

## MINUTES OF MEETING OF WAREHAM FINANCE COMMITTEE

Date of Meeting: January 5, 2011

Date of Transcription: January 6, 2011

Transcribed by: Kelly Barrasso

### I. CALL MEETING TO ORDER

The meeting was called to order at 6:35 P.M.

### II. ROLL CALL

Members Present: Donna Bronk, Chairman  
Marilyn Donahue, Vice Chairman  
William R.C. White, Clerk  
Dick Paulsen  
David Trudell  
Bonnie Cottuli (Arrived at 6:40 P.M.)  
Dominic Cammarano (Arrived at 6:55 P.M.)  
Frank Heath  
Sam Gray

Also Present: Mark Andrews, Town Administrator  
Elizabeth Zaleski, Town Accountant  
Claire Smith, Town Moderator  
Brenda Eckstrom, BOS Liaison  
Walter Cruz, BOS (Arrived at 7:50 P.M.)

### III. TOWN ADMINISTRATOR'S REPORT

#### **A. Budget discussion w/ leadership team.**

Mr. Andrews explained he held a budget discussion w/ the leadership team today. The common thread to be worked on is to work w/ the resources at hand. He hopes to get a heads up on January 26<sup>th</sup> at the MA Municipal Association meeting relative to the State budget.

Mr. Andrews briefly recapped the preliminary budget he submitted to the FinCom in December.

Mr. Andrews noted the Evergreen Clause re: collective bargaining & the capital spending plan being worked on.

**NOTE: Ms. Cottuli arrived at this time.**

**The meeting continued w/ item IV. Business – A. Discussion w/  
Powers & Sullivan – Auditors.**

Present before the FinCom: Jim Powers, Powers & Sullivan

Mr. Powers discussed the process followed to gain results of the Town's operations throughout the year. He discussed meeting w/ VADAR representatives & discussions held on what types of reports would be beneficial. The template agreed upon was not supported by VADAR, but an agreement has been made to provide the agreed upon summary reports. He noted other documents that will be attached to these reports.

Mr. Powers discussed the revenue report (budget to actual). He noted a lot of revenue comes in cyclically, such as motor vehicle excise taxes.

Mr. Powers discussed the expenditure report & actual expenditures to date. He noted some expenditures can be cyclical as well.

Mr. Powers stated the reports can be broken down by departments.

Mr. Powers stated the Town Administrator & Ms. Zaleski will try to explain every month, what is not in line w/ the expectations.

Mr. Powers noted that the School Department budget information is cyclical as well & include different factors. This is an example of why prior numbers are helpful. He also noted that payroll should be fairly consistent.

Mr. Powers concluded that every month, there should be a satisfactory executive summary that will be generated. He noted that a revenue & expenditure highlights page will be included as well.

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

Ms. Bronk discussed how she handles a business budget & asked if municipalities do it the same way. Mr. Powers stated in municipalities, the budget is a legal document & needs to be posted as voted. All the ledgers & set up are built upon that legally adopted budget. He explained why municipalities handle their budgets the way they do.

Ms. Bronk indicated she is having a hard time following how the Town's budget & summaries are being done. Mr. Powers explained that most municipal software are not set up to do what Ms. Bronk is saying (in a 12-month cycle). He again noted the legally adopted budget requires certain things. You can't legally go over the budget.

Mr. Paulsen offered suggestions of how he feels the Town's budget report should be set up vs. what is being provided. He feels the expectation of what was to be collected is the

key & having an explanation as to why the expectation was not met is important. He noted he understands the municipal approach. Mr. Powers stated that Mr. Paulsen's suggestion would be an ad-hoc report that is not system generated & would take more time to compile. The narrative that will be provided will give the explanation.

Mr. Powers stated it seems everyone want the information is a different way. He would look for a system generated report w/ a narrative. He feels this report would have more integrity. He noted the documents provided this evening are the first cut.

Ms. Bronk again stated she is having trouble following the information on the report & she wants everyone to be able to follow it. Mr. Powers again stated explanations are best done in the narrative vs. information being put into the actual system report.

Ms. Donahue feels the format is repetitious. Ms. Zaleski stated this is the way it is reported on the recap. Mr. Powers stated some of the items can be rid of, for example, under real estate taxes.

Ms. Donahue asked if this report is useful to Mr. Andrews & Ms. Zaleski. Ms. Zaleski stated feels the reports given prior were useful to her. The reports presented this evening were created for the FinCom.

Mr. Andrews stated the budget is balanced, ways are being sought to increase the Town's free cash position, to settle collective bargaining agreements, & to get money into capital. He is holding department heads to strict internal controls. The proper actions are being taken w/ information being provided.

Mr. Heath spoke re: the need to have something (report) the public can read & understand. The format shouldn't be limited to what the system can do. The last report the FinCom received was not the format that had been agreed upon. He doesn't know what the report is trying to tell him. The content of the report was not good. These types of reports are not user-friendly to the public.

Mr. Gray concurred w/ Mr. Heath. He feels the issue is what the report will be used for. The format that had been agreed upon seems user-friendly & valuable. He noted issues he has w/ the report that isn't easy to follow. He feels the headings should be underlined so it is clear what is being covered & what numbers are being referred to, for example. He offered other suggestions & noted that the labeling is confusing. He also feels the actuals should indicate how many months the figure is representing.

Mr. Powers was under the impression this document was just to be provided internally, not to the public. Mr. Andrews stated they have tried to provide documentation for the FinCom. He noted his use of the dollar bill example in his budget presentation that would be useful to the public.

Mr. Gray understands there is more than one way to generate a report like this. He also understands that the software being utilized can only do so much.

Ms. Bronk stated the FinCom's goal is to be unified & transparent & to be able to provide information to anyone who wants to know. She wants to be able to understand the reports when reviewed.

Mr. White concurred w/ Mr. Heath's comments re: the report received previously. The information is w/in the report received tonight, but w/out a narrative, it isn't helpful. It also needs to be consistent w/ what is presented at Town Meeting. Mr. Andrews stated that people have commented that they don't want to read reports at Town Meeting. They want visuals. He is taking the proper actions to keep to the budget & will continue to work on a report that is readable & useful to the FinCom.

Brief discussion ensued re: the re-evaluation line item. Ms. Zaleski explained.

Mr. Paulsen asked re: where the FY2010 books stand. Ms. Zaleski stated they are still being worked on. All expenditures need to be presented by mid-January. She doesn't expect a preliminary report until February.

Ms. Bronk suggested a list of comments from FinCom members be submitted to the Town Administrator re: modifications to the report submitted this evening that members would like to see. Mr. Heath will be the contact person.

Mr. Paulsen stated in the Sewer Betterment Report, there is a term "betterments reserved for future debt". He asked if this means liability. Mr. Powers stated it does not mean liability & explained what it means.

Mr. Powers departed at this time.

**NOTE:** Selectman Eckstrom proceeded to discuss what she feels was improper posting of this FinCom meeting. Brief discussion ensued re: what was posted & the fact that the FinCom secretary posted both an agenda & a meeting notice as required by law.

#### **IV. BUSINESS**

##### **A. Discussion w/ Powers & Sullivan – Auditors. – Done**

##### **B. Reserve Fund Transfer Request.**

The FinCom proceeded to review Reserve Fund Transfer Request #05-11. The amount being requested is \$9,600 relative to Board of Health salaries. The purpose of the request is to increase hours for a Department Assistant II from 12 hours to 24 hours. The request is extraordinary or unforeseen because the department is unable to maintain programs, inspections, permitting, & reporting requirements w/ a Department Assistant working only 12 hours per week.

Mr. Andrews explained further the reason for the request.

Mr. Paulsen suggested possibly having two people fill this position & split the hours vs. one person.

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

Discussion ensued.

Mr. White stated the benefit issue needs to be avoided w/ the increase in hours.

Selectman Eckstrom stated as she understands, the existing employee will go from 12 hours per week to 19 hours per week & the other five hours will go to another employee in the department that works 30 hours per week. She understands that one of the employees was told if they don't work the 24 hours, they would be fired. Mr. Andrews stated this is incorrect. He would like to offer the hours to an employee(s) whom already have benefits. Brief discussion ensued.

FinCom members stated they are steadfast in their opinion that this request, if approved, should avoid the activation of benefits.

**MOTION: A motion was made & seconded to approve Reserve Fund Transfer Request #05-11 in the amount of \$9,600.00 w/ the provision that the monies are to be utilized for salaries only & not for a position that would necessitate benefits.**

**VOTE: (7-2-0)**

**Mr. Trudell & Paulsen opposed**

**NOTE: Selectman Eckstrom, Mr. Andrews, & Ms. Zaleski departed at this time.**

**C. Discussion: Community Preservation Committee providing information to the FinCom re: past activities, current status, & future plans.**

Mr. Trudell expressed concern that information re: the Community Preservation Committee (CPC) budget are not forthcoming. He expressed concern re: future activities & what is obligated in the future. He doesn't know how much is out there (committed). He doesn't feel the FinCom can vote on anything from CPC until these things are known.

Ms. Donahue feels Mr. Trudell's concern re: not voting on things due to a lack of information was made clear to the CPC. Discussion ensued.

Mr. Trudell still can't get an accounting from the Town Administrator or CPC relative to the fund. Neither side seems to be providing what is in existence.

Mr. Gray suggested a representative of the CPC should come in & meet w/ the FinCom. Mr. Trudell suggested Mr. White bring it forward to the Town Administrator at their weekly meeting.

Mr. White would like the CPC in to speak w/ the FinCom prior to Town Meeting re: future endeavors.

**NOTE:** Ms. Bronk asked Selectman Cruz if the FinCom could get the report that was submitted to the BOS last night. Selectman Cruz stated it is a public report. He will check w/ Mr. Sanguinet.

**D. Approval of minutes from previous meetings: December 22, 2010.**

**MOTION:** A motion was made & seconded to approve the meeting minutes of December 22, 2010.

**VOTE: Unanimous (9-0-0)**

**V. ADJOURNMENT**

**MOTION:** A motion was made & seconded to adjourn the meeting at 8:30 P.M.

**VOTE: Unanimous (9-0-0)**

Respectfully submitted,

Kelly Barrasso  
Kelly Barrasso, Transcriptionist

Date signed: 2/2/11

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

Date filed: 2/3/11  
Date copy sent to Town Clerk: 2/3/11