

APPROVED: 4/22/10

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TOWN OF ORLEANS
TOWN CLERKS OFFICE
Dale Fuller

FINANCE COMMITTEE MINUTES

The April 8, 2010, meeting of the Orleans Finance Committee was convened by Chairman Walter Bennett at 7:00 p.m. in the Nauset Room of the Orleans Town Hall. Present constituting a quorum were Mr. Bennett, Edwin Barr, Mark Fiegel, Dale Fuller, Laurence Hayward, John Hodgson, Gwen A. Holden Kelly, and Rick Sigel.

Approval of Minutes

On a motion made by Ms. Holden Kelly, the minutes of the April 1, 2010, Finance Committee meeting were approved (7-0-1).

Guests

Mark Carron, Board of Selectmen liaison to the Finance Committee, was in attendance at the meeting.

Also present were Alan McClennen, Jr., chairman of the Orleans Open Space Committee, and Orleans Town Municipal Finance Director David A. Withrow.

Guest Presentations

Warrant Articles Concerning Property Purchases for Conservation/Open Space

Mr. McClennen appeared before the Finance Committee to discuss two warrant articles that will be presented to Orleans voters during the May 10th Town Meeting in search of their support to finance land purchases for conservation and open space, specifically:

- **Article 27 of the Annual Town Meeting warrant:** *Acquire Conservation and Watershed Protection on Brewster Land;* and,
- **Article 8 of the Special Town Meeting warrant:** *Acquire land owned by Putnam Family, 50 Bridge Road.*

With regard to the purchase contemplated under Article 27, Mr. McClennen explained that the Town of Brewster currently has an agreement in place to purchase one 22.57 acre parcel for \$750,000. This land sits in Zone 2 of contribution for well No. 7 of the Orleans watershed. Under Orleans' agreement with Brewster, the two towns would split the cost of that parcel, with Brewster to retain the title for that land, and Orleans to hold the conservation restriction not only for the 22.57 parcel, but for a total of 35.57 acres that would include 13 additional acres which are located in Zone 2 of other Orleans wells and that Brewster currently owns or plans to purchase. Mr. McClennen also reviewed possible ways to finance the land acquisition. The financing method has not been agreed upon at this juncture.

Concerning the Putnam property purchase proposed under Article 8, Mr. McClennen said that a verbal purchase agreement has been reached with the Putnam family concerning that property, which would be purchased for open space with a provision for agriculture, and that the family currently has a purchase and sale agreement in hand for review. He said that a price for that property will be discussed at the end of April.

Fiscal Year 2011 Orleans Elementary School Budget

Mr. Withrow reviewed with the Finance Committee the current status of the fiscal year 2011 Orleans Elementary School (OES) budget as revised to reflect updated information on revenues and expenditures and actions of the Board of Selectmen during its April 7th meeting.

Old Business

Reconsideration of Previous Action on Town/School Budget for Fiscal Year 2011

On a motion made by Mr. Fiegel, the Finance Committee voted, 7-0-1, to reconsider its action of April 1st on Article 2, Fund FY11 Town/School Budget, in light of the updated information concerning the OES budget provided by Mr. Withrow.

On a motion made by Mr. Fiegel, the Finance Committee voted, 8-0-0, to agree to the proposed amendment of Article 2 to reflect the updated financial information for the OES, with the understanding that the subject amendment will be offered by Board of Selectmen from the floor during Town Meeting.

New Business

Request for Reserve Fund Transfer:

On a motion made by Ms. Holden Kelly, the Finance Committee approved the transfer of \$19,792.00 from the Committee's reserve account to accommodate an anticipated deficit in funds available in the Fire Department's budget to pay overtime until May 10th, the time of Town Meeting (8-0-0). Additional funding through the end of the current fiscal year ending June 30, 2010, would be made available from monies transferred from insurance receipts and ambulance receipts to be approved at Town Meeting.

During its discussion of the subject reserve funds transfer request, the Finance Committee questioned the method by which the amount of funds requested had been estimated. The Committee expressed serious concern that, based upon the current demands on the Fire Department's overtime budget, the supplemental funds sought might be insufficient to meet the Department's needs in that budget category through action on the Department's fiscal year 2011 budget during Town Meeting.

On a motion made by Mr. Fiegel, the Finance Committee voted to ask Fire Department Chief William P. Quinn, Jr., to recalculate the overtime funds projection for the remainder of fiscal year 2010 using median expenditures as the basis for that projection rather than average expenditures, which were used as the basis for the projection reflected in the current reserve funds transfer request (8-0-0). Mr. Hayward was asked to communicate the Finance Committee's request that the overtime funds projection be recalculated as described above to Chief Quinn.

The Finance Committee also acknowledged that much of overtime spending is driven by provisions in the Fire Department's union contract, and agreed that the Committee will ask the Selectmen to revisit those provisions during future contract negotiations.

Action on Additional Article for Special Town Meetings Articles

On a motion made by Mr. Sigel, the Finance Committee approved the addition of the following article on the Special Town Meeting warrant Article 9 (8-0-0):

- **Article 9 :** *Accept M.G.L. C. 138 Section 33B - Sale of Alcoholic Beverages by on-premise licensees on Sundays and Certain Legal Holidays.*

Town Meeting Finance Committee Floor Presentation Votes and Assignments

The Finance Committee engaged in a review of warrant articles for the Annual and Special Town Meetings for purposes of identifying those articles that the Finance Committee wished to speak to from the floor during Town Meeting and assigning specific Committee members to prepare, and deliver those presentations at that time. The Committee agreed that presentations would be made on all articles that will have significant fiscal impact and those on which the Committee's votes on whether to include the articles on the warrant was split.

By the actions reported below, the Finance Committee determined which articles reviewed would be addressed by the Committee in floor presentations during Town Meeting and assigned Committee members to make presentations as indicated in the following.

Annual Town Meeting Warrant

- **Article 2:** *Fund FY11 Town/School Budget.* By consensus, the Committee agreed to present on this Article following the Board of Selectmen's offering of a floor amendment to reflect the updated financial information on the OES budget. Presenters: Mr. Bennett/for; Mr. Hodgson/on issues regarding the Town building plan and the OES fiscal year 2011 budget.
- **Article 3:** *Adopt Capital Improvement Plan for FY12-FY16.* **Voted for presentation, on a motion made by Mr. Fuller (7-1-0).** Presenter: Paul Rooker for the Committee.
- **Article 4:** *Fund FY11 CPA Program Projects.* **Voted for no presentation (8-0-0).**
- **Article 5:** *Fund Water Quality Drainage Improvements.* **Voted for no presentation, on defeat of a motion offered by Mr. Bennett (1-7-0).** On a motion made by Mr. Hayward, the Committee later moved to reconsider its vote on whether to make presentations on Articles 5 and 6 (8-0-0). On a motion made by Mr. Fiegel, the Committee voted 8-0-0 in favor of presenting on Articles 5 and 6. Presenter: Mr. Hodgson for the Committee.
- **Article 6:** *Fund Town Pavement Management Program.* **Voted for no presentation, with defeat of a motion offered by Mr. Hodgson (3-5-0).** On a motion made by Mr. Hayward, the Committee later moved to reconsider its vote on whether to make presentations on Articles 5 and 6 (8-0-0). On a motion made by Mr. Fiegel, the Committee voted 8-0-0 in favor of presenting on Articles 5 and 6. Presenter: Ms. Holden Kelly for the Committee.
- **Article 7:** *Replace Fire Department Pumper Truck.* **Voted for presentation, on a motion made by Mr. Hayward (8-0-0).** Presenter: Mr. Hayward for the Committee.

- **Article 8:** *Replace Highway Department Front End Loader.* **Voted for presentation, on a motion made by Mr. Fiegel (8-0-0).** Presenter: Mr. Fuller for the Committee.
- **Article 9:** *Replace I&M Plant Filter Membrane Rack.* **Voted for presentation, on a motion made by Mr. Fuller (8-0-0).** Presenter: Mr. Barr for the Committee.
- **Article 10:** *Accept Local Option for Meals Tax.* **Voted for presentation, on a motion made by Ms. Holden Kelly (8-0-0).** Presenters: Mr. Fiegel/for; Ms. Holden Kelly/against.
- **Article 16:** *Transfer Water Reserve for Appropriations to Water Service Account.* **Voted no presentation, on a motion made by Mr. Sigel (8-0-0; voted en bloc with Articles 17, 18 and 19 of the Annual Town Meeting Warrant.).**
- **Article 17:** *Fund Orleans Chamber of Commerce.* **Voted no presentation, on a motion made by Mr. Sigel (8-0-0; voted en bloc with Articles 16, 18 and 19 of the Annual Town Meeting Warrant.).**
- **Article 18:** *Fund Human Services Agencies.* **Voted no presentation, on a motion made by Mr. Sigel (8-0-0; voted en bloc with Articles 16, 17, and 19 of the Annual Town Meeting Warrant.).**
- **Article 19:** *Fund July 4th Parade.* **Voted no presentation, on a motion made by Mr. Sigel (8-0-0; voted en bloc with Articles 16, 17, and 18 of the Annual Town Meeting Warrant.).**
- **Article 27:** *Acquire Conservation and Watershed Protection on Brewster Land.* **A motion offered by Mr. Fiegel to approve the land purchase at \$375,000 was defeated on a vote of (2-6-0). By virtue of the split vote, the Committee will present on the article.** Presenters: Mr. Fiegel/for; Ms. Holden Kelly/against.
- **Article 28:** *Petition: Fund Layout of Beach Road from Main St. to Nauset Beach.* **Voted no presentation, on a motion made by Mr. Fuller (8-0-0).**

Special Town Meeting Warrant:

- **Article 2:** *Transfer Article:*
 - Fire Department: Ambulance receipts and insurance recovery to overtime account.
 - Water Department: Water surplus to Capital Outlay Account.
 - Parks & Beaches: Salary to Expenses.
 - Community Building. Expense to salary.**Voted no presentation, on a motion made by Ms. Holden Kelly (8-0-0; voted en bloc with Articles 3, 4, and 5 of the Special Town Meeting warrant.).**
- **Article 3:** *Transfer funds from police station engineering to construction for repairs.* **Voted no presentation, on a motion made by Ms. Holden Kelly (8-0-0; voted en bloc with Articles 2, 4, and 5 of the Special Town Meeting warrant).**
- **Article 4:** *Transfer funds from free cash for Eldredge Field light replacement.* **Voted no presentation, on a motion made by Ms. Holden Kelly (8-0-0; voted en bloc with Articles 2, 3, and 5 of the Special Town Meeting warrant).**

- **Article 5:** *Transfer funds from FY10 Special Events account to separate article.* **Voted no presentation, on a motion made by Ms. Holden Kelly (8-0-0; voted en bloc with Articles 2, 3, and 4 of the Special Town Meeting warrant).**
- **Article 6:** *Authorize Selectmen to sign CVEC power supply agreement.* **Voted for presentation, on a motion made by Mr. Fuller (8-0-0).** Presenters: Subject to final action on this article by the Finance Committee at Town Meeting, Mr. Rooker and/or Mr. Hayward.
- **Article 7:** *Acquire land owned by G.R.B.S Corp. on Beach Rd. & Hubler Ln.* **Voted for presentation, on a motion made by Mr. Hayward (8-0-0).** Presenters: Subject to final action on this article by the Finance Committee at Town Meeting, Ms. Holden Kelly and/or Mr. Hayward.
- **Article 8:** *Acquire land owned by Putnam Family, 50 Bridge Rd.* **Voted for presentation, on a motion made by Ms. Holden Kelly (8-0-0).** Presenters: Subject to final action on this article by the Finance Committee at Town Meeting, Mr. Fuller and/or Mr. Bennett.

Mr. Bennett said that a review of remarks to be made by Finance Committee members during Town Meeting would be scheduled for the Committee's April 22nd meeting. He asked that all presenters have their remarks drafted and distributed via email to all Finance Committee members by Wednesday, April 21st in preparation for discussion on the 22nd.

Issuance of a Town Credit Card

At Mr. Sigel's request, the Finance Committee discussed the merits of issuing a Town card with special features and benefits for the holder, such as points toward purchases, as a potential revenue-raising measure. Mr. Carron said that programs are available for managing this type of credit card offering, but noted that he was not certain whether it is permissible for a municipality to issue such a card; that such a card likely would have to be issued through a big bank; and that there would be costs associated with managing whatever benefits program was associated with the card. Mr. Hodgson was asked to look into this matter further and report back to the Finance Committee.

Orleans Board of Health Fees

Mr. Fuller reported that the Board of Selectmen is vested with the responsibility to act on specific fees charged by the Town and has decided not to amend any of the fees that fall within its jurisdiction this year. However, the Board of Health, has a number of fees over which it is the controlling authority that have not been reevaluated since 2008 and might benefit from a review. **On a motion made by Mr. Fuller, the Finance Committee voted to ask the Board of Health to undertake a review of fees over which it has authority; reassess their adequacy; and consider any revisions or upgrades that it determines would be appropriate (8-0-0).**

Board of Selectmen Reports

Mr. Bennett reported on the April 7, 2010, meeting of the Board of Selectmen.

Department and Committee Liaison Reports

Department Reports

None.

Committee Reports

Finance Committee members reported on meetings and activities of the following boards and committees:

- April 7, 2010, meeting of the Board of Water and Sewer Commissioners (Mr. Barr);
- April 8, 2010, meeting of the Affordable Housing Committee (Mr. Sigel);
- Snow Library (Mr. Hodgson).

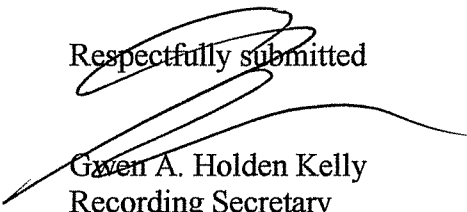
Future Meetings

The next meeting of the Finance Committee will be held Thursday, April 22nd.

Adjournment

On a motion made by Mr. Hayward, the meeting was adjourned at 10:08 p.m.

Respectfully submitted



Gwen A. Holden Kelly
Recording Secretary