

Town Clerk

TOWN CLERK  
TOWN OF SANDWICH

FEB 25 2016

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**MINUTES  
OF THE  
FINANCE COMMITTEE  
TUESDAY, FEBRUARY 2, 2016  
7:00 P.M.  
TOWN HALL MEETING ROOM  
130 MAIN STREET, SANDWICH, MA**

Present: Linell Grundman, Bob Guerin, Mike Dwyer, Rich Reilly, Mark Snyder, Jim Lehane, Gene Parini and Tom Whitham

Absent: Matt Terry

Also Present: Town Manager George Dunham, Finance Director Mimi Spahr, Jim Pierce and SCT.

**ITEM #1**  
**CALL TO ORDER & PLEDGE OF ALLEGIANCE**

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

Pledge of Allegiance.

Ms. Grundman introduced Mr. Thomas Witham, the newest member of the Finance. Welcome to Tom.

**ITEM #2**  
**PUBLIC FORUM**

None

**ITEM #3**  
**REVIEW AND APPROVAL OF MINUTES**

Minutes of January 12, 2016-  
**MOTION WAS MADE MR. SNYDER TO APPROVE THE MINUTES OF JANUARY 12, 2016 AS PRESENTED. SECONDED BY MR. REILLY. VOTE – UNANIMOUS MR. DWYER, MR. LEHANE AND MR. WITHAM ABSTAINING**

Minutes of January 26, 2016-  
**MOTION WAS MADE BY MR. SNYDER TO APPROVE THE MINUTES OF JANUARY 26, 2016 AS PRESENTED. SECONDED BY MR. PARINI. VOTE UNANIMOUS MR. REILLY AND MR. WITHAM ABSTAINING**

**ITEM#4**  
**CORRESPONDENCE STATEMENTS AND ANNOUNCEMENTS**

None.

**ITEM#5**  
**TOWN MANAGER'S REPORT**

Mr. Dunham presented and gave an overview of the FY'17 Budget Binder information... Tab 1 – Summary Information/Subject to Change; Tab 2 – CD of Entire Budget Binder – Also on Website with direct link to homepage; Tab 3 – Financial History, Projections & Analysis (Table of Contents & Executive Summary pages 2&3); Tab 4 – FY'17 Capital Budget (Current Draft #4); Tab 5 – General Government Budget (including summary of significant budget changes, prioritized needs budget list, needs budget list – public safety planning, overall budget issues & concerns); Tab 6 – School Dept. Budget (if you want to have all the budgets in one binder instead of two different binders as presented by the School Dept.); Tab 7 – UCCRVTS Budget have not received yet; Tab 8 – Miscellaneous.

Capital Needs – Exempt Debt Since FY'06; Exempt Debt vs. Total Tax Levy; Tuition Assessments budget History (THE Largest Budget impact over last decade); How Closely Sandwich Budgets vs. Other Towns; FY'17 Budget Overview – FY'17 Projected Revenues & Expenses; Where Each Dollar Comes From; Where Each Dollar Goes; Where Each Dollar Goes – School & Town; FY'17 Budget Overview – Items of Concern.  
Projected Revenues & Expenses – FY'17 (GHD Draft 1/25/16)

The Board of Selectmen received this presentation last Thursday night.

Mr. Dunham thanked his Financial Staff...those who were present at last week's FinCom meeting...Assistant Town Manager Doug Lapp, Financial Director Mimi Spahr, Human Resources Director Marie Buckner, Town Treasurer/Collector Bill Jennings and Assessing Director Ed Childs who met with him probably ten times since December going over the budget. This is a level service budget...no new services. Any budget that increased by \$5,000 or more is brought forward with detail. We still have several meetings to go before Town Meeting and there are still some numbers that we don't have hard numbers on yet.

Tab 3 is information that Mr. Dunham uses most during the year.

Human Resources Director Marie Buckner and Assistant Human Resources Director Jan Hagberg updated information on 'how we compare to other towns on cape'.

Tab 3 – Executive Summary point #6, Mr. Dunham highlighted that Sandwich has the second highest average tax bill on Cape Cod and the highest median household income. Decreasing debt payment, tuition assessment increases, declining school enrollment, general government staffing comparisons, Sandwich budget culture, average tax bill, Stable, Aging town population, Where our money comes from and goes to.

Tab 4 – Capital Improvement Plan Summary – Mr. Dunham highlight the fact that the current balance is \$515,436. We would like to increase it by approximately \$171,000. Trying to increase the \$500,000 annual Capital spending budget to \$700,000. Mr. Dunham further noted that within the \$515 annual budget is funding of \$125,000 for building maintenance, \$200,000 for waste water improvements at the Forestdale School which is 25 years old. The town's Health Director Dave Mason and Alan Hall Director of the Schools Facilities Dept. encouraged us to do this. We are hoping to transfer about \$150,000 from the ambulance fund to change some equipment into a brush breaker. Looking into a lease purchase program.

The Capital Planning Committee meets in February on the third Monday at 4:30 p.m. at the Town Hall.

We re-implement a form for capital planning purposes that hasn't been used in many years. The capital plan is in detail on the CD in the budget binder.

Tab 5 – General Government Budget – reflects a 2.8% increase over 2016. It is a level service budget...no new services. We are constantly trying to try new thing. We also don't 'spin our wheels' if we know that something doesn't work. With changes in the police department we started a Deputy Police Chief position. Mimi Spahr's position is now the Finance Director position. Bill Jennings position is now, Town Treasurer/Collector position. These are good examples of where we have been able to combine positions.

Summary of significant Budget Changes. Purely a level service budget. The Lock Box was a net decrease of \$6,000 to the budget but combining the tax collector and treasurer's positions more than made up the difference. We transfer about a million dollars a year from the Ambulance Fund to the General Fund. Dept. 630-Recreation \$20,000 is fully offset by the beach and parking account.

Mr. Parini thanked Mr. Dunham for the budget presentation...a wealth of information on the FY'17 budget. Asked if Mr. Dunham could give details on Surplus Revenue and Free Cash. Mr. Dunham noted that Financial Director Mimi Spahr can do a presentation on that in a couple of weeks. When people pay their taxes on time, this is the biggest impact.

Overview of FY'17 General Government Budget overview – Prioritized Needs Budget List are...noted in the 2.8% budget. The first four items (Police, Fire, Snow & Ice and DPW) are not realistically funded. There are actually four vacancies in the Police Dept...some of them have been vacant for months. Other budgets in need are public facilities; IT; Streamline Town Organizational Structure; as well as DPW Road and Infrastructure maint; DPW – Additional Parks Staff & Money for HT Wing School Fields; DNR & Recreation – Reduced dependency on Beach Parking Account.

FY'17 General Government Budget Overview – Needs Budget List – Public Safety Planning; Fire (8) Fire/EMS Staff for 3<sup>rd</sup> Ambulance; tie to debt exclusion.

General discussion on the Human Resources Dept. and the fact that this two person department does all the Workers' Compensation claims for both the general government and the schools. The HR Dept. works out job descriptions and updates them as needed if there is a position vacancy.

Brief discussion about the Snow and Ice Account and adding money to it.

Referencing the Needs Budget list, Mr. Witham asked if this is the Town Manager's 'wish list'? What would the tax impact of this be?

Mr. Dunham noted that the impact would be '0'...thinks we have found a way through new growth, etc.

Mr. Parini – Last year we funded a couple of new police cruisers.

Mr. Dunham – our goal is to switch to civilian dispatchers and free some people up. We should have less overtime because we are hiring civilians not patrolmen.

Mr. Dwyer inquired about the eight, as yet, unresolved contracts. Mr. Dunham explained that everything shows wage adjustments.

General discussion of Tuition Assessments Budget History; the Largest Budget Impact Over the Last Decade; How Closely Sandwich Budgets vs. Other Towns (four years of history for Bourne, Mashpee, Falmouth, Yarmouth, Dennis. Explanation of the Stabilization Fund and what we use it for. Overview of FY'17 Project Revenues and Expenses (Current Projection) – Human Resources Director Marie Buckner is on the Steering Committee for Cape Cod Municipal Health. Where Each Dollar Comes From/Where Each Dollar Goes; Where Each Dollar Goes – School & Town. FY'17 Budget Overview – Items of Concern.

Mr. Dutch, Superintendent at the Upper Cape Cod Regional Vocational Technical School contacted the Town Manager...comfortable with the #'s we have...not much change.

Mr. Guerin thanked Mr. Dunham for a good job and inquired about some of the information included in the 'pie chart'.

Mr. Witham noted...wonderful presentation...very informative...learned a lot tonight. Brief notes about tuition assessments and what kind of efforts there have been to bring students back to town. Have the schools done a survey of student exiting and found out why?

Mr. Dunham noted 189 students at Sturgis this year.

Mr. Lehane – I find it peculiar that there is no penalty that the schools pay for losing students. The budget affect is on the General Government. Citizens sixty-five and older...is there a person on the team that can look at numbers and statistics...if we lose people to age?

Mr. Dunham noted that the Director of the Council on Aging, Jan Timmons oversees that and the fluctuations and any growth

Mr. Lehane – what effect does the continuing effect of losing students and keeping older persons have.

Mr. Dwyer expressed concern about finding a solution to the tuition assessment issue. Is there anything that can be done?

Following discussion on the changing needs of the budget...where the money goes and is distributed, it was noted that there is a need to evaluate, assess and make some suggestions as things change...giving everyone the same amount of the budget has to be looked at.

Mr. Dunham gave an update-  
NRG Canal Plant noting that they are going forward with repowering. There are hurdles that have to be met.

South Sandwich Village Center land sale (56 acres) Clark Consultants- Permit requirements/timing expires this June. They asked the Board of Selectmen for an extension for the permit and the Selectmen said...no. So, they need the permits by June, 2016.

Mr. Reilly asked about a time line on NRG?

Mr. Dunham – they have to be on line and running within 3-5 years. They have applied for a zoning waiver. We have to negotiate with them on a tax valuation agreement. Twenty percent of any power plant is exempt. By law it depreciates each year. We need to be smart with the new growth.

Mr. Dwyer inquired, on the topic of waste water and the 56 acres in the SSVC, is it worth the next RFP to figure out what it would take to figure out about the 56 acres that we could show them what it would take?

Mr. Dunham – The Board of Selectmen have said when they try to sell and do things the developers asked for a consensus, usually asking for the Selectmen and the public's help. People are looking help from the town and we are having a hard enough time balances our budget.

Mr. Dwyer – Could Mass. Development put together and RFP for SSVC to help us out?

**ITEM #6**  
**OLD BUSINESS**

Ms. Grundman – we gave questions to the school committee in January. We have not had them answered yet. We now have the school department budget. The schools are coming in next Tuesday.

**ITEM #7**  
**NEW BUSINESS**

None.

**ITEM #8**  
**CLOSING REMARKS**

Ms. Grundman thanked Superintendent Richard Canfield for his service to the Town and wished him well in the future.

**ITEM #9**  
**ADJOURNMENT**

**9:05 p.m. \*MOTION TO ADJOURN WAS MADE BY MR. SNYDER. SECONDED BY MR. DWYER  
VOTE – UNANIMOUS.**

Respectfully Submitted,



Diane M. Hanelt, Secretary

Approved: 2/23/16

**Supporting Documents:**

- Chairman's Letter to Department Heads 12/21/2015
- Town Manager – Recommended FY'17 Budget Presentation to the Board of Selectmen 1/28/2016
- FY'17 Budget Binders – Tab Overview
- FY'17 General Government Budget overview – Prioritized Needs Budget list
- FY'17 General Government Budget Overview – Needs List – Public Safety Planning
- Overall Budget Issues & Concerns
- Capital Needs – Exempt Debt Since FY'06
- Exempt Debt vs. Total Tax Levy
- Tuitions Assessments Budget history – THE Largest Budget Impact Over the Last Decade
- How Closely Sandwich Budgets vs. Other Towns
- FY'17 Budget overview – FY'17 Projected Revenues & Expenses
- FY'17 Projected Revenues 7 Expenses – Current Projection
- Where Each Dollar Comes From
- Where Each Dollar Goes
- Where Each Dollar Goes – School & Town
- FY'17 Budget Overview – Items of Concern
- Projected Revenues and Expenses – FY'17 (GHD Draft 1/25/2016)
- FY'17 Budget Totals (GHD Draft 1/25/2016)
- FY'17 – Recommended General Government Budget – Summary of Significant Budget Changes (+/- \$5,000) (GHD Draft 1/25/16)
- General Government Operating Budget Needs – Prioritized Summary (GHD Draft 1/25/2016)
- Proposed Timeline for FY'17 Budget (GHD Draft 1/25/2016)
- Sandwich Town Charter – Article # VII Financial Provisions and Administration (GHD Draft 10/26/2015)
- Town of Sandwich Reimbursement Policy 6/25/2015
- Town of Sandwich Vehicle Use Policy 6/25/2015