

## MINUTES OF MEETING OF WAREHAM FINANCE COMMITTEE

Date of Meeting: April 6, 2011

### I. CALL MEETING TO ORDER

The meeting was called to order at 6:44 P.M.

### II. ROLL CALL

Members Present: Donna Bronk, Chairman  
Dick Paulsen  
David Trudell  
Dominic Cammarano  
Bonnie Cottuli (Arrived at 6:50 P.M.)  
William R.C. White (Arrived at 6:55 P.M.)  
Frank Heath

Member Absent: Marilyn Donahue  
Sam Gray

Also Present: Claire Smith, Town Moderator  
Mark Andrews, Town Administrator  
Derek Sullivan, Financial Analyst  
Walter Cruz, BOS

### III. TOWN ADMINISTRATOR'S REPORT

#### **1. Audit Management Letter.**

Mr. Andrews discussed the issuance of the auditor's Management Letter. He stated the auditors are working on getting final department audits in order. He explained a plan to address audit issues & meetings held to address them. He stated the auditors have started addressing FY11. He discussed being in contact with DOR & what information they will receive.

Mr. Andrews stated the FY12 budget will not be impacted by these issues, except it may possibly effect some capital items.

**NOTE:** Ms. Cottuli arrived at 6:50 P.M.

Mr. Andrews again stated the FY12 budget will not be impacted because the FY12 budget is not relying on Free Cash.

Mr. Paulsen stated that the BOS authorized a bill to be sent to the Town of Bourne. He has subsequently found out that this bill was never been sent. He stated this bill was authorized approx. two years ago. He explained the bill ultimately was sent out & the

money was received. He stated last night, the BOS authorized another bill to the Town of Bourne. He asked how the Town is making sure these bills are getting out ASAP.

Mr. Andrews stated he just met for the first time (in a very long time) w/ representatives of the Town of Bourne to shore up this process & to keep an open dialog because it hasn't been done in a very long time.

Mr. Paulsen asked what protocols are in place to send out these bills ASAP. Mr. Andrews stated he will check w/ staff at the WPCF & the Director of the WPCF. The Director of the WPCF has made it clear to staff that things need to be done promptly.

Mr. Paulsen spoke re: documentation submitted by Mr. Andrews approx. two months ago re: Free Cash reconciliation.

**NOTE:** Mr. White arrived at this time.

Mr. Andrews stated items on that sheet do not impact FY12. He discussed this document further.

Mr. Paulsen stated the Free Cash balance after the Special Town Meeting will be - \$49,000 & he asked if this is for FY12. He feels the document shows it does affect the budget. Mr. Andrews stated this is a working document & just a snapshot in time. There are operational deficits from prior years. He will get some answers for the next meeting.

## **2. Town Meeting Warrant Articles.**

### Article 27 – Police Vehicle Defibrillators

Mr. Trudell asked if this article will be withdrawn. Mr. Andrews stated it will be.

### Article 11 – Harbormaster Permit Fees

Mr. Trudell explained that in the past, these fees were utilized only for equipment. This article is asking to pay for seasonal personnel. He expressed concern that this may not be allowable & asked for clarification. Mr. Andrews stated he will supply an answer to this in the morning.

Ms. Cottuli feels there is confusion w/ this article because the article request is for seasonal employees, but seasonal employees are also included in the budget. She stated the question is how & from where are these employees being paid.

### Article 6 – Budget

Ms. Bronk asked re: the status of the budget. She noted there hasn't been a Budget Sub-Committee meeting in some time. Mr. Andrews stated he is looking to set a Budget Sub-Committee meeting for next Monday. He will be proposing a draft compromise plan & it will need to go before the Budget Sub-Committee & the BOS for review. Mr. Sullivan submitted information on the budget update.

Mr. Andrews discussed the proposal re: a Health Care Trust Fund holiday. He stated there is certification from the auditors re: the Health Care Trust Fund & it is proposed to utilize some of this money to deal w/ budget issues. He discussed how this holiday would work. He noted this is a "one shot" deal.

Mr. Andrews discussed a non-personnel 5% expenditure cut & withdrawal of the defibrillator article as well as what the School Dept. is willing to bridge the gap between the Town & the School Dept. He noted the suggestions are integrated into the sheet provided to the FinCom.

Ms. Bronk discussed the suggestion to hold off voting on the budget at Town Meeting. Ms. Smith stated a motion would need to be made at Town Meeting to put it off until a date certain. Mr. Andrews stated he is amenable to putting it off, but the progress & work still needs to be done between the Town & the School Dept. He feels issues still need to be worked out & approved.

Mr. Paulsen asked what money is in the Health Care Trust Fund reserves & what would be left if the proposed holiday were imposed. Mr. Andrews stated the IBNR is estimated at \$3.4 million & the holiday will take \$1 million out.

Mr. Paulsen stated relative to Upper Cape Vocational School, what is printed in the budget book is different than the amount the BOS approved. Mr. Andrews stated \$183,000 has been built back into the budget.

Mr. Paulsen asked re: the Stabilization Fund. Mr. Andrews stated he still plans on putting \$150,000 into this fund.

Mr. Trudell asked if the current budget deals w/ cost overruns for snow & ice. Mr. Andrews stated it does. He stated he has been working on CSI & the governor intends to pass legislation to help w/ snow & ice. He stated House I comes first & the second is the Senate.

Mr. Trudell stated he would prefer to defer financial matters until June. He would rather have final numbers before moving forward.

Ms. Bronk discussed the FinCom's intention to go in united relative to the budget. The consensus of the FinCom is to ask for a deferment of the budget because lack of information & the need to address financial issues.

Mr. Cammarano asked if it is a problem to put off the budget until June. He feels it will be more fine-tuned at that point. Mr. Andrews stated he has asked the BOS & the Moderator re: putting it off. He discussed the process of making adjustments in the fall as has always been done. He stated by June 5<sup>th</sup> he still doesn't expect final numbers from the State. He stated currently, there is a plan & a consensus so things should just move forward now & the holes can be addressed in the fall.

Ms. Cottuli asked if the budget given to the FinCom is the budget to be advertised in the newspaper. Mr. Andrews stated it is & there may be more adjustments before Town

Meeting. Ms. Cottuli stated the FinCom's recommendation will be based on what is in the budget in hand.

Mr. Paulsen feels if the budget were deferred, the numbers would only get more precise if the House number comes out. Mr. Andrews discussed the State process re: the budget.

Mr. White doesn't feel the budget should be rushed ahead because it is known it will change. He feels the budget should be deferred.

Mr. Heath stated it seems that revenue in property taxes is up \$350,000. He asked how confident Mr. Andrews is in these numbers. Mr. Andrews feels this number is the same, but he will check on it.

Discussion ensued re: sick leave bonus coming & going out of the budget. Mr. Andrews explained that some unions have resisted taking out the sick leave buy-back. There is also a reserve for collective bargaining not yet settled.

Mr. Andrews explained that he has cut \$100,000 out of the police overtime budget & he hopes to have five new cadets on board, but it will take time to get them through the academy.

Mr. Heath stated he understands the healthcare holiday proposal & that it is a one time thing. He expressed concern relative to using it for a current year deficit. Mr. Andrews stated it is a budget backfill, not a deficit. Mr. Heath stated it will not be available next year. Mr. Andrews stated a Memorandum of Understanding will be signed acknowledging this is a one time thing.

Brief discussion ensued re: the snow & ice budget. Brief discussion ensued re: what a 92-02 overlay is & what it is used for.

Mr. White stated if there isn't a Memorandum of Understanding w/ the School Dept. on the current budget, there is nothing. This agreement needs to be in place by Town Meeting. Mr. Andrews discussed the MOU that will be proposed.

Mr. Paulsen discussed a document received re: the WPCF budget & that betterments are not to be utilized to balance the budget. He feels it looks like the betterment reserves are being utilized. Mr. Andrews stated the betterment reserves are not being utilized.

Ms. Cottuli discussed how she understands the reserves not appropriated. Mr. Andrews stated betterment reserves are not being utilized to balance the budget. He will clarify this. Brief discussion ensued re: retained earnings & breaking it out.

#### **IV. BUSINESS**

##### **1. Special Town Meeting Warrant Articles.**

Article 1 – FY2011 Budgetary Adjustments

Discussion ensued re: a mathematical error in the article explanation. It is off by \$1,000.

**MOTION:** Ms. Cottuli moved Favorable Action on Article 1 of the 2011 Spring Special Town Meeting Warrant. Mr. White seconded.

Mr. Cammarano feels the Fall Town Meeting figure should be looked at.

**VOTE: (5-2-0)**

**Mr. Paulsen & Mr. Cammarano opposed**

Article 2 – EMT Association Union Contract

**MOTION:** Ms. Cottuli moved Favorable Action on Article 2 of the 2011 Spring Special Town Meeting Warrant. Mr. Paulsen seconded for discussion.

Mr. Paulsen feels this is kicking the can down the road & will vote against this. Discussion ensued. Mr. Paulsen stated he mis-understood the article.

**VOTE: Unanimous (7-0-0)**

**NOTE:** Selectman Cruz arrived at this time.

Article 3 – Tri-Annual Revaluation

**MOTION:** Mr. Trudell moved Favorable Action on Article 3 of the 2011 Spring Special Town Meeting Warrant. Mr. Cammarano seconded.

**VOTE: Unanimous (7-0-0)**

Article 4 – Appropriation Deficits

**MOTION:** Ms. Cottuli moved Favorable Action on Article 4 of the 2011 Spring Special Town Meeting Warrant. Mr. Trudell seconded.

Mr. Trudell asked why FY2009 & FY2010 was not recorded. Discussion ensued.

**VOTE: Unanimous (7-0-0)**

Article 5 – Emergency Sewer Main Repair

**MOTION:** Mr. Trudell moved Favorable Action on Article 5 of the 2011 Spring Special Town Meeting Warrant. Ms. Cottuli seconded.

**VOTE: Unanimous (7-0-0)**

## **2. Annual Town Meeting Warrant Articles**

Article 6 – Budget

Discussion ensued re: how to move forward w/ the budget.

Ms. Cottuli doesn't approve of the budget in hand to be printed in the Warrant. She stated the Town Administrator has indicated he will be making adjustments to the budget. She stated the budget could be placed in the Warrant, but the FinCom should make a statement that they don't agree w/ the budget.

Ms. Bronk stated that an MOU w/ the School Dept. is still needed.

**MOTION: Mr. Paulsen moved Favorable Action on Article 6 of the 2011 Annual Spring Town Meeting Warrant. Mr. Trudell seconded.**

**VOTE: (1-5-1)**

Discussion ensued re: having a clear explanation as to why the FinCom feels the way it does. Discussion continued.

Article 7 – Upper Cape School Budget

**MOTION: Mr. Trudell moved Favorable Action on Article 7 of the 2011 Annual Spring Town Meeting Warrant. Mr. White seconded.**

Mr. Trudell stated he opposes this article because this budget figure has been increased. The BOS approved it, but he doesn't feel anything was asked of the other towns & what they are doing or how they are voting on this budget. Ms. Bronk stated she sat through this budget presentation & Mr. Farr & two other towns are voting for the budget. Mr. White stated the FinCom had an opportunity to have Mr. Farr come before the FinCom.

Discussion ensued re: what the increase in the budget is vs. last year's budget.

**VOTE: (6-1-0)**  
**Mr. Trudell opposed**

Article 8 – Stabilization Fund

**MOTION: Mr. Trudell moved Favorable Action on Article 8 of the 2011 Annual Spring Town Meeting Warrant. Mr. White seconded.**

**VOTE: Unanimous (7-0-0)**

Article 9 – WPCF Enterprise Fund

**MOTION: Ms. Cottuli moved Favorable Action on Article 9 of the 2011 Annual Spring Town Meeting Warrant. Mr. Heath seconded.**

Mr. Paulsen & Mr. White expressed concern re: the betterment issue & if it is being utilized to balance the budget. Mr. Paulsen also questioned the electricity cost increases which are not reflected in the budget nor is the increase in fuel costs. Discussion ensued.

**VOTE: (1-4-2)**  
**Mr. Cammarano, Mr. White, Mr. Paulsen, & Ms. Bronk opposed**  
**Mr. Heath & Mr. Trudell abstained**

Article 11 – Harbormaster Permit Fees

**MOTION: Mr. Trudell moved Favorable Action on Article 11 of the 2011 Annual Spring Town Meeting Warrant. Ms. Cottuli seconded.**

Mr. Heath stated customarily, this transfer is for capital items, not salaries. He is opposed to this article. Brief discussion ensued.

**VOTE: (1-6-0)**

Article 12 – Revolving Funds

**MOTION: Mr. Trudell moved Favorable Action on Article 12 of the 2011 Annual Spring Town Meeting Warrant. Mr. White seconded.**

Discussion ensued re: limits for revolving funds.

**VOTE: Unanimous (7-0-0)**

Article 13 – All Day Kindergarten Revolving Fund

**MOTION: Mr. Trudell moved Favorable Action on Article 13 of the 2011 Annual Spring Town Meeting Warrant. Mr. Paulsen seconded.**

**VOTE: (6-0-1)**  
**Mr. White abstained**

Article 14 – Special Education Revolving Fund

**MOTION: Mr. Cammarano moved Favorable Action on Article 14 of the 2011 Annual Spring Town Meeting Warrant. Mr. Trudell seconded.**

Mr. White stated that Articles 13 & 14 together exceed the limit. Discussion ensued. There is need for clarification.

The motion and the second were withdrawn.

**MOTION: Mr. Trudell moved to reconsider Article 13 of the 2011 Annual Spring Town Meeting Warrant. Ms. Cottuli seconded.**

**VOTE: Unanimous (7-0-0)**

**MOTION: Mr. Trudell moved Favorable Action on Article 13 of the 2011 Annual Spring Town Meeting Warrant. Ms. Cottuli seconded.**

**VOTE: (0-0-7)**

**MOTION: Mr. Trudell moved Favorable Action on Article 14 of the 2011 Annual Spring Town Meeting Warrant. Mr. Cammarano seconded.**

**VOTE: (0-0-7)**

Article 15 – Signage Inventory

**MOTION: Mr. Cammarano moved Favorable Action on Article 15 of the 2011 Annual Spring Town Meeting Warrant. Mr. Trudell seconded.**

**VOTE: Unanimous (7-0-0)**

Article 17 – Wetland Protection Fees

**MOTION: Mr. White moved Favorable Action on Article 17 of the 2011 Annual Spring Town Meeting Warrant. Mr. Trudell seconded.**

Discussion ensued re: concern over language not being clear.

**VOTE: (0-7-0)**

Article 18 – Local Options Meals Tax Excise

**MOTION: Mr. Trudell moved Favorable Action on Article 18 of the 2011 Annual Spring Town Meeting Warrant. Ms. Cottuli seconded.**

Discussion ensued re: the pros & cons of implementing this tax.

**VOTE: (5-2-0)**

Article 19 – Hotel/Motel Local Excise

**MOTION: Mr. Cammarano moved Favorable Action on Article 19 of the 2011 Annual Spring Town Meeting Warrant. Mr. White seconded.**

**VOTE: (5-1-1)**

**Mr. Trudell opposed  
Mr. Heath abstained**

Article 21 – Amend Bylaw – Barking/Howling Nuisance

**MOTION: Mr. Trudell moved Favorable Action on Article 21 of the 2011 Annual Spring Town Meeting Warrant. Mr. White seconded.**



Discussion ensued.

**VOTE: (2-3-2)**

Article 22 – Amend Bylaw – Police Detail for Citizens

**MOTION: Mr. Trudell moved Favorable Action on Article 22 of the 2011 Annual Spring Town Meeting Warrant. Mr. Cammarano seconded.**

Discussion ensued.

**VOTE: Unanimous (7-0-0)**

Article 27 – Police Vehicle Defibrillators

It was stated that this article will be withdrawn.

Article 29 – Local Room Occupancy Tax

**MOTION: Mr. Cammarano moved Favorable Action on Article 29 of the 2011 Annual Spring Town Meeting Warrant. Ms. Cottuli seconded for discussion.**

Discussion ensued re: the explanation for this article, the intent of the article, & the definition of occupancy tax.

**VOTE: (3-3-1)**

Article 32 – Community Preservation: Affordable Housing – Restrictions/Units

**MOTION: Mr. Paulsen moved Favorable Action on Article 32 of the 2011 Annual Spring Town Meeting Warrant. Mr. White seconded.**

**VOTE: (0-7-0)**

Article 33 – Community Preservation: Affordable Housing – South Shore Housing

**MOTION: Mr. Cammarano moved to reconsider Article 33 of the 2011 Annual Spring Town Meeting Warrant. Ms. Cottuli seconded.**

**VOTE: (6-1-0)**

**Ms. Cottuli opposed**

Mr. Cammarano explained the Town had to sue South Shore Housing to get money back on a defunct project. There is a bad relationship w/ South Shore Housing in the past.

**MOTION: Mr. White moved Favorable Action on Article 33 of the 2011 Annual Spring Town Meeting Warrant. Ms. Cottuli seconded.**

Ms. Cottuli feels the CPC will have some oversight & accountability for this project.

Present before the FinCom: Tony Scarsciotti

Mr. Scarsciotti discussed the Dream Act & that South Shore Housing has been taken off the list of monitors for affordable housing. Brief discussion ensued.

**VOTE: (1-5-1)**

Article 39 – Petition: Amend Anti-Noise Regulations

**MOTION: Mr. Trudell moved Favorable Action on Article 39 of the 2011 Annual Spring Town Meeting Warrant. Mr. Cammarano seconded.**

**VOTE: (5-1-1)**

**Mr. Cammarano opposed  
Mr. Heath abstained**

Article 41 – Petition: Repeal Article 5, Section 580 – Wind Energy Facilities

**MOTION: Mr. Trudell moved Favorable Action on Article 41 of the 2011 Annual Spring Town Meeting Warrant. Mr. Cammarano seconded.**

Lengthy discussion ensued re: this article.

**VOTE: (6-0-1)**

Article 42 – Petition: Amend Bylaws – Nitrogen Net Zero for New Construction

**MOTION: Mr. Cammarano moved Favorable Action on Article 42 of the 2011 Annual Spring Town Meeting Warrant. Mr. Trudell seconded.**

Mr. Paulsen gave a brief update of what is happening relative to the nitrogen issue. Discussion ensued.

**VOTE: (5-0-2)**

**V. ANY OTHER BUSINESS**

**A. FinCom meeting w/ auditors.**

Ms. Bronk asked if the FinCom feels a need to meeting w/ the auditors to ask questions.

Mr. Paulsen stated he feels the FinCom should meet w/ the auditors, preferably prior to Town Meeting. Mr. White concurred. Mr. Heath suggested meeting in Executive Session to be able to ask questions. Mr. Paulsen again stated this meeting should take place prior to Town Meeting.

**B. Approval of meeting minutes: March 30, 2011.**

**MOTION:** Mr. Cammarano moved to approve the meeting minutes of March 30, 2011. Ms. Cottuli seconded.

**VOTE: (4-0-3)**

**VI. ADJOURNMENT**

**MOTION:** A motion was made & seconded to adjourn the meeting at 10:20 P.M.

**VOTE: Unanimous (7-0-0)**

Respectfully submitted,

Kelly Barrasso  
Kelly Barrasso, Transcriptionist

Date signed: 5/11/11

Attest: William R.C. White  
William R.C. White, Clerk  
WAREHAM FINANCE COMMITTEE

Date filed: 5/12/11

Date copy sent to Town Clerk: 5/12/11

