

K. Kelly, Asst
TOWN OF ORLEANS
TOWN CLERKS OFFICE

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FINANCE COMMITTEE MINUTES

The March 9, 2011 special meeting of the Orleans Finance Committee was convened by Chairman Larry Hayward at 6:00 p.m. in the Skatet Room of the Orleans Town Hall. Present constituting a quorum were Chairman, Mr. Larry Hayward, Vice Chairman, Ms. Gwen Holden Kelly, Acting Secretary Mr. Ed Barr, Members, Mr. Dale Fuller, Mr. John Hodgson, Mr. Paul Rooker and Mr. Rick Sigel.

Guests:

Mr. Jon Fuller, Selectman Liaison,
Dr. Richard Hoffmann, Supt. of Nauset Regional School District
Diane Carreiro, Principal of the Orleans Elementary School
Hans H. Baumhauer, Business Manager
Several members of the Orleans Elemenatry School Committee

Call to Order:

Chairman Hayward welcomed our guests and acknowledged receipt of the request for a Reserve Fund transfer to the Orleans Elementary School. He reminded the representative of the schools that such transfers, once made, are irreversible. At the same time, he said he was mindful of the fact that the last request for transfer of funds by the OES was probably 14 or 15 years ago.

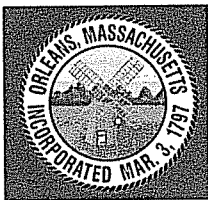
Dr. Hoffmann and Ms. Carreiro explained the request was the result of an unplanned tuition and expenses related to the need to transport a special needs student from Orleans to the Cape Cod Collaborative when it was determined that the OES could not meet the educational needs of the child in the OES facility.

The chair complemented the OES on the substantial reduction in the amount of the funds sought from \$50,868 to \$21,458 as a result of the application of unspent allocation from the FY'11 budget and application of reduced benefit costs to this request and opened the discussion to questions from the committee.

Discussion:

Mr. Rooker asked how the \$18,000 reduction in health insurance benefits were to be offset and was answered that the reduction was a function of employees opting out of the town supplied health insurance plan in favor of spousal plans or other options so no offset would be necessary.

Mr. Fuller commented that the \$86 and \$135 per day transportation costs for 170 days described in the request for transfer paperwork do not equate to the dollar amount



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requested and asked if the total was sufficient. He was told that it would be as this was a net amount after applications of funds from other sources were applied.

Mr. Barr noted that special needs transportation was budgeted at \$48,750 in FY'11 and the FY'12 proposed budget was only increased by \$1,887. He asked if you were unexpectedly short by over \$50,000 why only ask for a \$1,887 increase. Are you providing less service in FY'12? Ms. Carreiro answered that one of the special needs students will be moving on to the middle school next year and the \$1887 represents the net increase required.

Ms. Holden-Kelly indicated the paperwork should be redone to request only a single transfer for \$21,458 and resubmitted to the committee for vote.

Mr. Hayward observed that, based on the latest year to date "expended" information from Mr. Withrow dated March 9, 2011, the OES could potentially end the year with a balance of as much as \$112,000. He acknowledged there is sometimes a substantial lag in processing of invoices and suggested that Mr. Baumhauer reconcile the current status of the budget with Mr. Withrow before the Finance Committee takes action on the request for transfer.

Mr. Hayward again reminded the OES the FinComm has limited funds in the reserve account and must retain control of them for as long as possible for true emergency use. If there is the potential for the OES to be able to cover this request from unexpended currently budgeted funds it would be preferable to do so.

There being no other questions or comments, Mr. Hayward tabled action on the request until the March 17, 2011 meeting of the Finance Committee pending receipt of additional information from Mr. Baumhauer.

Adjournment:

The meeting was adjourned at approximately 6:18 p.m.

Respectfully submitted,

Edwin W. Barr
Acting Secretary