

MINUTES OF MEETING OF WAREHAM FINANCE COMMITTEE

Date of Meeting: March 21, 2012

I. CALL MEETING TO ORDER

The meeting was called to order at 6:34 P.M.

II. ROLL CALL

Members Present: Frank Heath, Chairman
David Trudell, Vice Chairman
Dick Paulsen
Bonnie Cottuli
Donna Bronk
Dominic Cammarano (Arrived at 6:50 P.M.)
Larry McDonald

Members Absent: Sam Gray
Rene Pickett

Also Present: Mark Andrews, Town Administrator
Derek Sullivan, Financial Analyst
Walter Cruz, BOS Liaison

III. CITIZENS PARTICIPATION

No-one came forward for Citizens Participation.

NOTE: Mr. Heath read into the record that he, as Chairman of the FinCom, has been served w/ a copy of the Warrant dated March 15, 2012.

IV. FY2013 (2012 SPRING) TOWN MEETING WARRANT

A. Article explanations.

To be handled later in the agenda.

B. Warrant articles.

To be handled later in the agenda.

1. CPC related articles.

To be handled later in the agenda.

2. EMS budget related article.

Present before the FinCom: David Evans, Director of EMS

Article 11 – EMS Offset Receipts

Mr. Heath read the Warrant article into the record.

MOTION: Ms. Cottuli moved Favorable Action on Article 11 of the 2012 Spring Town Meeting Warrant. Ms. Bronk seconded for discussion.

Mr. McDonald asked if money generated from EMS goes into the General Fund & if money generated completely offsets wages & expenses of the EMS Department. Mr. Evans stated this is correct.

Mr. Evans stated last year, the EMS Dept. turned back approx. \$380,000 to the Town. Mr. McDonald asked why there isn't an Enterprise Fund for the EMS Dept. Mr. Evans explained there was an Enterprise Fund prior, but expenses couldn't be met so it then went to an offsets receipt account. Mr. Andrews stated he would not be adverse to looking at the EMS Dept. having an Enterprise Fund again. Mr. Sullivan added that in 1997, Town Meeting created an EMS Enterprise Fund & in 2002, Town Meeting dissolved this fund & created an offset receipt account.

Ms. Bronk asked what percentage over last year's budget is being budgeted now for increases. Mr. Evans stated the figure went from \$151,000 to \$162,000 & most of this increase is for repairs, fuel, etc. Ms. Bronk clarified that she is asking for salary percentage increases. Mr. Evans stated the salary percentage increase is small & basically is the same as the present time.

Mr. Evans stated there is article on the Warrant for EMS capital, namely an ambulance. Mr. Andrews explained Administration has been looking at an alternative means to secure an ambulance for the EMS Dept. & will keep everyone updated.

Mr. Trudell asked why Article 11 is on the Warrant. Mr. Evans explained that it is an offset receipts account & it has always been a separate article on the Warrant.

Mr. Heath asked where in the budget does the excise for the EMS show. Mr. Sullivan stated when it occurs, it usually is under the misc. offset receipts line item.

Mr. Evans stated the budget & revenue is predicted to be the same as last year.

Mr. Paulsen asked how much of the wages out of the \$683,000 is for overtime. Mr. Evans stated approx. \$150,000.

NOTE: Mr. Cammarano arrived at this time.

Discussion ensued re: how much of overtime pay is for sick time, vacations, & if benefits are included in the money turned back to the Town. Mr. Andrews stated he can get a figure of benefits paid out of the money turned back to the Town.

Mr. Trudell stated the Capital Planning Committee has been concerned re: the ambulance situation at the EMS Dept. He questioned if the Town Administrator's alternative to obtaining an ambulance doesn't occur, what is Plan B. He noted the ambulance issue is at a dire point. Mr. Andrews stated the alternative plan would be to look at Free Cash. He noted the ambulance matter was included in Article 1 at the last Town Meeting, but it didn't quite "get there." He has committed to obtaining an ambulance. Ms. Bronk suggested to the Capital Planning Committee that if, by the fall the issue hasn't been resolved, that an article should be put on the Fall Town Meeting Warrant.

VOTE: Unanimous (7-0-0)

3. Harbormaster budget related articles.

Present before the FinCom: Gary Buckminster, Harbormaster/Shellfish Constable

Article 12 – Harbor Service Permit Fees

Mr. Heath read the Warrant article into the record.

MOTION: Ms. Bronk moved Favorable Action on Article 12 of the 2012 Spring Town Meeting Warrant. Mr. McDonald seconded.

Mr. Buckminster explained that the fees will offset the cost of seasonal personnel needed for the summer for example, to operate the pier, shore patrols, etc.).

Mr. Trudell asked in the event the Harbormaster Dept. doesn't get the number of seasonal help it is looking for, will the left over money be returned to the permit fee account. Mr. Andrews stated it would.

Mr. McDonald stated the Harbormaster has several accounts. He asked if these accounts are shrinking. Mr. Buckminster stated the permit account has gone up slightly & there are excise taxes taken in as well. He discussed regulations imposed on how these permit fees can be utilized.

Mr. Cammarano asked re: moorings & the long wait list for said moorings. He asked what governs the amount of moorings the Town can have. Mr. Buckminster stated the Town governs itself in re: to the amount of moorings it can have. He stated there is an attempt to not try to expand into more area than what the Town currently already has. He stated there are a few areas that could be expanded though. Mr. Cammarano asked why the Town can't expand more in these areas which would generate more money. Mr.

Buckminster stated the Town has to take into account impacts to natural resources, environmental issues, etc. Discussion ensued.

Mr. Buckminster doesn't feel that much more money would be generated in adding more moorings & expanding areas. He feels the fees are in line w/ other towns.

Mr. Trudell discussed the issue of parking access to get to certain moorings. Mr. Buckminster noted the issues re: parking access to get to certain moorings.

Mr. Paulsen stated if the Town of Marion is getting \$4.00 per lineal ft. for a mooring & the Town only charges \$1.00, he questioned how much more revenue could be generated if the Town's fees were raised. Mr. Buckminster explained the Town has 23,076 ft. of boats in its waters & raising the fee to \$4.00 per lineal ft. would generate more money. Mr. Paulsen feels the fees should be raised. Mr. Buckminster noted that Marion's average boat size is 30 ft. & the Town's average boat size is 20 ft. He stated the Town is a different community vs. Marion & he still feels the Town's fees are average compared w/ surrounding towns. Mr. Heath noted that there are many approaches to how the market fairs before hitting resistance. He stated raising fees gradually is a good way to see how the market fairs. Ms. Cottuli feels to increase the fees would impact the boaters in Town greatly. Mr. Trudell understands the empathy for boaters, but the marinas are getting large fees. Mr. Paulsen suggested imposing a fee structure, such as 1-20 ft. = \$2.00 per ft., 21-30 ft. = \$3.00 per ft., & 31-40 ft. = \$4.00 per ft. Ms. Bronk concurred that the fees are too cheap & something needs to be done about this.

VOTE: Unanimous (7-0-0)

Article 15 – Shellfish Revolving Fund

Mr. Heath read the Warrant article into the record.

MOTION: Mr. McDonald moved Favorable Action on Article 15 of the 2012 Spring Town Meeting Warrant. Mr. Cammarano seconded.

Mr. Buckminster explained that this fund is utilized for the shellfish propagation program & it comes before Town Meeting every year.

Mr. Paulsen asked re: the condition of eelgrass currently & what is happening. Mr. Buckminster stated he is unsure what is going on, but the issue is happening all over Buzzards Bay. He stated it could be because of a variety of factors.

VOTE: Unanimous (7-0-0)

NOTE: The meeting went back to item IV. FY2013 Town Meeting Warrant – B. Warrant Articles – 1. CPC related articles.

Mr. Heath stated there were scheduling conflicts w/ the CPC for tonight, & they have requested meeting w/ the FinCom next week.

NOTE: The meeting went back to item IV. FY2012 Town Meeting Warrant – A. Article Explanations.

Mr. Heath explained the BOS & the Town Administrator have agreed to help supply explanations for the articles & other article sponsors need to supply their own explanations.

Mr. Andrews stated he will work on the explanations under the Town Administrator's & Town's purview, but for the petitioner's explanations, it is the petitioner's responsibility to supply an explanation & the Administration cannot chase them down for these explanations as was done last year.

Discussion ensued re: the issue of writing the article explanations. Ms. Bronk stated an issue w/ the author of the article writing the explanation is they haven't always been transparent as to the intent. She stated the voters look to the FinCom for a recommendation & getting the facts. Mr. Heath stated this is why the FinCom needs to review the explanations first.

4. Town Administrator related articles.

Article 5 – Elected Officials' Salaries

Mr. Heath read the Warrant article into the record.

Mr. Sullivan noted the elected officials' salaries:

Town Moderator - \$118.00 per diem
Town Clerk: \$62,428.60
Registrar: \$700.00 stipend

Mr. McDonald asked if the Deputy Moderator is paid. Mr. Heath stated this can be verified w/ the Town Moderator.

MOTION: Ms. Cottuli moved Favorable Action on Article 5 of the 2012 Spring Town Meeting Warrant w/ the insertion of the amounts stated above. Ms. Bronk seconded.

VOTE: Unanimous (7-0-0)

Article 13 – Revolving Funds

Mr. Heath read the Warrant article into the record.

Mr. Sullivan noted a typing error & stated the library figure should be \$30,000.

MOTION: Ms. Bronk moved Favorable Action on Article 13 of the 2012 Spring Town Meeting Warrant. Mr. Paulsen seconded for discussion.

Ms. Cottuli expressed concern re: the limits imposed for revolving funds & if any of these funds have gone over these limits. She asked what social recreation is. Mr. Sullivan stated this falls under Social Services (COA Social Services). Mr. Andrews noted they are two separate areas.

Ms. Bronk asked if two people are doing the same job at the COA/Social Services. Mr. Andrews explained there is a COA Director & a Social Services Director. Ms. Bronk asked if this is the first time there has been a Social Services Director. Mr. Andrews stated yes.

Mr. Sullivan stated the COA revolving fund will need to be changed from \$200,000 to \$210,000.

Mr. Cammarano asked where these figures come from. Mr. Andrews explained these are the upper limits for the funds. He stated you may or may not hit these upper limits. Mr. Heath further explained that these figures are caps if the monies are obtained. Mr. Cammarano asked if these limits can be lowered & move money in them elsewhere. Mr. Andrews stated the funds in these accounts are "site specific". He explained that the user fees are for a specific program & they can't be transferred or used by another program.

Ms. Bronk expressed concern re: paying a Social Services Director since there never was one before, but teachers may be laid off. Mr. Andrews stated this has been a revolving account before. He noted there are no salaries in these figures.

Ms. Cottuli stated she asked several months ago to have the COA/Social Services Director issue addressed. She expressed concern w/ these two revolving accounts under the same department. She stated the organizational chart the Town Administrator distributed previously shows no recreation department, but she sees it falling under the COA. Mr. Andrews stated he will address this issue at any time & provide job descriptions. Mr. Heath feels the issue is the revolving accounts for the COA amounts may be going over the limit.

MOTION: Mr. McDonald moved to table Article 13 of the 2012 Spring Town Meeting Warrant. Mr. Paulsen seconded.

VOTE: Unanimous (7-0-0)

Article 14 – Appropriation Transfers

Mr. Heath read the Warrant article into the record.

MOTION: Ms. Bronk moved Favorable Action on Article 14 of the 2012 Spring Town Meeting Warrant. Mr. Cammarano seconded.

Mr. McDonald spoke re: proposed Police Dept. transfers. There is a figure of \$480,000 in the FY2013 budget. He asked if this has something to do w/ the proposed transfers. Mr. Sullivan stated yes & he is trying to get an idea of projections. Mr. Andrews explained that these are just departmental appropriation transfers w/in departments to different accounts.

Discussion ensued re: using the Tremont Nail payment for an appropriation. Mr. Sullivan explained that it is not taking CPC money, but it is Town money that was put aside if the CPC article was voted down at Town Meeting, thus, there would be a buffer.

Brief discussion ensued re: voting on this article now or tabling it just in case any figures change.

VOTE: Unanimous (7-0-0)

Article 29 – Town Cemeteries Fund Transfer

Mr. Andrews stated he would like to utilize \$15,000 from the Sale of Lots & Graves Account for routine maintenance of cemeteries.

MOTION: Ms. Bronk moved Favorable Action on Article 29 of the 2012 Spring Town Meeting Warrant. Mr. Trudell seconded.

VOTE: Unanimous (7-0-0)

Article 6 – Budget

Mr. Heath read the Warrant article into the record.

Mr. Andrews asked that this article be held. He is working w/ the BOS, the Superintendent of Schools, the School Committee, & the FinCom Chair to come up w/ a budget plan that meets everyone's needs. He stated there will be a lot of cuts. He noted at the State level, there is a movement to agree to a budget local aid resolution to cement in the revenue numbers. He stated he is working on some of the ideas that were put forward at last Saturday's meeting.

Discussion ensued re: various line item changes.

Discussion ensued re: the net school spending figure.

Discussion ensued re: the street light line item in the budget being eliminated. Mr. Andrews stated he is looking at grant sources for street lights. He noted the Town has paid more for repairs of street lights than the amount paid for purchasing them.

Discussion ensued re: the reduction in the police line item.

Mr. Paulsen stated if the School Dept. were to stay w/ their budget figure, this figure will have to be used as the number in the Warrant. Mr. Andrews stated the Town will be seeking Town Counsel's opinion on this matter because the Town does not want to put forward an unbalanced budget. Mr. Paulsen asked to get this answer by next week. Mr. Andrews stated he will be speaking to Town Counsel tomorrow.

Mr. Paulsen stated the budget reflects a 3.75% reduction in departmental budgets. He asked about the unions & this proposal. Mr. Andrews stated notifications will be going out to alert the unions re: impact bargaining. He will be negotiating w/ the unions under Chapter 150E. Mr. Sullivan added the current budget is based on Town Hall being closed on Fridays.

Discussion ensued re: Upper Cape Technical School figure change.

Discussion again ensued re: which budget number will be utilized at Town Meeting. Ms. Cottuli stated she has heard that the School Dept. has already been making changes. Mr. Sullivan stated if the School Department's budget is utilized, it would potentially mean layoffs of approx. 61 employees. Mr. Heath stated in comparison, if the School Dept. is level funded, it would potentially mean approx. 40 employee layoffs. Ms. Bronk feels the School Dept. needs to do some serious reviewing of their budget.

Brief discussion ensued re: the proposed debt exclusion articles & the override article. Ms. Cottuli expressed concern re: the Prop 2 ½ override proposed by the School Dept. & their contingency that if their budget doesn't pass, there may be a fight on Town Meeting floor re: Town employees. Mr. Paulsen questioned if anyone has asked the school employees to take salary cuts.

Mr. Paulsen discussed growth rates of health insurance over the past 12 years. He feels the benefit(s) issue needs to be tackled. Mr. Andrews stated of all the collective bargaining agreements, all but three have been settled. He stated all agreements on the Town side include an increase in co-payments for health insurance, for example.

Mr. Andrews noted he has reactivated the Town Accountant Screening Committee. There is a need for a FinCom representative to be on this committee. He noted Mr. Gray was part of the last Screening Committee.

Mr. Heath asked Mr. Andrews to deliver a message to the BOS. He stated the message is to convey the urgency of hiring a Town Accountant asap. He stated an accounting firm has been hired in the interim, but w/ the departure of Mr. Andrews, there is a great need to urge the BOS to put in an interim Town Administrator as well asap because it will be dire to have someone on board due to the major fiscal issues facing the Town. The other FinCom members concurred.

Mr. Heath expressed concern re: the year end close. He asked if it would be possible to have Mr. Cole (of the accounting firm) come in & meet w/ the FinCom in mid-April to discuss this matter. Mr. Andrews stated Powers & Sullivan will be in around mid-April to get the first six month audit report for FY2012. The FinCom members concurred to have Mr. Heath schedule a meeting when Mr. Andrews offers some dates.

Mr. Paulsen asked if it would be possible to delay Town Meeting & move it forward more. Mr. Heath stated the Moderator would have to be asked this question.

NOTE: Mr. Andrews & Mr. Sullivan departed at this time.

Mr. McDonald left the table at this time.

5. Other articles. (NONE)

C. Revenue discussion.

Mr. Heath stated there will be a discussion at next week's meeting w/ the School Dept. re: their proposed debt exclusions.

V. COMMITTEE BUSINESS

A. Community Events Committee member appointment.

Ms. Cottuli has not heard from the Community Events Committee Chair as of yet re: this committee changing their meeting nights.

B. Schedule for Warrant article reviews w/ petitioners.

Mr. Heath stated these reviews will be held on April 4, 2012.

NOTE: Mr. McDonald returned to the table at this time.

Brief discussion ensued re: tabling voting on Article 16 & 33.

Mr. McDonald stated he listened to tapes re: the previous Town Meeting when it dealt w/ the police cruisers mentioned in Article 33 & he clarified that at that Town Meeting, it was three police cruisers.

MOTION: Mr. McDonald moved to take Article 33 of the 2012 Spring Town Meeting Warrant off the table. Ms. Cottuli seconded.

VOTE: Unanimous (7-0-0)

MOTION: Mr. McDonald moved to put parenthesis around the description of the vehicles in Article 33 of the 2012 Spring Town meeting Warrant. Ms. Cottuli seconded.

VOTE: Unanimous (5-0-0)

MOTION: Mr. McDonald moved Favorable Action on Article 33 of the 2012 Spring Town Meeting Warrant as amended. Mr. Cammarano seconded.

VOTE: Unanimous (7-0-0)

Mr. Heath stated the FinCom is still waiting on information for Article 16.

Lengthy discussion ensued re: a proposed parking program idea & its concept.

VI. LIAISON REPORTS

Mr. Paulsen spoke to the Assessor & Wal-Mart & other box stores are looking to reduce or eliminate their personal property tax obligations. He noted if they are successful, this loss of revenue will need to be made up somehow.

VII. NEW BUSINESS

There was no new business.

VIII. APPROVAL OF MEETING MINUTES: MARCH 8, 2012 & MARCH 21, 2012

MOTION: Mr. McDonald moved to approve the meeting minutes of March 8, 2012. Ms. Bronk seconded.

VOTE: (6-0-1)
Mr. Trudell abstained

The minutes of March 21, 2012 is the wrong date for the minutes. It was supposed to be March 14, 2012. These minutes will be handled at the next meeting.

IX. NEXT MEETING DATE & TIME

The next meeting date will be held on March 28, 2012 at 6:00 P.M. in 225 of the Multi Service Center.

X. ADJOURNMENT

MOTION: Mr. McDonald moved to adjourn the meeting at 8:55 P.M. Ms. Bronk seconded.

VOTE: Unanimous (7-0-0)

Respectfully submitted,

Kelly Barrasso
Kelly Barrasso, Transcriptionist

Date signed: 4/4/12

Attest: Frank Heath (K13)
Frank Heath, Chairman
WAREHAM FINANCE COMMITTEE

Date filed: 4/5/12
Date copy sent to Town Clerk: 4/5/12

