

MINUTES OF MEETING OF WAREHAM FINANCE COMMITTEE

Date of Meeting: May 11, 2011

I. CALL MEETING TO ORDER

The meeting was called to order at 6:30 P.M.

II. ROLL CALL

Members Present: Donna Bronk, Chairman
Marilyn Donahue, Vice Chairman
William R.C. White, Clerk
David Trudell
Dominic Cammarano (Arrived at 6:50 P.M.)
Sam White

Members Absent: Richard Paulsen
Bonnie Cottuli
Frank Heath

Also Present: Mark Andrews, Town Administrator
Claire Smith, Town Moderator
Michael Schnieder, BOS Liaison

III. TOWN ADMINISTRATORS REPORT

A. Budget.

Mr. Andrews made a presentation overview of the FY2012 adjusted budget. He presented this budget to the BOS last night. The budget is balanced. He spoke re: the State Senate resolution re: local aid. He explained that the Town & School Dept. agreement bridges a gap of approx. \$2.8+ million. He stated that 60% of the gap was filled by the School Dept. & 40% by the Town.

Mr. Andrews discussed the proposed Healthcare premium holiday.

Mr. White stated he understands the said agreement between the Town & the School Dept. will be crafted by Town Counsel. He expressed concern re: not presently having an agreement in place. Mr. Gray explained that some FinCom members would have difficulty supporting the budget if an agreement is not in place. Mr. Trudell asked if this agreement is still in place for the FY2013 budget. Mr. Andrews stated it will be in the Memorandum of Understanding (MOU). Mr. Gray questioned if this will be an MOU or an agreement. He noted an agreement is binding, an MOU is not. He feels people would stand behind an agreement vs. an MOU.

Mr. Andrews stated revenue is being pegged & the figures are 2% below revenue figures for FY2011 (projected) which is conservative. New revenue should be captured because of the hotel/motel tax & the meals tax passage. These will be recurring sources of revenue over time.

Mr. Andrews discussed new growth figures.

Mr. Andrews stated that all departments have taken non-personnel expenditure cuts by an additional 5% which includes the School Dept.

Mr. Andrews discussed the following budget highlights:

- Working to bring higher level of efficiencies.
- No layoffs or reduction in hours.
- Maintaining the lifeguard program. Program will be placed under the Harbormaster Department. Personnel expenses/stipend for the lifeguard program will go to the Harbormaster Department & there will be a decrease in the Inspectional Services Dept. where this stipend was placed previously.

Ms. Bronk asked re: the balance of the Recreation Revolving Fund & what it is being utilized for. Mr. Andrews stated this fund is inappropriately named & he will check on the balance.

Mr. White stated he understands no-one will be hired back as well as no layoffs. He asked about the School Dept. Mr. Andrews discussed issues w/ school grant programs relative to short-term positions.

- Audit continues.
- Fiscal recovery plan implemented for the Town Accountant's Office.
- Continue to fund the Stabilization Fund.
- New student intern program.
- Upgraded financial management information into the system.
- Commitment to increase financial reserves.

NOTE: Mr. Cammarano arrived at this time.

- Pension costs down.

Mr. Gray asked if the budget is being balanced without Free Cash. Mr. Andrews stated no Free Cash has been utilized. Mr. Gray stated he hopes the Town Accountant's salary is in the budget. Mr. Andrews stated there will be additional resources made available to the Town Accountant's Office.

Discussion ensued re: pension issues & concerns re: reducing pension contributions when large amounts loom in the future. Mr. White suggested the Town Administrator

come up w/ criteria for and against to fulfill the GASB requirement so an agreement can be reached. Brief discussion ensued.

Brief discussion ensued re: the Quinn Bill & funding of it.

Mr. Andrews highlighted the following capital improvement priorities for FY2012:

- Replace public safety assets.
- Replace EMS equipment (ambulance).
- Police Department equipment – 3 new cruisers.

Mr. Andrews briefly discussed commercial leasing vs. regular leasing.

- WPCF – electrical upgrades, plant improvements, HVAC improvements, etc.
- New EnerNoc energy program.

Mr. Andrews discussed estimated revenue for FY2012, where it will come from, & estimated expenditures.

Mr. Andrews submitted documentation re: the FY2012 operating budget & noted the format of the budget document. The FinCom & Mr. Andrews reviewed the document. Mr. Andrews explained the headings in the format layout of the budget.

Brief discussion ensued re: the legal fees line item.

Discussion ensued re: sick leave buy-back & attempts made to get this out of union contracts. It was stated this has been successful w/ five unions thus far.

Brief discussion ensued re: the informational technology line item, a part-time position looking to be filled in this department, & salaries in this line item.

B. Snow & Ice Update.

Mr. Andrews submitted documentation re: comparisons of snow & ice expenditures of various other communities.

C. Future Transfer Request.

Mr. Andrews discussed a future Transfer Request for emergency ambulance repairs. Mr. Trudell asked where the EMS line item is in the budget. Mr. Andrews stated he will have to get back to the FinCom re: this because it is not in the documentation provided. He will send it as a separate attachment.

D. Upper Cape Cod Regional Technical School Budget.

Ms. Donahue spoke re: 4% of the budget going to the Upper Cape Technical School & questioned why this is separate from the school side of the budget. Discussion ensued. Ms. Smith stated it is separate because it is a regional budget & there are other towns involved. It needs to be separate.

IV. BUSINESS

A. FinCom position applicants.

Ms. Bronk stated there are four applicants for a future open seat on the FinCom come June. She would like to put this matter on the agenda the week after Town Meeting. Mr. White stated the FinCom needs to re-organize in June or by the first of July. The FinCom concurred to consider the FinCom candidates the first of June.

B. Audit discussion.

Ms. Bronk reviewed the audit presentation & it seems like there are errors in journal entries, not missing cash.

Mr. Trudell stated the auditor noted the Treasurer's books are correct & it has become apparent there is a disconnect w/ the public that it is not an actual cash issue, but a reconciliation issue.

Ms. Bronk stated the auditors clarified what they are doing & they are confident they will resolve the \$919,000 issue.

Mr. Cammarano doesn't feel anything new was disclosed at this meeting held w/ the auditors. Discussion ensued re: various FinCom member views of the audit presentation. Mr. White expressed concern re: a systematic problematic approach to the system, correcting them, & moving forward. Brief discussion ensued.

Brief discussion again ensued re: Free Cash.

C. Approve meeting minutes of April 6, 2011.

MOTION: A motion was made & seconded to approve the meeting minutes of April 6, 2011.

VOTE: (5-0-1)
Ms. Donahue abstained

D. Preparation for Town Meeting.

Mr. White explained that motions are being drafted & the adjusted budget will be presented. He questioned if the FinCom should reconsider the money articles. Mr. Trudell stated the budget presented currently is different than what was printed in the

paper & the Warrant document. There will be a need for an amendment for the new adjusted budget. Lengthy discussion ensued.

Ms. Bronk suggested the FinCom generate questions relative to the new adjusted budget & discuss them next week & at that point reconsider any vote changes to the articles.

Discussion ensued re: the use of the Healthcare Trust Fund to balance the budget. Lengthy discussion ensued. The FinCom concurred that there is a need to have the current balance in the Healthcare Trust Fund & what the balance will be after the money is taken out. There is also a need to know the amount in the reserves.

E. Next meeting date.

The FinCom concurred to meet on May 18, 2011.

V. ADJOURNMENT

MOTION: A motion was made & seconded to adjourn the meeting at 8:46 P.M.

VOTE: Unanimous (6-0-0)

Respectfully submitted,

Kelly Barrasso
Kelly Barrasso, Transcriptionist

Date signed: 6/1/11

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

Date copy sent to Town Clerk: 6/2/11

Date Filed: 6/2/11

