



FINANCE COMMITTEE MINUTES

The August 26, 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 Chair Mrs. Gwen Holden Kelly, Members Mr. Dale Fuller, Mr. John Hodgson, Mr. Ed Barr, Mr. Walter Bennett, and Mr. Paul Rooker.

Guests:

Mr. Jon Fuller, Selectman liaison

Approval of Minutes:

After discussion of a motion made by Mr. Barr and seconded by Vice Chair Kelly to approve the minutes of the meeting of August 12, 2010, the initial motion was withdrawn.

A second motion to approve the minutes as amended offered by Dale Fuller and seconded by Gwen Holden Kelly was approved, subject to review by the members present via email, by a vote of 7-0-0.

Comparative Data on Towns

As Mr. Sigel was not in attendance, the Chair postponed discussion of this item. Mr. Barr and Mr. Sigel are to coordinate discussion of their respective pieces of this item prior to the next meeting of the Committee on September 9, 2010.

Questions on Personal Liability

Mr. Fuller reported on the results of questions regarding individual, committee and town liability for decisions made and/or discussions held by members of the Finance Committee. The questions and findings as reported by Mr. Fuller are:

- 1) Does Massachusetts law permit committee members to be sued jointly as a committee member and as a severable individual?
Answer: Yes, but per the town counsel, the town's liability insurance would cover members either as a group or as individuals.
- 2) Defending a law suit can be expensive. Some insurance companies include defense costs in the maximum amounts they will pay. How is this handled by the town's carrier? Does the town have sufficient insurance to cover us if we are sued?
Answer: The town's liability insurance does include defense costs in the maximums it will pay but the coverage is \$1M per person and \$3M per case. Given the statutory limits on liability in the Commonwealth this probably should be sufficient.
- 3) If suits are filed will the town's insurance carrier pay for individuals named to retain their own counsel?
Answer: No, but Mr. Fuller believes the town's in house counsel are very good and would seek outside counsel if required.

In the discussion that followed Mr. Hayward said that town counsel had opined the Finance Committee was “relatively low on the food chain” in the event of a suit. Counsel believes town committee’s that impact on individual rights and property issues, e.g., Zoning, Board of Health, etc. are at much greater risk of suit.

Mr. Bennett echoed the remarks of Mr. Hayward and stated he had heard Attorney (and Moderator) Landreth make similar statements.

September 15, 2010 Joint Meeting with Board of Selectmen and Capital Improvement Projects for Fiscal Year 2012

Mr. Hayward indicated he had been informed by the Board of Selectman that they will handle the publicity for the September 15th meeting on the operating budget.

He said the Board of Selectman will supply the Finance Committee with a meeting agenda and an outline of the capital budget (while noting the capital budget is not the subject of this meeting) before the meeting and that the Finance Committee will be permitted to ask questions of the Board at the meeting. Mr. Hayward stated David Withrow, Director of Finance, will be in attendance to answer questions that may arise.

Status of new law on paramedics and ambulance staffing.

Mr. Fuller said it could take the state some six to eight months to issue regulations to implement the new law regarding the number of paramedics required on an ambulance call. He said he spoke to Chief Quinn and learned that Orleans (and all other towns on Cape Cod) already has a waiver on existing regulations on this issue but the new law will eliminate the necessity for annual re-certification of the waiver.

He said the Chief informed him Cape Cod towns have been granted this waiver in consideration of the linear geography of Cape Cod. Unlike mainland towns, towns on the Cape are unable to get 360 degree aid from surrounding communities in the event of a shortage of personnel or equipment. Mr. Fuller said, although the town has a waiver from the regulations, Chief Quinn stated it is used judiciously and if the nature of the call requires two paramedics on a “run” two are assigned.

Mr. Hodgson indicated he had personal experience with this when an ambulance stopped at the firehouse to drop off an extra paramedic before setting off for the hospital.

Other Business

Mr. Fuller distributed an analysis of changes in projected 2011 deficit and indicated he would like to review the projected 2011 deficit at our next meeting.

Mrs. Holden Kelly said she would like to gain a better understanding of the financial implications of moving some capital items to the operating budget, e.g., road paving.

Mr. Bennett asked if we would have any visibility into the projections for revenues from the meal tax by our next meeting.

Mr. Hayward said some of these issues may still be in flux at the meeting of September 9th but should be more fully developed by the Board in time for the joint meeting on the 15th.

Mr. Barr reported completion of his assignment on the reasons for, and pros/cons of, outsourcing water and sewer operations via telephone interviews with management personnel in Chatham, Sturbridge and Westborough. Mr. Hayward said this discussion will be held in conjunction with the town to town comparisons.

Board, Committee and Department Reports

- a. Affordable Housing – Rick Sigel
Tabled in the absence of Mr. Sigel
- b. Board of Health – Ed Barr
Mr. Barr reported the Board had not met since his last report. They are scheduled to meet again on Thursday September 2nd and will most likely resume their twice a month schedule thereafter.
- c. Board of Selectman meeting of August 25, 2010 – Mark Carron
Mr. Hayward reported on the meeting via correspondence received from Mr. Carron as follows:

Mr. Peter Monger appeared at the meeting to discuss Solid Waste Issues.

Mr. Paul Niedzwiecki, Executive Director of the Cape Cod Commission, was in attendance to discuss and clarify questions about the MWWPA (Massachusetts Waste Water Policy Act) and its' impact on Cape Cod.

There was discussion of the recently filed suit by the Conservation Law Foundation.

The Board reviewed the Orleans Cable TV contract and there was some discussion of a question raised about the implications of Orleans signing a three year agreement while other towns in the region had negotiated five year agreements.

The Board voted to accept a \$337K grant to provide for 75% of the cost of five storm water drain projects.

- d. Water and Sewer Commissioners – Walt Bennett
Mr. Bennett reported on a presentation by Wright Pierce on proposed pricing of water to the town of Eastham. He indicated he was disappointed with the presentation as Wright Pierce proposed prices based on material costs only with no pricing for "value added" and no allowance for Orleans to absorb any fixed costs in the pricing structure as

proposed,

- e. Community Preservation Committee – Rick Sigel
It was reported this committee did not meet.
- f. Nauset Regional School Committee – John Hodgson
Mr. Hodgson reported the Regional School committee had not met but reported on the Orleans Elementary School Committee.

The Middle School Principal has announced his intention to retire effective October 1st. Mr. Hodgson stated he understands the Board will attempt to operate the Middle School without a Principal for the remainder of the school year while a search is conducted to fill the position for the school year starting September 2011.

All schools in the Regional System will be working on the preparation of five year plans (including financial plans) during this school year.

- g. Orleans Elementary School Committee – John Hodgson

The OES will be returning \$3,500 in unexpended funding from last year. OES has projected enrollment of 199 for the new school year and has obtained a grant that will fund 3.5 hours/week of an educational assistant.

In an effort to trim budgets OES is increasing use of “in house personnel” to complete tasks that were formerly contracted out, e.g., janitors are now being used for window washing and other tasks that used to be sub-contracted.

Reportedly two teachers will be out for family leave at the start of the new school year.

There was some preliminary discussion about distribution of the reported \$250K coming from the state. (Mrs. Holden Kelly indicated it was her understanding that the schools would only get half this amount.)

- h. Renewable Energy Committee – Paul Rooker
Mr. Rooker indicated he missed the last meeting of this committee.

Adjourn

On a motion of Mr. Bennett seconded by Mr. Hodgson the meeting was adjourned at approximately 7:45 p.m. by a vote of 7-0-0.

Edwin W. Barr
Acting Clerk