

MINUTES OF MEETING OF WAREHAM FINANCE COMMITTEE

Date of Meeting: July 24, 2013

I. CALL MEETING TO ORDER

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

II. ROLL CALL

Members Present: Larry McDonald, Chairman
Marilyn Donahue, Vice Chairman
Bonnie Cottuli, Clerk
David Trudell
Dominic Cammarano (Arrived at 6:41 P.M.)
David Heard
Joan Fontes
Marilyn Jordan

Members Absent: Tom Worthen

Also Present: Derek Sullivan, Town Administrator

III. CITIZENS PARTICIPATION

Present before the FinCom: Frank Heath

Mr. Heath offered the FinCom guidance for the upcoming year. He stated there is a need to get back to basics.

NOTE: The meeting proceeded w/ item V. Business – A. Introduction of new FinCom members.

Ms. Jordan discussed her work experience & her history w/ the Town. She expressed the reason for her interest in serving on the FinCom.

Ms. Fontes discussed her work experience & her history w/ the Town.

Mr. Heard discussed his history w/ the Town. He discussed his education, work experience, & experience in other municipalities.

Mr. McDonald noted the Town Bylaws, Div. 4, section 6 which describe the duties of the FinCom. He read a portion of this Bylaw into the record.

NOTE: Mr. Cammarano arrived at this time.

Mr. McDonald explained that the FinCom's main charge is to advise the public at Town Meeting. He stated Town Meeting will be the main focus/goal of the FinCom this year.

IV. TOWN ADMINISTRATOR'S REPORT

1. Local Aid.

Mr. Sullivan explained that the local legislators over-rode the Governor's proposal, thus, \$233,000 was not cut from the Town's local aid. He distributed documentation re: the FY2014 local aid estimates & local aid assessments & discussed briefly. (Attached as reference).

Mr. Sullivan suggested not appropriating the approx. \$233,000 right now. He feels this money should be kept as a safety net at this time. Mr. Cammarano asked where this money would be held. Mr. Sullivan stated it would flow out as Free Cash if & when needed. Ms. Donahue concurred with not allocating these funds right now. She feels at year end this money will most likely be needed.

2. Closing of FY2013 Books.

Mr. Sullivan explained the FY2013 books remain open until July 15th. He noted that inter-departmental transfers were not needed in FY2013. He stated the FY2013 year end numbers are still being reviewed & then the auditors will review the books. He stated the timeframe for finalizing the numbers are several weeks away. He also noted that the Town Accountant is interviewing contractors to review the numbers & to make sure the books are closed on time in the future. He also stated that this contractor will review all accounting material to make sure the Town stays current.

Brief discussion ensued re: how long the contractors typically stay on.

Mr. Sullivan noted the Financial Director position that will be added to keep tabs on daily financial matters. He stated that \$20,000 has been allocated for the contractual help.

3. Preliminary Five-Year Budget Projection.

Mr. Sullivan distributed & discussed documentation re: a preliminary five-year budget projection. (Attached as reference). He discussed at length issues, such as health insurance & increased assessments.

Mr. Trudell stated when the representatives from the Upper Cape Cod Regional Technical Vocational school were before the FinCom, their explanation for their increases was not satisfactory. He feels Upper Cape's Town representatives need to get more involved w/ the Town & the Town's position on finances.

Mr. Cammarano asked if there are any tax title real estate sales planned. Mr. Sullivan stated the Town cannot budget for these sales. He stated any sales proceeds will become

Free Cash. He noted there is a sale planned for August & a larger one for the end of the year.

Ms. Donahue asked about capital plans. Mr. Sullivan stated there is no access for capital funding in the current general budget. Mr. McDonald stated there is a need for capital planning for police vehicles.

Mr. McDonald noted there is no build-out projection for the new Rosebrook development. He also feels that w/in the projection, a 2% growth for schools is unrealistic. He stated the Town is looking at a structural deficit. He asked if any thought has been given for a plan to survive the next five years. Mr. Sullivan stated thought has been given for a plan, but it will take cooperation & work between Administration, the BOS, boards & commissions.

Mr. Trudell stated that failure to allocate funding for capital planning will mean things will fall apart year after year. He feels there is a need to put some capital items in the budget somehow.

4. School Dept. Move.

Mr. Sullivan explained that the School Dept.'s Everett Educational Center cannot house school staff anymore because of health/hazard issues. Some of the school staff have moved over to the Hammond School & some have moved over to the Town Hall. He stated the Career Center is moving out of the Multi-Service Center & the current School Dept. staff at Town Hall & the Everett Educational Center staff will be moving over to the available offices in the Multi-Service Center. He stated this will allow the Town Hall to be free & clear of School Dept. staff & if the Town Hall is to be shut down one day per week, for example, the Town now can totally shut down the Town Hall building. This will reduce heating & electrical costs & allow for extended hours at Town Hall in lieu of closing one day per week if decided.

5. Software.

Mr. Sullivan stated all department(s) software will be integrated going forward & is currently being worked on.

V. BUSINESS

A. Introduction of new FinCom members. (DONE)

B. Discussion re: FY2014 budget. (DONE)

C. Discussion re: Town Meeting process & FY2015 budget process.

Mr. McDonald stated he attended a BOS meeting in early July to discuss the Town Meeting process & ways to make it better. There is a need to follow the timeline as

stated in the Charter & to have confidence in the figures set forth. He briefly discussed the process.

Mr. McDonald stated it has also been suggested having the FinCom take over the development of motions at Town Meeting & be part of the motion writing process. Ms. Donahue concurs with the FinCom being involved in the motion writing process since the FinCom reads the motions at Town Meeting.

Present before the FinCom: Claire Smith, Town Moderator

NOTE: Mr. Trudell departed at this time.

Ms. Smith noted several areas of concern re: Town Meeting. She noted the guide available for submitting articles/petition articles for consideration on the Warrant & the need to give this format/guide to departments as well. She stated there is a need to do a better job of vetting articles & getting information. She stated on August 1st, there will be a meeting to discuss proposed changes, edits, etc. to the Town Meeting process.

Ms. Cottuli stated by the time the FinCom is done with what they need to do w/ the Warrant, she feels the motions get "highjacked" before the FinCom gets to Town Meeting. She asked why it would be the FinCom's responsibility to write the motions. She stated in the past, motions have changed from what they originally were, sometimes five minutes before Town Meeting. Ms. Donahue stated what Ms. Cottuli described is why the FinCom should be involved w/ writing the motions so the changes will be vetted before the FinCom & legally, the motions will be established as part of the process w/ Town Counsel & the Town Moderator. She explained it will not be the FinCom writing the motions on their own, but as part of a team effort & having the FinCom be part of the process.

D. Discussion re: Audit & Management letter.

Mr. McDonald the FinCom would normally get these documents earlier, but they did not. He noted the Audit Committee has not met yet.

Mr. McDonald stated there are several issues that still need to be resolved, but the Town is doing better than two years ago. He asked the FinCom to read through the documents & it will be discussed at the next meeting.

E. Sewer Enterprise Fund.

Mr. Sullivan discussed the possibility of having the DOR coming in & overseeing (auditing) this fund. The Town has reached out to DOR about this. He is hoping the DOR takes the Town as a priority on this issue.

Ms. Donahue asked if the position has been filled to help w/ the financials at the WPCF. Mr. Sullivan stated that Mr. Campinha did hire someone to help w/ the financials.

Mr. Cammarano stated that Mr. Campinha imparted to him that the WPCF is working w/ the two water departments re: going towards water usage vs. EDU's. Ms. Donahue stated this decision will be up to the BOS/Sewer Commissioners.

Mr. Sullivan briefly spoke re: the new parking kiosks. He discussed revenue generated over this past weekend. He briefly discussed the kiosk program.

F. Media & media relations.

Mr. McDonald stated he has been asked to move the FinCom meetings to the BOS meeting room on Wednesday evenings because of the ability to have live broadcasts from the BOS meeting room. The issue will be seating configurations.

Mr. Sullivan noted that the School Committee meets on Wednesday evenings as well & they will be moving over to the Multi-Service Center. He feels they may be utilizing the BOS meeting room for their meetings.

Present before the FinCom: Selectman Alan Slavin, BOS Liaison

Selectman Slavin stated the BOS will be asking WCTV to supply audio & video in the Town Hall auditorium.

Present before the FinCom: Bob White, WCTV

Mr. White stated he does not see a conflict w/ the School Committee meetings because they are held in the Middle School.

Mr. Cammarano asked how live broadcasting of the FinCom benefits the public. He stated with it being taped & shown later, he feels people would have a better opportunity to watch when they can. Ms. Donahue stated even w/ a live broadcast, the meetings can be re-broadcast. She stated the sound quality in the FinCom's current meeting room is terrible. She stated in the BOS meeting room, the sound quality & filming quality are better. Discussion ensued.

Mr. White added that if the FinCom moves to the BOS meeting room, the capability to project documentation the FinCom is discussing may be possible so people watching at home can see the documentation being discussed.

Ms. Donahue stated she was the FinCom's media liaison last year. She feels everyone is on the same page now & everyone can now focus on the issues. She suggested, for example that the five year plan be placed in the newspaper. She feels the FinCom needs to introduce themselves & let people know who the FinCom is & get information out in the *Wareham Week* newspaper, for example. She also stated the FinCom can recap important points at the end of meetings to go into the newspaper(s).

Ms. Donahue stated she also received a suggestion of the FinCom having a Facebook page. Discussion ensued re: the FinCom utilizing social media.

Present before the FinCom: Claire Smith, Town Moderator

Ms. Smith stated before the FinCom decides going towards Facebook, there is a need to know what the role of the FinCom is which is to advise Town Meeting.

VI. NEW BUSINESS (Unanticipated Items)

VII. LIAISON REPORTS

A. Liaison Assignments.

Mr. McDonald stated this matter will also be discussed at the next meeting. He noted what committees need FinCom liaisons & several members were assigned. They are as follows:

- Capital Planning – Mr. Heard
- Library
- Council on Aging
- WPCF – Mr. Cammarano
- Harbormaster –
- Town Accounting/Treasurer – Mr. McDonald
- Town Administrator – Mr. McDonald
- School Dept.
- Municipal Maintenance – Mr. Worthen
- Police – Mr. Worthen

VIII. APPROVAL OF MEETING MINUTES: JUNE 26, 2013

MOTION: Mr. Cammarano moved to approve the meeting minutes of June 26, 2013. Ms. Donahue seconded.

VOTE: (4-0-3)

Mr. Heard, Ms. Fontes, & Ms. Jordan abstained

IX. NEXT MEETING DATE & TIME

The next meeting will be held on August 14, 2013 at 6:30 P.M. w/ a meeting place to be determined.

NOTE: Present before the FinCom: Selectman Alan Slavin, FinCom Liaison

Selectman Slavin stated the BOS voted to create a new Town website & a Town Facebook page.

Selectman Slavin stated the BOS has a policy that any Town entity that wants to request CPC funding needs to obtain a letter of approval from both the BOS & the FinCom. He stated this policy has been in place, but has not been followed in the past. He stated the library & Municipal Maintenance need to submit a letter of approval from the BOS & the FinCom for their new requests for CPC funding.

Ms. Donahue feels the CPC should adopt this policy. Selectman Slavin stated the CPC cannot do this due to MA General Laws. He stated this BOS policy only deals w/ Town entities that want to apply for CPC funding.

X. ADJOURNMENT

MOTION: Ms. Cottuli moved to adjourn the meeting at 8:57 P.M. Mr. Cammarano seconded.

VOTE: Unanimous (7-0-0)

Respectfully submitted,

Kelly Barrasso
Kelly Barrasso, Transcriptionist

Date signed: 8/14/13

Attest: Bonnie Cottuli
Bonnie Cottuli, Clerk
WAREHAM FINANCE COMMITTEE

Date copy sent to Town Clerk: 8/15/13

**A TRUE COPY
ATTEST**

May Ann Scler
TOWN CLERK

**Town of Wareham
FY2014 Local Aid Estimates**

WAREHAM

	FY2014 Conference Committee	FY2014 Town Meeting Approved	Delta
Education:			
Chapter 70	12,416,757	12,416,757	0
School Transportation	0	0	0
Charter Tuition Reimbursement	147,125	151,575	(4,450)
McKinney-Vento reimbursement est.	75,039	75,039	0
Sub-Total, All Education Items	12,638,921	12,643,371	(4,450)
General Government:			
Unrestricted General Government Aid	1,713,054	1,673,496	39,558
Annual Formula Aid Calculation	0	0	0
Local Share of Racing Taxes	0	0	0
Regional Public Libraries	0	0	0
Urban Renewal Projects	0	0	0
Veterans' Benefits	220,182	220,182	0
State Owned Land	41,318	42,090	(772)
Exemptions: Vets, Blind, Surviving Spouses & Elderly	128,683	128,683	0
Sub-Total, All General Government	2,103,237	2,064,451	38,786
Total Estimated Receipts	14,742,158	14,707,822	34,336

FY2014 Local Aid Assessments WAREHAM

	FY2014 Conference Committee	FY2014 Town Meeting Approved	Delta
County Assessments:			
County Tax	70,342	70,342	0
Suffolk County Retirement	0	0	0
Sub-Total, County Assessments	70,342	70,342	0
State Assessments and Charges:			
Retired Employees Health Insurance	0	0	0
Retired Teachers Health Insurance	1,286,882	1,286,882	0
Mosquito Control Projects	84,172	93,907	(9,735)
Air Pollution Districts	7,249	7,249	0
Metropolitan Area Planning Council	0	0	0
Old Colony Planning Council	0	0	0
RMV Non-Renewal Surcharge	43,100	43,100	0
Sub-Total, State Assessments	1,421,403	1,431,138	(9,735)
Transportation Authorities:			
MBTA	0	0	0
Boston Metro. Transit District	0	0	0
Regional Transit	171,316	171,316	0
Sub-Total, Transportation Authorities	171,316	171,316	0
Annual Charges Against Receipts:			
Special Education	259	265	(6)
STRAP Repayments	0	0	0
Sub-Total, Annual Charges	259	265	(6)
Tuition Assessments			
School Choice Sending Tuition	318,125	336,102	(17,977)
Charter School Sending Tuition	377,643	393,842	(16,199)
Essex County Tech Sending Tuition	0	0	0
Sub-Total, Tuition Assessments	695,768	729,944	(34,176)
Total Estimated Charges	2,359,088	2,403,005	(43,917)

Town of Wareham 5 Year Budget Projections

Real Estate Taxes - Levy Base					
2 1/2 Authorized Growth	32,636,512	33,726,400	34,844,560	35,990,674	37,165,441
Override	815,888	843,160	871,114	899,767	929,136
	275,000	275,000	275,000	275,000	275,000
PROPERTY TAXES & OTHER REAL ESTATE TAXES					
	33,726,400	34,844,560	35,990,674	37,165,441	38,369,577
INTER-GOVERNMENTAL TRANSFERS					
School Chapter 70	12,416,757	12,540,925	12,666,334	12,792,997	12,920,927
School Transportation	-	-	-	-	-
Charter Schools	151,575	153,091	154,622	156,168	157,730
School Lunch	-	-	-	-	-
School Choice Receiving Tuition	-	-	-	-	-
Homeless Student Transportation Repayment - McKinney-Vento act	75,039	75,789	76,547	77,313	78,086
Sub Total School	12,643,371	12,769,805	12,897,503	13,026,478	13,156,743
Unrestricted General Government Aid	1,673,496	1,690,231	1,707,133	1,724,205	1,741,447
Annual Formula Aid	-	-	-	-	-
Veteran Benefits	220,182	222,384	224,608	226,854	229,122
Exemptions - Veterans, Blind, Surviving Spouses & Elderly	128,683	129,970	131,270	132,582	133,908
State Owned Land	42,090	42,511	42,936	43,365	43,799
Sub General Government	2,064,451	2,085,096	2,105,946	2,127,006	2,148,276
	14,707,822	14,854,900	15,003,449	15,153,484	15,305,019
CHERRY SHEET AID & OFFSETS					
EST. LOCAL REC. & REIMBURSEMENTS					
Local Meals Excise	425,000	429,250	433,543	437,878	442,257
Local Rooms Occupancy Excise	40,000	26,270	26,533	26,798	27,066
Boat Excise	70,000	68,070	68,751	69,438	70,133
Motor Vehicle Excise	2,080,000	2,084,554	2,105,399	2,126,453	2,147,718
Licenses & Permits	835,000	799,515	807,510	815,585	823,741
Fees	380,000	433,856	438,195	442,577	447,002
Rentals	100,000	105,555	106,611	107,677	108,754
Penalties & Interest	250,000	279,326	282,119	284,940	287,790
Other Local Receipts	-	-	-	-	-
Fines & Forfeits	105,000	108,039	109,120	110,211	111,313
Investment Income	15,000	19,918	20,117	20,318	20,521
Misc Recurring (Medicaid, Semass, other)	380,000	398,252	402,234	406,256	410,319
Misc Non-Recurring (Offset Receipts, District Assessment)	405,000	479,157	483,948	488,788	493,676
(In Addition)	-	-	-	-	-
Medicaid	-	-	-	-	-
Semass	-	-	-	-	-
Estimated Local Receipts - Total	5,085,000	5,231,761	5,284,079	5,336,920	5,390,289

Town of Wareham 5 Year Budget Projections

EXPENSE Department or Unit	FY14	FY15	FY16	FY17	FY18
Town Meetings - Wages	3,340	3,407	3,475	3,544	3,615
Town Meetings - Expenses	8,200	8,364	8,531	8,702	8,876
	11,540	11,771	12,006	12,246	12,491
Selectmen's - Wages	73,654	75,127	76,630	78,162	79,725
Selectmen's - Expenses	9,287	9,473	9,662	9,855	10,053
	82,941	84,600	86,292	88,018	89,778
Town Administrator - Wages	198,297	202,263	206,308	210,434	214,643
Town Administrator - Expenses	15,112	15,414	15,723	16,037	16,358
	213,409	217,677	222,031	226,471	231,001
Finance Committee	3,000	3,060	3,121	3,184	3,247
Reserve Fund	75,000	75,000	75,000	75,000	75,000
Town Accountant - Wages	112,170	114,413	116,702	119,036	121,416
Town Accountant - Expenses	28,914	29,492	30,082	30,684	31,297
	141,084	143,906	146,784	149,719	152,714
Audit	65,000	65,000	65,000	65,000	65,000
Assessors - Wages	264,144	269,427	274,815	280,312	285,918
Assessors - Expenses	18,485	18,855	19,232	19,616	20,009
	282,629	288,282	294,047	299,928	305,927
Revaluation - Expense	-	-	-	-	-
Treasurer - Wages	278,039	283,600	289,272	295,057	300,958
Treasurer - Expenses	99,500	101,490	103,520	105,590	107,702
	377,539	385,090	392,792	400,647	408,660
General Services - Wages	65,000	66,300	67,626	68,979	70,358
General Services - Expenses	65,000	66,300	67,626	68,979	70,358
Legal Services	220,000	224,400	228,888	233,466	238,135
Personnel Services - Wages	4,200	4,284	4,370	4,457	4,546
Personnel Services - Expenses	4,200	4,284	4,370	4,457	4,546

Town of Wareham 5 Year Budget Projections

Herring Agents	FY14	FY15	FY16	FY17	FY18
Municipal Maint. & Public Bldgs - Wages	863,756	881,031	898,652	916,625	934,957
Municipal Maint. & Public Bldgs	371,453	378,882	386,460	394,189	402,073
	1,235,209	1,259,913	1,285,111	1,310,814	1,337,030
Snow & Ice - Wages	61,000	62,000	63,000	64,000	65,000
Snow & Ice - Expenses	131,000	132,000	133,000	134,000	135,000
	192,000	194,000	196,000	198,000	200,000
Street Lights - General	110,000	150,000	153,000	156,060	159,181
Recycling - Wages	-	-	-	-	-
Recycling - Expenses	-	-	-	-	-
	-	-	-	-	-
Board of Health - Wages	158,139	161,302	164,528	167,818	171,175
Board of Health - Expenses	22,157	22,600	23,052	23,513	23,983
	180,296	183,902	187,580	191,332	195,158
Council on Aging - Wages	72,766	74,221	75,706	77,220	78,764
Council on Aging - Expenses	9,850	10,047	10,248	10,453	10,662
	82,616	84,268	85,954	87,673	89,426
Commission on Disabilities	800	800	800	800	800
Library - Wages	208,092	212,254	216,499	220,829	225,245
Library - Expenses	87,545	89,296	91,082	92,903	94,762
	295,637	301,550	307,581	313,732	320,007
Historical District Comm.	200	200	200	200	200
Historical Committee	200	200	200	200	200
	200	200	200	200	200
Departmental Wages	7,228,233	7,372,365	7,519,359	7,669,273	7,822,166
Departmental Expenses & Capital	2,280,782	2,359,754	2,402,485	2,446,050	2,490,467
General Government Departmental	9,509,015	9,732,118	9,921,844	10,115,324	10,312,633

Town of Wareham 5 Year Budget Projections

	FY14	FY15	FY16	FY17	FY18
ENTERPRISE FUNDS					
Water Pollution Control Facility Total - Revenue	6,956,540	7,304,367	7,669,585	8,053,065	8,455,718
WPCF Employee Health/Fringe Cost Revenue Offset	(583,000)	(617,980)	(655,059)	(694,362)	(736,024)
Water Pollution Control Facility Total - Expenditures	6,373,540	6,686,387	7,014,527	7,358,702	7,719,694
TOTAL ENTERPRISE FUNDS	-	-	-	-	-
REVOLVING FUNDS / OFFSET RECEIPTS					
Recreation					
Board of Health	1	1	1	1	1
Recycling	50,000	50,000	50,000	50,000	50,000
Shellfish	50,000	50,000	50,000	50,000	50,000
Transportation	30,000	30,000	30,000	30,000	30,000
COA Activities	210,000	210,000	210,000	210,000	210,000
Library Services	50,000	50,000	50,000	50,000	50,000
COA - Senior Adult Day Care	30,000	30,000	30,000	30,000	30,000
	50,000	50,000	50,000	50,000	50,000
Total Revolving Funds	470,001	470,001	470,001	470,001	470,001
Emergency Medical Services - Wages	680,976	680,976	680,976	680,976	680,976
Emergency Medical Services - Expenses	189,469	189,469	189,469	189,469	189,469
Emergency Medical Services - Capital	80,000	80,000	80,000	80,000	80,000
Total Offset Receipts	950,445	950,445	950,445	950,445	950,445