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TOWN OF ORLEANS
TOWN CLERKS OFFICE

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FINANCE COMMITTEE MINUTES

The August 12, 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, Members Mr. Dale Fuller, Mr. John Hodgson, Mr. Ed Barr, Mr. Walter Bennett, Mr. Rick Sigel and Mr. Paul Rooker.

Guests:

Mr. Jon Fuller, Selectman liaison

Approval of Minutes:

On a motion made by the secretary, the minutes of the July 22, 2010, Finance Committee meeting were approved 8-0-1 with Mr. Barr abstaining.

(CP) Charter Provisions:

(CP-1) Mr. D. Fuller reviewed the Charter Provisions pertaining to the Board of Selectman, Town Administrator, Finance Committee and Budget Presentment. Mr. D. Fuller reviewed sections:

- 8-2-10 Chairman Hayward indicated he would meet with the Town Administrator to review the budget format which is discussed in the subsection
- 8-3-3 Mr. Sigel expressed the feeling that the tax payers seem to ask questions in this format that they would not, or are reluctant to ask at Town Meeting.
- 8-5-3 Mr. D. Fuller indicated that this subsection on the presentment of the Capital Plan should be a minimum requirement.
- 8-5-4 Chairman Hayward will discuss this subsection which outlines the time line for presentment of the Capital Plan to the Board of Selectman and the Finance Committee with the Town Administrator.

(WW) Waste Water:

(WW-1) Mr. Bennett reviewed with the committee the Chatham Waste Water Capital Plan and Projected Amortization Annual Costs handout. Mr. Bennett broke down the funding in four sections. One, Connection cost, Two, User Fees, Three, Betterment Tax and Four, Taxes.

The Orleans Board of Selectman has already voted to split the financing 80% on the taxpayer and 20% on the homeowner through a betterment tax. Mr. Bennett indicated this will result in the homeowners paying a higher cost when 20% is assessed to the homeowner through a betterment tax for two reasons: first, individuals will pay higher interest rates than would a municipality on the money they need to borrow to fund their 20% share of the cost and, second, since only 51% of the town is projected to be connected to the sewer system, only half the town will be paying for 20% of the total



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cost of the project thus the individual affected homeowner pays more than if these costs were equally distributed to all taxpayers.

(WW-2) Mr. Carron mentioned the Funding Options prepared for the Town of Barnstable town Council. Mr. Carron indicated he felt it was one of the more comprehensive studies done and maybe of use to the Finance Committee when they begin to review funding options and cost for the proposed town Waste Water options.

(MLRF) Members Liability and Reserve Funds

Mr. D. Fuller expressed concerns over Finance Committee member's liability and the use of Reserve Funds. Chairman Hayward indicated he will meet with the Town Administrator and Town Council to clarify the Liability concerns.

On Reserve funds, Chairman Hayward indicated we would revisit this topic in the future should the need arise.

(CIP) Capital Improvement Plan:

Chairman Hayward indicated he had discussed this with the Town Administrator and cleared up any misunderstanding he may have had regarding the Finance Committees review of the Capital Plan.

(OB) Other Business:

Mr. Barr gave the committee an update on the Town of Sturbridge comparison report. He indicated the report was still underway and hopes to have his findings complete for the next meeting.

Mr. Hodgson mentioned he knew of a town that did not have the same Fire Department overtime issues as did Orleans. A discussion followed, questioning the merits and rights of the Finance Committee to pursue cost savings idea's, particularly pertaining to union contracts. Selectman Fuller indicated that is the responsibility of the Board of Selectman.

(OB-1) Mr. D. Fuller discussed an article that appeared in the Boston Globe regarding a recent amendment to the Municipal Relief Act which would allow towns to staff critical-care ambulances with as few as one paramedic.

(LR) Liaison Reports

Mr. Sigel reported that the Affordable Housing project is still looking for a funding source for loans. He mentioned that there has been some discussion on the repeal of 40B and our local housing authority is not in favor of the efforts to repeal 40B.

Mr. Barr reported that the Board of Health expressed concern over how the affordable housing on Route 6A will maintain a 1A system if approved for installation. They also continued their discussion on the future escalating cost at the transfer station.



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Vice Chairman Ms. Holden Kelly updated the committee on the July 28th, 2010, Board of Selectman meeting. At that meeting the board voted to send a letter to the National Academy of Science. This year's Summer Non Resident Taxpayer's meeting was held on the 28th. The County Scope of work to be performed during their review of the town's CWMP was discussed.

Mr. D. Fuller updated the committee on the Board of Selectman's meeting of August 11, 2010. There were several speakers during public speak addressing the Waste Water issue. Chief Roy reminded the board and audience of the Police Annual Block Party would be next Wednesday, August 18, 2010 (because of the lack of funding this maybe the last year this event is held). The Chief also notified the board that his office was notified that this year would be the last year that Ford would be producing Crown Victorias equipped to be used as Police Cruisers. That will cause the town additional expense due to refitting all of the interior equipment and exterior lights to a new style cruiser. He will be making a recommendation to the board once he has obtained all of the necessary information. Mr. D. Fuller also reported that the town has signed an agreement with the Sheriff's department to provide the town with their Fire dispatch services. An agreement formalizing current services with no change in services or cost is now required since the State has taken over the oversight of the Sheriff's services. Chief Quinn also informed the Board of Selectman that he will be looking for additional staffing.

Mr. Hodgson indicated the School Committee had met and wanted to dedicate their efforts to "looking forward".

Mr. Rooker reported that the Renewable Energy Committee started to look into the criteria for becoming a "Green Community".

Adjournment:

There being no further business before the committee the meeting was adjourned at 8:40 p.m.

Respectfully submitted

Mark E. Carron
Secretary

Next Meeting:

Thursday August 26, 2010 at 7:00 at the Town Office Building, Nauset Room.



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Attachments:

(CP-1) Charter Provisions

(WW-1) Chatham Waster Water Capital Plan

(WW-2) Funding Clean Water Cost in the Town of Barnstable

(OB-1) Boston Globe article