



FINANCE COMMITTEE MINUTES

The July 22, 2010, meeting of the Orleans Finance Committee was convened by Chairman Larry Hayward at 7:00 p.m. in the Nauset Room of the Orleans Town Hall. Present constituting a quorum were Chairman; Mr. Larry Hayward, Vice Chairman; MS. Gwen Holden Kelly, Secretary; Mr. Mark Carron, Mr. Dale Fuller, Mr. John Hodgson, Mr. Ed Barr, Mr. Walter Bennett and Mr. Rick Sigel. Absent member; Mr. Paul Rooker.

Guests:

None

Approval of Minutes:

On a motion made by the secretary, seconded by Mr. Bennett, the minutes of the July 8, 2010, Finance Committee meeting were approved as amended unanimously.

On a motion made by the secretary, seconded by Ms. Holden Kelly, the minutes of the July 14, 2010, Finance Committee meeting were approved unanimously.

(TC) Town Comparisons

(TC.07.1) Mr. Sigel reviewed with the committee the purpose behind why the Finance Committee began its town comparisons. The goal being to improve the budget process, making the process a positive exercise. As members make contact with other towns we should be keeping it positive and discuss or seek new ideas.

Ms. Holden Kelly suggested that the exercise should be by process. This would require us to determine which process we feel could be improved upon and discuss with our sister towns how they approach the same process. Mr. Barr agreed stating that it would be more useful by determining the critical items to compare. Mr. Hodgson commented that he felt we should drill down to expense, and the Chairman added, revenue. Mr. Fuller suggested we look at towns that do it better and worse than Orleans so we can learn, why? Mr. Sigel closed the discussion by reminding members to stay local, don't use the words Regionalization or Privatization. Chairman Hayward asked Mr. Sigel to continue to refine the process and will bring the topic back to the full committee at a future date.

(CP) Capital Plan:

(CP.07.1) Chairman Hayward distributed a capital plan worksheet developed for the members to use as a tool when we begin to work on the Capital Plan. He indicated he wanted to meet with the Town Administrator to discuss his plans for how the Capital Plan will be developed and presented to the board so he could plan future discussions by



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our committee. If members found any omissions or corrections to our worksheet the Chairman asked that they be forwarded to him.

(WW) Waste Water:

(WW.07.1) Mr. Bennett updated the committee on the meeting between the County Collaborative Committee and the Board of Selectman. The purpose of the meeting was to update the Board on the Collaborative efforts and to present the Board with the Cost Analysis the collaborative had developed to assist towns in their “Comparison of Costs for Wastewater Management Systems Applicable to Cape Cod”. Mr. Bennett noted that most of the analysis was presented in a top-down analysis and is looking for a cost analysis that presents cost in a bottom-up. Mr. Carron questioned Mr. Gottlieb contention that the reason why the Cape should not compare itself to Chesapeake Bay is because the Cape is denser than the Chesapeake Bay area.

(MI) Miscellaneous Items:

(MI.07.1) The committee reviewed the proposed liaison assignments prepared by Vice Chairman, Ms. Holden Kelly.

On a motion by Mr. Carron, seconded by Mr. Hodgson, the committee approved the Liaison assignments as amended unanimously.

(FAI) Future Agenda Items:

The Chairman asked for future agenda topics;

(FAI -07.1) Mr. Fuller asked the Chairman to inquire into each members liability should a suit be filed against the Finance Committee.

(FAI.07.2) Mr. Fuller also asked that the members be provided with the guidelines for the use of the Reserve Funds.

(FAI.07.3) Schedule the Town Administrator, John Kelly to a future meeting to discuss the Capital Budget.

(FAI.07.4) Discussed the value of contacting Chatham to discuss Waste Water regional issues.

(FAI.07.5) Mr. Carron suggested the committee review the Charter with respect to how it affects the Finance Committee and its role within the town.



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(LR) Liaison Reports

(LR.07.6) Mr. Sigel gave the committee an update on the John Hinckley Affordable Housing Project is back on track. There is still a concern with obtaining a bank to handle the financing.

(LR.07.7) Ms. Holden Kelly reviewed the Board of Selectman's meeting held on July 14, 2010. Ms. Holden Kelly notes the discussion the board had on the proposed SEMASS contract. Discussion on the possibility of inspecting rental homes within the town (which there was no interest in pursuing). Discussion with the Board of Health on pay as you throw and the benefits to increasing the fees gradually over the coming years to prepare for the SEMASS increase using a stabilization fund.

Adjournment:

There being no further business before the committee the meeting was adjourned at 9:08 p.m.

Respectfully submitted

Mark E. Carron
Secretary

Next Meeting:

Wednesday, August 12, 2010 at 7:00 at the Town Office Building, Nauset Room

Attachments:

FAI.07.5 Pages 4-7 Charter Provisions



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(FAI.07.5) Charter Provisions

CHAPTER 2 TOWN MEETING

2-7-7 The Finance Committee shall, by recorded vote, indicate its recommendations on all articles having financial implications. In the event of a split vote, the committee shall supply its reasons, pro and con, in the Warrant or during discussions of the article at Town Meeting.

CHAPTER 3 BOARD OF SELECTMEN

Section 2 Policy Leadership

3-2-1 The Board shall serve as the Chief Executive goal-setting and policymaking agency of the Town. The Board shall cause the policies of the Town to be regularly published, and copies shall be made available to those requesting them.

Section 11 Town Counsel

3-11-1 The Town Counsel shall be requested to schedule some regular working hours at the Town offices. 3-11-2 Access to the Town Counsel shall be scheduled through the office of the Town Administrator.

CHAPTER 8 FINANCIAL PROVISIONS AND PROCEDURES

Section 1 Finance Committee

8-1-6 It is the responsibility of the Finance Committee to independently examine and analyze the Town's financial affairs, including proposed budgets, the Capital Improvements Plan, and all other proposals which would have a financial impact; and to inform the citizens of the Town of its findings and recommendations.

Section 2 Submission of Budget and Budget Message

8-2-5 The Board of Selectmen and Finance Committee shall conduct a joint public hearing, chaired by the Board of Selectmen, on or before September 20 of each year to solicit public priorities in upcoming fiscal years.



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8-2-10 The budget shall provide a complete financial plan for all Town funds and activities and shall be in such format as the Town Administrator, in consultation with the Finance Committee, may suggest, provided that the

format is compatible with the standards recommended by the Commonwealth's Director of Accounts and/or the State Association of Finance Committees. The budget shall indicate proposed expenditures for both current operations and capital projects during the ensuing fiscal year, detailed by departments, offices, and multi-member bodies, and specific purposes and projects.

Section 3 Action on Proposed Budget

8-3-2 On or before March 15 of each year, the Finance Committee and the Board of Selectmen shall conduct a joint public hearing on the proposed budget. The hearing agenda shall be established by the Finance Committee in consultation with the Board of Selectmen and the Town Administrator.

Subsequent budget changes may be made by the Board of Selectmen prior to the publication of the Annual Town Meeting Warrant provided a second joint hearing is similarly conducted. Subsequent to the publication of the Annual Town Meeting Warrant, further budget changes to be proposed to the Town Meeting by the Board of Selectmen shall, to the extent that time allows, be the subject of a similarly conducted public hearing at least seven (7) days prior to the commencement of the Annual Town Meeting.

8-3-3 The Finance Committee shall issue printed recommendations on all articles having financial implications in the Finance Committee report within the warrant, by flier distributed on the floor of Town Meeting, or by announcement during Town Meeting. In preparing its recommendations, the Committee may require the Town Administrator, any town department, office, or multi-member body to furnish it with appropriate financial reports and budgetary information.

Section 5 Capital Improvements Plan

8-5-3 The Capital Improvements Plan shall include: (a) a clear summary of its contents; (b) a list of all capital improvements proposed to be undertaken during the next five fiscal years, together with supporting data; (c) cost estimates, methods of financing, and recommended time schedules; and (d) the estimated annual cost of operating and maintaining the



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facilities or equipment to be constructed or acquired. The above information may be revised and shall be extended each year with regard to capital improvements pending or in the process of construction or acquisition. Any entry in said Plan previously approved at Town Meeting that is moved out more than one year shall be specifically noted and adjusted to reflect changing economic conditions.

8-5-4 The Capital Improvements Plan shall be submitted to the Board of Selectmen January 15 of each year. The Board shall act thereon within thirty days and shall then submit any Plan revisions to the Finance Committee, which shall issue its recommendation as part of the annual Finance Committee Report.

Section 6 Notice of Public Hearing on Capital Improvement Plan

8-6-1 The Board of Selectmen shall publish, in one or more newspapers of general circulation in the town, the general summary of the capital improvements plan and a notice stating: (a) the times and places where copies of the capital improvements plan are available for inspection; and (b) the date, time, and place, not less than seven days following such publication, when the Board of Selectmen and the Finance Committee shall conduct a public hearing, chaired by the Finance Committee, on said plan. The joint hearing shall be held no later than March 1 of each year.

Section 8 Annual Audits

8-8-1 An independent audit of the Town's finances shall be performed annually by a certified public accounting firm with experience in municipal audits and/or other public agency audits, chosen by the Board of Selectmen for a term of up to three years. A copy of every auditors' report shall be filed with the Town Clerk, shall be a public record, and a summary thereof shall be published in the next Annual Town Report.

Orleans Comprehensive Plan

9-2-1 The Planning Board shall be responsible for the development and periodic updating of the Orleans Comprehensive Plan.

9-2-5 By the fifteenth day of November, the Planning Board shall recommend implementation actions from the Plan as part of the development of the annual Operating and Capital Budgets and a six year schedule of Plan implementations as part of the Capital Improvement Plan updating process. The Planning Board shall present a report to the Annual Town Meeting specifying those Plan actions being fulfilled during the current fiscal year and the



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scheduled actions approved by the Board of Selectmen for full or partial completion during the ensuing fiscal year.

Chapter 40: Section 6. Towns; reserve funds for extraordinary expenditures; establishment

Section 6. To provide for extraordinary or unforeseen expenditures, a town may at an annual or special town meeting appropriate or transfer a sum or sums not exceeding in the aggregate five per cent of the levy of the fiscal year preceding the fiscal year for which the fund, to be known as the reserve fund, is established. No direct drafts against this fund shall be made, but transfers from the fund may from time to time be voted by the finance or appropriation committee of the town, in towns having such a committee, and in other towns by the selectmen; and the town accountant in towns having such an official, and in other towns the auditor or board of auditors, shall make such transfers accordingly.