

MINUTES OF MEETING OF WAREHAM FINANCE COMMITTEE

Date of Meeting: September 14, 2011

I. CALL MEETING TO ORDER

The meeting was called to order at 6:40 P.M.

II. ROLL CALL

Members Present: David Trudell, Chairman Pro Tem
Sam Gray, Clerk
Frank Heath (Arrived at 6:51 P.M.)
Dominic Cammarano
Dick Paulsen
Bonnie Cottuli (Arrived at 6:42 P.M.)
Larry McDonald
Rene Pickett (Arrived at 6:45 P.M.)

Member Absent: Donna Bronk

III. CITIZENS PARTICIPATION
NONE

IV. APPROVAL OF MEETING MINUTES – SEPTEMBER 7, 2011

Brief discussion ensued re: corrections/amendments to the minutes.

MOTION: Mr. Cammarano moved to approve the meeting minutes of September 7, 2011 as amended. Mr. Gray seconded.

VOTE: Unanimous (6-0-0)

NOTE: Ms. Cottuli arrived at this time.

V. TOWN ADMINISTRATOR'S REPORT

The Town Administrator was not present at the meeting.

VI. TOWN MEETING MATTERS

A. Warrant Articles.

Mr. Trudell stated that there have been no explanations provided for the Warrant articles, thus, the FinCom cannot proceed w/out them. He stated Mr. Heath has made this known to the Town Administrator.

Mr. Paulsen spoke re: Article 1 – Capital Improvements. He stated the request for seven school buses annually(\$91,000.00 12 mos. Payments of a three-year lease) is potentially a \$2 million expenditure over a three year period & a possible expenditure of \$5 million over a five year period. It could cost between \$3 million - \$5 million if 35 buses are obtained. He objects to not having the full picture re: the bus costs & only getting partial information.

NOTE: Ms. Pickett arrived at this time.

Mr. McDonald stated the FinCom has made it clear that more detail is needed. There is a need to keep people informed & have transparency.

Mr. Gray stated items D,E, & G of Article 1 are based on three year leases, yet items D & E have six months of payments & item G has 12 months of payments. He can't figure out why two are six months of payments & one is 12 months of payments. He doesn't feel this makes sense. Mr. Trudell concurred.

Mr. Trudell explained the Capital Planning Committee did not receive the capital requests included in Article 1 until last Thursday. He added that the article also states this article was inserted by the BOS at the request of the Capital Planning Committee. This is not correct. It was requested by the Town Administrator not the Capital Planning Committee, thus, this is the Town Administrator's take.

Mr. Gray asked if the Capital Planning Committee is in favor of Article 1 or not & has the committee expressed itself. Mr. Trudell stated the committee has discussed Article 1, but has not taken a position as of yet. He feels at the next committee meeting, the committee will make a yea or nay decision on the article.

Mr. Trudell explained what would transpire (if approved) w/ the school buses & after the \$91,000 lease is up. The final numbers are staggering. He stated there have been comments made by a few BOS members that the Capital Planning Committee should only be involved w/ planning & submit their planning recommendations to the Town Administrator.

Mr. Gray briefly discussed leasing of transportation & operational costs. He asked if the Capital Planning Committee has come to a conclusion about this matter.

Present before the FinCom: Alan Slavin, Capital Planning Committee

Mr. Slavin stated the committee has looked at three year & six year leasing.

NOTE: Mr. Heath arrived at this time.

Mr. Slavin discussed replacement needs for the buses & bids that were sent out for operational costs. The quandary is does the School Dept. want to be in the transportation business.

Mr. Trudell noted that item F under Article 1 has been added (EMS ambulance re-build). The Capital Planning Committee was uncomfortable w/ this item not being included in the original Warrant. The committee's suggestion is being put in. He briefly discussed the poor condition of the ambulances.

Mr. McDonald stated some of the figures for items A-G have changed vs. what was originally distributed. He thinks it would be more prudent to have a plan re: the buses before throwing things out there to attempt to temporarily fix the problem.

Mr. Trudell noted that there are issues/questions re: Article 16 – Community Preservation: Transfer of Funds to Wareham Conservation Fund & Article 19 – Affordable Housing Solution Local Initiative Program.

B. Set public hearing date on Warrant/Articles.

Brief discussion ensued re: the date to hold the public hearing.

Mr. Paulsen stated there shouldn't be a public hearing until the FinCom has the article explanations from the Town Administrator & other sources. He suggested panning the Town Administrator, along w/ the BOS to understand what these articles are.

MOTION: Mr. McDonald moved to hold the public hearing for the Fall 2011 Town Meeting Warrant Articles on October 12, 2011. Ms. Cottuli seconded.

VOTE: Unanimous (8-0-0)

Mr. Cammarano asked if there are any other ways to finance all the capital items in the Warrant. Brief discussion ensued. Mr. Trudell noted capital items that are on the books that have long-term financing.

Ms. Cottuli stated that items D,E, & G under Article 1 need more explanation, namely, what the ultimate costs will be & show everyone this information. A full picture is needed for what all these costs will mean to the Town, for example, the buses. This could be shown as a PowerPoint presentation. She feels the Town Administrator is treating the bus issue (w/in this article) as a "band-aid".

Mr. Heath explained that discussions have been held re: leasing vs. purchasing buses. He discussed the history of the discussions. He explained there are now issues that have come to light relative to repairs needed for buses, thus, this is why there is a "band-aid" approach. These buses are needed ASAP. He discussed the issue of bonding vs. leasing. He stated choices need to be made because the Town's financial status looking forward is already behind due to things such as liabilities. He stated the Town can't bond

everything. He concurs that a plan is needed, there is a need to start facing the problems, & the bus issue needs to be addressed whether they are leased, rented, purchased, etc. The Town can't keep going around & around w/ these types of issues.

Mr. Paulsen would like to see a schedule by year how many stops buses make as a school system. He stated this is day-to-day information, but he feels buses stopping every 30 ft. or so generates wear & tear on the buses. Mr. Trudell stated that Mr. Gray is the School Dept.'s liaison & can ask re: this information.

Mr. Gray stated he understands Mr. Heath's summarizations of where the Town is. He understands the "band-aid" for the bus issue, but he needs to be convinced that the powers that be will say the situation has been studied & by the next Town Meeting they will come back w/ a plan for the future. Without a commitment to study the issue, he can't vote for the article. Mr. Trudell stated timelines need to be set for these issues to be planned. Mr. Gray again stated there needs to be a commitment re: a plan(s) on how to move forward in the future. He can't support seven buses as a temporary fix right now. Mr. Heath stated these buses are needed now, whether they are leased, rented, or repaired. All these options cost money. One of the alternatives is to lease/rent the buses. Ms. Cottuli stated there needs to be a full disclosure of whether this bus item in Article 1 is a "band-aid" or part of a long-range plan. It needs to be made transparent.

Mr. Trudell suggested if there is a split vote on this article, then a recommendation for the pro & the con should be written.

VII. FINANCIAL REPORTS

Mr. Heath stated he sent an email to the BOS & the Town Administrator admonishing them for not providing the explanations for the Warrant articles.

A. 2010 Audit discussion.

Mr. McDonald stated as he understood (per the Town Administrator), the FY2010 information was to be received prior to Town Meeting. He discussed a letter sent by the Town Administrator dated August 31, 2011 to the Director of Finance, MA Dept. of Housing & Community Development which states the completion date for the FY2010 audit will be December 31, 2011. He stated if the Town has no idea what Free Cash will be & what the FinCom is voting on, he doesn't know why there will be a Town Meeting. He has a problem w/ the Town Administrator telling the Director of Finance of DHCD the audit will be done by December 31, 2011, but then he tells the FinCom last week that the information will be available before Town Meeting.

Mr. Cammarano recalls the Town Administrator stating the December 2011 date & that he *hopes* to have the information prior to Town Meeting. Mr. Heath stated the December 2011 date did come up & that is why the FinCom sent a letter to the BOS insisting that the auditors have it sooner. December 2011 is unacceptable. He feels Free Cash may be questionable & capital items may need to be bonded.

- B. 2011 Audit discussion.**
- C. Free Cash estimates.**
- D. Municipal Accounting discussion.**

Items B-D not handled. Awaiting information

VIII. ANY OTHER BUSINESS

- A. Discussion: Overtime.**
 - 1. Overtime costs for all departments by year for past three years & by function.**
 - 2. Overtime comparisons of other police departments/public safety organizations.**
 - 3. Projected overtime costs for next two years for aggregate for each department.**

Mr. Paulsen stated he requested these topics be presented on the agenda. He stated there is a need to get a handle on overtime costs & to obtain comparisons of overtime from other towns vs. Wareham. He feels the FinCom should be getting this type of information.

Mr. McDonald stated some of the suggested overtime information above would be useful, but the problem is the FinCom isn't even getting other numbers/figures they need now. He doesn't know how much detail the FinCom should obtain re: overtime, but he would be in favor of seeing figures pertaining to projected overtime costs in aggregate.

Mr. Heath feels the comparisons would be valuable during the budget process, but there is no manpower to do it now. Liaisons could help in this matter. Mr. Trudell stated he will try to obtain some information from the Police Dept. & the Maintenance Dept. as it relates to overtime.

B. WPCF quarterly report.

Mr. Paulsen stated the Town is operating a \$7 million - \$8 million business at the WPCF & the FinCom has never received business reports relative to the plant. He feels this is unacceptable. He feels the Town deserves an explanation of why the FinCom is not getting these reports. He feels something should be done to mandate getting this information.

Mr. Trudell questioned when the FinCom will be getting informational reports re: expenditures vs. budgets. Mr. Heath stated he received an email today re: a report for July 2011. He spoke to the Town Administrator & reminded him that there are requests for two pieces of equipment at the WPCF which should be paid through the WPCF's Enterprise Fund & that the FinCom will need the financial reports for said Enterprise Fund.

Mr. Trudell noted that Mr. Heath spoke to the Attorney General's Office re: documentation on the website. He was told that the FinCom doesn't have to put everything on the website & placing backup documentation as part of the minutes exceeds the requirements.

Mr. Trudell stated the FinCom is invited to attend the Conflict of Interest & Open Meeting Law seminar tomorrow night at Town Hall. Mr. Gray stated he took these tests last year. He asked if he needs to take them again. Mr. Trudell stated the test needs to be taken every two years. Mr. Paulsen noted that the test is mandatory, not the meeting. Brief discussion ensued.

Mr. Trudell stated he received a memo relative to the FinCom meeting is projected to be aired on community television on Saturday at 7:00 P.M. & Monday at 7:00 P.M.

IX. LIAISONS REPORTS

Mr. McDonald reported the first meeting w/ the Library Directors will be held shortly.

Mr. McDonald reported he has a meeting w/ Guy Camphina, WPCF Superintendent this Saturday.

Mr. Trudell reported Selectman Winslow was at the recent Capital Planning Committee meeting & she spoke as to what the Friends of the Library are trying to do. After this meeting, some of the Capital Planning Committee felt that a meeting between the Town Administrator, Capital Planning Committee, Library Directors, & Friends of the Library should be held so everyone, including the community, knows what is going on.

Ms. Pickett asked for a recap of the liaison procedures, especially as they pertain to requesting information. Mr. Heath explained the liaison procedures.

Mr. Cammarano reported that the Planning Board met w/ A.D. Makepeace to discuss their new solar project.

Mr. Trudell reported the Capital Planning Committee met last week & discussed Article 1 of the 2011 Fall Town Meeting Warrant, but the committee did not vote on it.

Mr. Trudell stated that all input data is in hand relative to a five-year plan for capital, except for police information. A meeting will be held w/ Mr. Sullivan to discuss this. The committee has also requested a computer list of all insured Town vehicles & insured building assets. The list is expansive. He will be meeting w/ Mr. Gifford to discuss the poor condition of some of the Town buildings.

Mr. Trudell noted the next Capital Planning Committee meeting will be held on September 22, 2011 at 9:00 A.M. in Room 23 of the Town Hall.

X. TOWN ACCOUNTANT SCREENING COMMITTEE

Mr. Gray stated the Town Administrator has the authority to hire a Town Accountant. The Town Administrator has asked the Screening Committee to chose three candidates & recommended them to him.

Mr. Gray stated the committee met last Thursday & interviewed seven candidates. Nine applications had been submitted, but one application was withdrawn & one candidate never showed up for the interview. Of the seven candidates interviewed, the committee recommended two candidates to the Town Administrator. The committee did not recommend three candidates because the committee did not feel that more than the two candidates recommended were capable. He explained the two candidates recommended were peered well in background as well as being sharp & well-versed in accounting & have a general knowledge of accounting. The two candidates do not have municipal experience & have no experience working w/ the Town's existing accounting system. The two candidates have handled large systems in the past. The committee feels either of the two candidates will do well in the position. There were two applicants that did have municipal experience, but one applicant never showed up & the other had a good resume, but it didn't hold up. He feels the two candidates the committee recommended will bring a lot of ability into the Town & they are capable of learning the municipal side of things to become effective. He had concerns re: obtaining applicants able & competent to do the job. All members of the committee felt both candidates can do the job. One of the candidates is a CPA & the other doesn't have a title, but has the background, education, & experience.

XI. NEW BUSINESS

Mr. Heath stated he contacted the Attorney General's Office re: the open meeting law. He was told there is nothing in the open meeting law that states anything needs to be posted electronically. He spoke re: e-mail attachments relative to the open meeting law. He noted anything that is created or received is a public document. Relative to the minutes, documentation is not required to back up documentation that is referenced.

XII. NEXT MEETING DATE & TIME

The FinCom's next meeting will be on September 21st at 6:30 P.M. Mr. Heath stated the FinCom may need to hold another meeting between the 21st & the 28th to deal w/ Warrant matters.

Mr. Paulsen stated that no-one seems to be discussing the \$900,000 deficit issue on the books. He stated this will come up at Town Meeting. He feels the FinCom should be firm on getting answers to this issue & show that the FinCom has been trying to get this information. Mr. Trudell stated the FY2010 audit is needed to address this issue. Mr. Cammarano stated the issue is part of the audit.

Mr. Trudell noted that the Community Preservation Committee will be at the FinCom's meeting on September 21st.

Brief discussion ensued re: having an extra meeting night. The FinCom concurred to meet on Thursday, September 22, 2011 if necessary.

XIII. ADJOURNMENT

MOTION: A motion was made & seconded to adjourn the meeting at 8:15 P.M.

VOTE: Unanimous (8-0-0)

Respectfully submitted,

Kelly Barrasso
Kelly Barrasso, Transcriptionist

Date signed: 9/21/11

Attest: Sam Gray
Sam Gray, Clerk
WAREHAM FINANCE COMMITTEE

Date filed: 9/22/11
Date copy sent to Town Clerk: 9/22/11

