behalf of the Committee for all the work he did.

**\*MOTION WAS MADE BY MR. PARINI TO NOMINATE VICE-CHAIRMAN MS. GRUNDMAN AS CHAIRMAN. SECONDED BY MR. SNYDER. THERE BEING NO OTHER NOMINATIONS THE VOTE – UNANIMOUS.**

Ms. Grundman thanked the members.

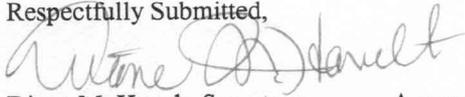
**\*MOTION WAS MADE BY MS. GRUNDMAN TO NOMINATE MR. GUERIN AS VICE-CHAIRMAN. SECONDED BY MR. SNYDER. THERE BEING NO OTHER NOMINATIONS THE VOTE – UNANIMOUS.**

**ITEM#8**  
**ADJOURMENT**

**8:40p.m.**

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

Respectfully Submitted,



Diane M. Hanelt, Secretary

Approved: \_\_\_\_\_

6/25/15

Supporting Documents:

- Statutory Role of the Board of Assessors
- Payment-in-Lieu-of-Taxes
- Tax Rate Setting Process and Impacts
- letter dated March 11, 2013 from the Attorney General regarding Open Meeting Law Complaint
- Letter dated May 13, 2013 from the Attorney General regarding Open Meeting Law Complaint – Nantucket Energy Study Committee