



*C. May*  
TOWN OF ORLEANS  
TOWN CLERKS OFFICE

FINANCE COMMITTEE MINUTES **MAR 25 PM 2:16**

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The February 17, 2011 meeting of the Orleans Finance Committee was convened by Chairman Larry Hayward at 7:02 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. Ed Barr, Mr. John Hodgson, Mr. Walter Bennett, Mr. Paul Rooker and Mr. Rick Sigel.

**Guests:**

Mr. Jon Fuller, Selectman Liaison

**Public Comment:**

Gary Clinton, Orleans, discussed the Town of Mashpee approach to responding to obtaining comparisons on Cluster systems vs. Central Sewers. Mr. Clinton related the Mashpee approach to how he would hope Orleans would do a comparison of the CWMP suggested methods. He indicated he felt it was important that two individual firms, each working on one of the Waste Water solutions – Cluster vs. Centralized systems.

**#220 Budget Review      Fire Chief William Quinn      Budget total \$2,162,126**

Mr. D. Fuller introduced Chief Quinn and Deputy Chief Pike. Chief Quinn reviewed the significant changes in the Fire Department budget, starting with the retirement of the Fire Department's billing clerk. That position has now been outsourced to Coastal Medical Billing. This firm handles many of the Cape fire department rescue billings, so they are a known company to Chief Quinn. This was a net increase of \$7,000, \$18,000 savings from salaries for the retirement and an increase in \$25,000 in Professional services for the engagement of the billing company. Coastal receives 3 1/2 % of the billing amount collected. The Chief has also authorized sending an additional bill for the unpaid amount (3 to 4). There was some concern expressed that Office supplies did not reflect any decrease (postage and stationary) now that billing was outsourced.

Other significant changes mentioned where:

- \$260,000 decrease in equipment.
- \$15,000 in equipment for the purchase of a 4WD Club Car to replace the Gator and ATV.
- \$9,565 increase in salaries for step increases.

Mr. D. Fuller inquired into line item Computer Supplies for \$10,700. Chief Quinn indicated this covers the Ambupro software systems downloads of billing information to coastal Medical.



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Chairman Hayward asked Chief Quinn to walk the committee through how the billing process will work? Chief Quinn indicated at some point during each rescue call they are required to obtain the Patient's signature (or an authorized signer), certain billing information from Ambupro is uploaded to Coastal Medical, Only basic rated authorized are billed, bill for mileage (fractional) and any unpaid balance by the patient's Insurance Company is billed to the patient by Coastal Medical.

Mr. Hodgson asked if parts of the budget are funded by the Ambulance funds? He noted overtime was listed for \$380,000 in the budget of which \$100,000 was listed as coming out of the Ambulance fund. Should the budget reflect \$280,000? The Chief indicated that the \$380,000 already included the \$100,000 from the Ambulance fund.

Mr. Rooker asked the Chief about recent Grants received. The Chief indicated that the department was awarded grants for:

- Scott Packs
- EKG up-grades
- Back-up radio system
- Thermal camera.

During a discussion on staffing/overtime, Mr. Carron felt it was important to delineate the differences in overtime as a result of multiple calls and overtime as a result of injury. Past experience reflects that when the town attempted to lower overtime by hiring additional staff. That exercise worked for a short period of time and now, once again, has become difficult to manage.

Mr. Hodgson inquired into how many fires the department fights each year. Deputy Chief Pike responded that they handle 4 to 6 a year with building damage. This year's losses to date total roughly \$1,000,000.

Mr. Sigel inquired if the department ever considered traveling EMT or Paramedics, similar to what the hospitals do in the summer? The response was no, did not feel that would work for these positions.

Mr. Bennett asked out of all the calls received for a fire, what is the percentage that we considered working fires? Deputy Pike responded roughly 3%.

Mr. D. Fuller inquired into the annual expense seen in the budget under equipment for hose replacement, Radios; Chief Quinn responded that they attempt to replace a certain amount of equipment each year. Regarding the fire hose, one of the new trucks requires a larger hose, so this replacement is to obtain the larger hose to fit the new truck.



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### **#221 Budget Review      Fire Chief William Quinn      Budget total \$134,363**

The Chief highlighted the significant changes in the Fire Building budget.

- \$2,875 increase to replace the fire alarm panel.
- \$71,000 increase to replace the generator (\$50,000), to replace exterior trim (\$10,000), Drainage and driveway repair (\$20,000) and replace garage bay doors (\$6,000).

Mr. Rooker asked if it was planned to do the roof in sections. The Chief replied, yes, but doubted the amounts set aside would be sufficient to complete the job.

The Chief indicated that last year he was able to turn back some funds. \$4,400 to test Air Packs and \$3,700 in dues to attend meetings was part of the money turned back. The Chief indicated he turns back money not used and didn't make it a practice to spend as the year closed. Mr. Carron indicated that although the funds were turned back, taxes were still raised to fund the budgets.

### **#291 Budget Review      Fire Chief William Quinn      Budget total \$15,375**

Chief Quinn indicated the only change in this budget was the increase of \$1,597 to cover the increase for the Code Red software and the cost for Shutters to protect the Fire Station windows.

### **Approval of Minutes:**

**On a motion made by the secretary, seconded by Mr. Hodgson, the minutes of the February 7, 2011, Finance Committee meeting were approved as amended 7-0-2 (with Mr. Sigel and Mr. Rooker abstaining).**

### **Town Budget Review:**

Chairman Hayward asked the committee their feelings on voting once for the budgets. The Chairman indicated that the Board of Selectman will be adjusting and voting on the overall budget. Mr. Carron suggested the committee vote overall for the budget. Mr. Bennett was not in favor of that approach and preferred to vote on individual budgets as that would often be the opportunity to have a discussion on the merits of the budget under consideration. This followed a lengthy discussion over the process with the majority agreeing to approve the budgets as we proceed, and where necessary, a revote to consider any adjusted budgets would take place.



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The committee discussed the Capital Budget and how that has raised taxes beyond Proposition 2 ½. Discussion followed on the meaning/intent of Prop 2 ½ with most agreeing that the intent of the law was to hold taxes down to a 2 1/5 increase.

### **#610 Budget Review**      **Vice Chairman Holden-Kelly**      **Budget total \$542,081**

Vice Chairman Holden-Kelly updated the committee on questions raised during the review of the Library's budget review. The cost estimates listed in the budget were obtained from Vendors, recent work or knowledge of the work to be performed. On meeting the MAR requirements, the library missed that qualification by \$1,700. This fiscal year they must allocate \$6,900 to meet the requirements of MAR.

### **#630 Budget Review**      **Vice Chairman Holden-Kelly**      **Budget total \$110,729**

Vice Chairman Holden-Kelly gave the committee an overview of the current Recreation program and budget. Participation in the programs is on the decline as fewer children are participating as well as having sufficient equipment on hand, has enabled them to drop the equipment purchased. Some Supervision money is received from Together-we-can. A number of volunteers from the High School assist in the program. Current counts are; Participation 300, Swimming 200, Tennis 105, Basketball 150. Discussion on the Brewster program vs. the Orleans program preceded. It was felt the programs got a good return for the dollars spent.

In regards to the Skate Board Park, it is run under an inter-municipal agreement between the regional school towns. However, Brewster only contributes \$1,900, Orleans and Eastham both pay \$4,200, while Wellfleet dropped out. Some members felt there should be more public notices to promote the programs.

### **#541 Budget Review**      **Vice Chairman Holden-Kelly**      **Budget total \$489,100**

Vice Chairman Holden-Kelly gave an overview of the Council on Aging (COA). After meeting with Director Smith she reported that staffing is down over \$6,000 due to volunteers covering. Increase in Clerical to increase the hours for the Office Manager to 35 hours per week (\$9,711). Drop in Professional by \$2,350 due to fewer hours for Day Care Special Instructors and an increase of \$2,350 in Printing for larger print material. The Day Care program is close to being self-sustaining. Currently cost \$184,000 with revenue of \$157,000. Currently with 18 participants in the Day Care Program 50% of the participants are from Orleans, 50% are from other towns. Orleans residents pay \$40 and nonresidents pay \$55.



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Grants have dropped and thanks to the Friends of the COA have stepped in and become very active and supportive. The business ad on the Vans brings in \$5,000 annually. Some County funds may enable them to hire someone at 20 hours per week.

**Vice Chairman Holden-Kelly moved that the Finance Committee approve the following budgets:**

- **#135 Finance** in the amount of **\$240,965**
- **#141 Assessing** in the amount of **\$227,558**
- **#145 Treasurer/Collector** in the amount of **\$229,449**

**The motion was seconded by Mr. Bennett and approved 8-0-1 (with Mr. Rooker abstaining).**

**Mr. Bennett moved that the Finance Committee approve budget:**

- **#155 MIS** in the amount of **\$199,297**

**The motion was seconded by Vice Chairman Holden-Kelly and approved 8-0-1 (with Mr. Rooker abstaining).**

It was suggested that the committee add on to the list of future topics to discuss the importance of a MIs audit.

**Mr. Bennett moved that the Finance Committee approve the following budgets:**

- **#820 State Assessments** in the amount of **\$163,460**
- **#830 County Assessments** in the amount of **\$1,575,687**

**The motion was seconded by Vice Chairman Holden-Kelly and approved 8-0-1 (with Mr. Rooker abstaining).**

It was suggested that the committee add on to the list of future topics to discuss the merits of the town participating in the RTA.

Chairman Hayward informed the committee that Mr. Kelly will come before the committee to discuss Water Department's budget #450.

He also confirmed that we will be meeting as a committee with the Board of Selectman to review the schools budgets on March 9<sup>th</sup> (Wednesday).



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### **Other Business:**

Chairman Hayward discussed the elementary School transfer request. He indicated they will be coming before the committee to discuss at a future meeting.

Chairman Hayward indicated that the Bond Budget # 710 & # 751 will be discussed further after he gets more information from the Director of Finance.

### **Board, Committee and Department Reports:**

Vice Chairman Holden-Kelly reported on the Board of Selectman's meeting. Beach Parking fees were discussed. They voted to transfer FY12 Budget and Capital Plan to the Finance Committee as required by the Charter. The Town Administrator gave the board an update on the Water Superintendent search. After a month, none of the applicants met the requirements. He has asked permission to put in place three current staff members into acting positions for a year until a new Water Superintendent is found.

The Town Administrator presented the board with a proposed new organizational chart.

The Beach Road/Sidewalk was discussed with no action taken. The town administrator would like to hear from the 125 abutters to indicate their opinions on the project before the town approves any additional funds for this project.

The School budgets are close to being finalized with the Elementary school over the budget policy by \$85,000, Regional over by \$39,000 and Cape Cod Tech over by \$39,000.

There was discussion on creating a Trust Fund for the unfunded liability. The board will have the Director of Finance come before them to discuss this further.

It was announce that on March 1, 2011 a hearing on the DRI by the county will be held in the Nauset Room.

Mr. Hodgson handed out the Regional School budget and announced the Elementary budget is actually 2 ½ over the actual 2011 budget.

Mr. Rooker reported the Energy Committee continues to work on getting Orleans a Green designation by the state. Cape Light has negotiated a 3 year contract 27% below the current rates. The Assembly continues to review turbines and looks like their stipulations will make it more difficult to move forward on.



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### **Adjournment:**

**There being no further business before the committee the meeting was adjourned at 10:25 p.m.**

Respectfully submitted

Mark E. Carron  
Secretary

### **Next Meeting:**

*Wednesday February 23, 2011 at 6:30pm in the Nauset room at the Town Office Building for the Joint Capital Plan Public Hearing.*

*Thursday February 24, 2011 at 7:00pm in the Nauset room at the Town Office Building.*

*Monday February 28, 2011 at 7:00pm in the Nauset room at the Town Office Building.*

### **Handouts:**

- Budget Review schedule
- Revised deb service budget
- Draft public hearing notice and posters
- Nauset Regional School Budget
- Ambulance Receipts Reserve Cash Flow
- Percentage of calls for the Fire Department

### **Future Agenda Topics:**

- Get detail on unfunded Retirement liabilities
- Get details on unfunded Insurance liabilities
- Invite Mark Budnick in to give report on expenditures
- Invite Ken Hull in to review drop in valuation/fluctuation
- Debrief on the Town Hearings on Budget and Capital Plan issues
- Discuss Finance Committee WEB site opportunities



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- Review the importance of an MIS audit
- Review the merits of the towns participation in the RTA