

ORLEANS TOWN CLERK  
*Dan J. Dwyer*  
'11 MAY 5 3:31PM

## FINANCE COMMITTEE MINUTES

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The April 4, 2011 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, Acting Secretary Mr. Ed Barr, Members Mr. John Hodgson, Mr. Paul Rooker, Mr. Rick Sigel and Mr. Dale Fuller. Absent was Secretary Mr. Mark Carron

### **Guests:**

Jon Fuller, Selectman Liaison

### **Public Speak:**

No one appeared to speak.

### **Approval of Minutes** – March 30 and March 31, 2011

The chair announced we would postpone discussion of these minutes pending return of the Secretary.

### **Discussion and Voting on Warrant Articles:**

#### **Article(s) Amend Fees Building Department (\$ tbd) Town Clerk and Treasurer Collector (\$ tbd) and Adopt Fees Recreation Programs (\$ tbd)**

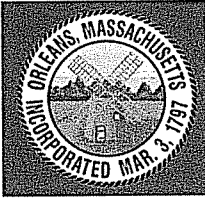
*Approx 0:03 on Video Tape*

The Vice-Chair led a discussion regarding authorization to increase fees of the above departments and institute fees for the Recreation Department. After debate the committee decided to postpone a vote on these issues pending a decision by the Board of Selectman regarding the disposition of the revised budget surplus in the amount of \$107,000.

#### **Article Authorize board of Selectman to lease former Hubler Property**

*Approx 0:27 on Video Tape*

The committee debated the wisdom of granting this request in view of the lack of supporting documentation and the significant unanswered questions regarding this property including, but not limited to, the impact on the ability to bond the purchase price, the unresolved code violations at the property, the term of a potential lease, etc. After discussion the committee elected to postpone a vote on the issue pending further action by the Board of Selectman.



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### **Article Fund Preservation of Putnam Farm**

*Approx 0:45 on Video Tape*

The Chair referenced the email distributed to the members revising the FY'12 request for the restoration of Putnam Farm from \$78,000 to \$46,000. In the discussion that followed several members expressed their continuing concerns with the process followed not only with the initial purchase of this property but also with the implication that the new request for \$46,000 will be followed by requests for additional funds in subsequent years.

The committee was also concerned about the implication the committee had endorsed this approach when, in fact, we did not. Mr. Sigel distributed copies of his research on the minutes of the Open Space Committee and the seeming lack of continuity in what was available on the town web site. He also expressed concern about the lack of a record of any vote of the Open Space Committee not only with respect to the Putnam Farm but any issue that came before the committee on the dates minutes were available from the town web site.

After debate the committee decided to request clarification of the intent and future plans for the Putnam farm from the Open Space Committee. Several members expressed the hope that the OPC would appear before us and suggested we hold off a vote on the two articles relating to the Putnam Farm pending a definitive response from the OPC.

### **Article Resolution – Allow Congress to Revoke Conditions of Corporate and Union Campaign Funding – By Petition**

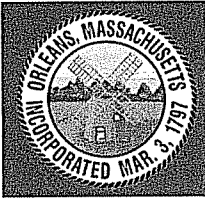
*Approx 1:15 on Video Tape*

After discussion the committee determined this was an issue with no financial impact to the Town of Orleans and therefore not within our purview.

### **Article Fund Wastewater Treatment Alternatives Study – By Petition**

*Approx 1:20 on Video Tape*

While reference is made to the petition article the discussion was inclusive of both the petition article and the study article sponsored by the Board of Selectman. The committee questioned the impact of the decision by the Board of Selectman to remove the \$150,000 funding proposal from an over ride and instead fund it from the operating budget. The committee asked what would happen if the voters rejected the study as proposed by the Board of Selectman and passed the proposal suggested by petition particularly since the petition article contained no funding mechanism. Pending



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clarification of this and other issues that came up in the debate, the committee decided to postpone a vote on this (these) articles.

### **Article        Free Cash**

*Approx 1:25 on Video Tape*

As has been our practice in the past, the committee decided to hold our recommendation on the free cash article until Town Meeting.

### **Article        Fund Human Services Agencies (FY12)**

*Approx 1:30 on Video Tape*

**On a motion by Vice-chair Gwen Holden-Kelley seconded by Mr. Paul Rooker the committee voted to approve this article 7-0-0**

### **Article 2        Town/School Budget**

*Approx 1:32 on Video Tape*

Following discussion and debate regarding the unanswered questions with respect to the potential for fee increases and/or the imposition of new fees as well as the intentions of the Board of Selectman with respect to the use of the \$107,000 current budget surplus the committee decided to postpone action on this article until the meeting scheduled for April 7, 2011.

### **Article 1        Report of the Selectman, Town Officers and Special Committees**

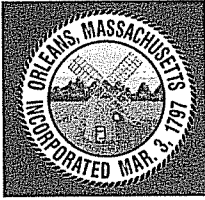
*Approx 1:35 on Video Tape*

**On a motion by Vice-chair Gwen Holden-Kelley seconded by Mr. John Hodgson the committee voted to approve this article 7-0-0**

### **Article 3        Capital Improvements Plan \$52,715,000**

*Approx 1:40 on Video Tape*

The discussion of the Capital Improvements Plan, which took almost an hour and involved every member of the committee, focused on the feedback provided by the voters at 2010 Town Meeting in their rejection of the FY'11 CIP.



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Mr. Fuller opened the debate by quoting verbatim the comments of a citizen at the May 2010 Town Meeting. The speaker complained that the “plan” is not a plan in his mind as it does not meet the classic dictionary definition of the term. The committee, for the most part, agreed that the CIP as presently defined does not meet the dictionary definition. It does, however, meet the requirements of the Capital Improvement Plan as defined in the Town Charter.

Mr. Sigel equated the plan to more of a snapshot in time, Mr. Rooker and Mr. Barr noted the semantic disconnect between the word “plan” and the somewhat arbitrary “placeholder” financial commitments it implies voters should make. Mr. Sigel equated these to “getting the check before you get the menu” while Mr. Hodgson opined the town needs a plan of what we intend to do and why not a schedule of what we want to spend.

While recognizing the limitations of the CIP the committee acknowledged it is a useful document and there is little that can be done about it until the next charter commission is formulated some three years from now. In the interim several members suggested the committee and the Board of Selectman need to do a better job of educating the voters of the purpose and intent of the CIP as presently defined and ensuring all townspeople know that a vote in favor of the CIP as a whole does not constitute an endorsement of all of its’ parts.

**On a motion by Mr. Rick Sigel seconded by Mr. John Hodgson the committee voted to approve the CIP 5-1-1 with Mr. Hodgson voting in the negative and Mr. Rooker abstaining.**

### **Article(s) Highway Department – Water Quality Drainage Improvements and Town Pavement Management Program**

*Approx 2:30 on Video Tape*

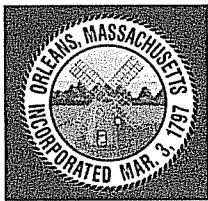
The committee decided to hold voting on these articles pending the decision of the Board of Selectman on the disposition of the \$107,000 budget surplus.

### **Article Eldredge Park Sprinkler System**

*Approx 2:32 on Video Tape*

This article, which appears on the spreadsheet “scorecard” but not in the descriptive materials distributed to the committee, appears to have fallen between the cracks. The committee decided to hold action on it pending receipt of additional information.

### **Article(s) Special Town Meeting Articles**



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Approx 2:33 on Video Tape

As has been our practice, the committee decided to report on these articles at the special town meeting.

**Article        Authorize the Board of Selectman to enter into a five year lease with Young's Fish Market**

Approx 2:32 on Video Tape

**On a motion by Mr. Rick Sigel seconded by Mr. Dale Fuller the committee approved this article 7-0-0.**

**Recap of Open Articles requiring a vote of the Committee:**

Approx 2:38 on Video Tape

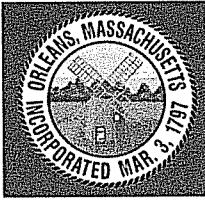
Chairman Hayward summarized and listed the 12 open articles still requiring a vote of the committee as follows:

1. School/Town budget
2. Fund Wastewater Study
3. Highway Department Drainage Improvements
4. Highway Department Pavement
5. Eldredge Park Sprinkler System
6. Increase Fees Town Clerk/Treasure Collector
7. Increase Fees Building Department
8. Impose Fees Recreation Department
9. Authorize lease of the Hubler property
10. Restore Putnam Farm
11. Lease Putnam Farm
12. Petition for Wastewater Study

**Adjournment:**

Approx 2:40 on Video Tape

**There being no further business before the committee on a motion by Mr. John Hodgson seconded by Mr. Rick Sigel the meeting was adjourned at 9:45 p.m.**



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Respectfully submitted

Edwin W. Barr  
Acting Secretary

### **Next Meeting:**

*Thursday April 7, 2011 at 5:00 pm in the Skaket room at the Town Office Building*

*It appears the meeting scheduled for April 14<sup>th</sup> will be cancelled for lack of a quorum. Subsequent meetings will likely be held on April 21<sup>st</sup> and 28<sup>th</sup> pending confirmation by the chair..*

### **Handouts:**

Mr. Sigel distributed five pages to the committee including:

- 1) Cover page of Open Space Committee Minutes page from town website
- 2) Copies of minutes of the OPC for 11/4/2009, 10/13/2010, 11/3/2010
- 3) Membership listing of the Open Space Committee

### **Future Agenda Topics:**

- Get detail on unfunded Retirement liabilities
- Get details on unfunded Insurance liabilities
- 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
- Review the importance of an MIS audit
- Review the merits of the towns participation in the RTA
- It was suggested that the committee add on to the list of future topics rolling salaries into Job Description – Both Chief's get paid under the Civil Defense Budget.
- It was suggested that the committee add reviewing the Unfunded Liability and the creation of "Trust Funds" to their list to follow-up.
- Review benefits derived from participation in Old Kings Highway Historic District
- It was asked to place the Putnam Property review on the follow-up list. Questions on why the extra money is needed should be reviewed.
- Look over list of Vehicles to determine information needed for next budget year.
- Discuss funding source for Pavement Management and Waste Water runoff.
- Research annual article to Hold State Harmless – Why?
- Look at School Choice and per student cost.