

## MINUTES OF MEETING OF WAREHAM FINANCE COMMITTEE

**Date of Meeting: February 19, 2014**

### **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  
Dominic Cammarano (Arrived at 7:00 P.M.)  
Tom Worthen  
Joan Fontes

Members Absent: Marilyn Jordan  
David Heard  
Jeff Tufts

Also Present: Derek Sullivan, Town Administrator

### **III. CITIZENS PARTICIPATION**

No-one came forward for Citizens Participation.

### **IV. BUSINESS**

#### **A. Recruitment & future FinCom position openings.**

Mr. McDonald stated there most likely will be three FinCom openings come July 1, 2014. He explained that applications are available on the Town's website or at the BOS office.

### **V. TOWN ADMINISTRATOR'S REPORT**

#### **A. FY 2015 Budget update.**

Mr. Sullivan distributed a letter from DOR re: Free Cash certification. (Attached as reference).

Mr. Sullivan stated Free Cash was approved & certified in the amount of \$874,361. The Sewer Enterprise Fund was certified in the amount of \$2,702,417.

Mr. Sullivan explained an error w/ Free Cash last year where a credit & debit were reversed. He stated what should have been a credit was shown as a debit. This correction is included in this current Free Cash figure.

Brief discussion ensued re: EMS receipts.

#### **B. FY 2014 Budget update.**

Mr. Sullivan stated January's figures are being worked on. He stated the police budget is trending towards a deficit. He noted several areas in which the Police Dept. has cut back, such as removing the Resource Officer from the School Dept. The Police Dept. is trying to keep their budget in line.

Ms. Donahue asked how Free Cash will be spent. Mr. Sullivan stated half of Free Cash will go into the Stabilization Fund. \$100,000 will replace lighting to more efficient lighting for Town buildings (including schools). This is considered a one time capital cost. The rest of Free Cash will go towards the snow & ice account.

Mr. McDonald stated that DOR recommends never using Free Cash for operating expenses. Mr. Sullivan stated monies may be needed for the personal property revaluation (\$14,000).

Ms. Donahue asked if pre-paid betterments are being broken out of the Sewer Enterprise retained earnings. Mr. Sullivan stated no. He noted where pre-paid betterments are placed.

Mr. Sullivan stated a capital plan is being put together for upgrades needed in the future.

Mr. Sullivan noted that the FY 2015 budget is still showing a deficit of \$232,000 out of a \$55 million budget. He feels this is an achievable gap.

#### **C. Printing of Warrant.**

Discussion ensued re: sending the Warrant out to print or doing it in-house.

Mr. Sullivan suggested possibly printing the Special Town Meeting Warrant in-house. He asked the FinCom secretary to obtain some quotes on sending the Annual Warrant out to print.

### **VI. FINANCE COMMITTEE MATTERS**

#### **A. Review Annual Town Meeting Warrant.**

The FinCom members reviewed the Annual Town Meeting Warrant.

Brief discussion ensued re: the following articles:

### Article 3 – Elected Officials' Salaries

Mr. Sullivan stated this includes the Town Moderator, Town Clerk, & the Registrar.

### Article 4 – Revolving Funds

Mr. Sullivan noted that the amount of the Recreation Revolving Fund should read \$1.00, not \$50,000.

### Article 5 – FY 2015 Capital Plan

Brief discussion ensued. Mr. Sullivan stated this is a placeholder. He stated the only capital item in the budget is for the police cruiser capital lease.

### Article 7 – Prop. 2 ½ Contingent Supplement to FY 2015 Budget

Ms. Donahue stated the Town Moderator will need to be spoken to re: the lottery system for this article & Article 6. Mr. Sullivan stated other articles have been linked together previously.

Brief discussion ensued re: prioritizing capital priorities.

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

### Article 8 – Upper Cape Cod Regional Voc-Tech School

Mr. McDonald stated that a figure from Upper Cape should be received sometime in March.

### Article 9 – WPCF Enterprise Fund

Mr. McDonald stated this article will be supplemented w/ an appendix for the WPCF budget.

### Article 11 – Rescind Previous TM Article re: Purchase of School Buses

Mr. Sullivan explained there had been a prior request for three school buses. At the time of this article's passing, the DOR subsequently disallowed this article because it would have put the transportation revolving fund into deficit.

### Article 12 – Return Everett Center to Town Control

Mr. Sullivan stated the School Dept. is not utilizing this building anymore. He explained there are some water & mold problems in the building.

Mr. Cammarano stated if the building comes back to the Town, would it be an expense to the Town. Mr. Sullivan stated there most likely would be a cost to the Town. There will be a need to keep it heated vs. shutting the building down completely. He discussed various ideas for the building.

Mr. Worthen stated all the Town's assets should be reviewed & a disposition plan should be implemented for assets the Town doesn't need.

#### Article 13 – High School Roof Project

Mr. Sullivan stated there was an engineering study done on the High School roof. He stated this article seeks to garner funds for the project. He noted that Bond Counsel has recommended ten-year bonding if the Town chooses to go this route.

#### Article 14 – Cemetery Sales

Mr. Sullivan stated the Cemetery Commissioners want control of these funds. He stated these funds would not go into the General Fund.

Mr. McDonald stated there are MA General Laws re: these funds.

Mr. Sullivan stated these funds would also not go towards paying any Town employees, such as Municipal Maintenance employees. He stated there are a lot of questions surrounding how this would all work.

Ms. Donahue stated she would like to know what the balance of this account is.

Brief discussion ensued re: MGL dealing w/ cemetery lots, how the funds can be utilized, etc.

#### Article 19 – Bylaw Amendment: Animal Control

Mr. Sullivan stated the Town Clerk should be consulted re: this article. He noted there have been many people coming into Town Hall w/ animals, putting them on counters, creating disruptions, etc.

#### Article 22 – Transfer Development Rights

Ms. Donahue stated there will be a public hearing on TDR on February 20, 2014. Mr. Sullivan stated basically this article deals w/ how the Town wants to develop.

Mr. Worthen volunteered to attend the public hearing & report back to the FinCom.

Brief discussion ensued re: TDR.

Mr. McDonald stated he would like to have the article recommendations shared w/ the FinCom prior to printing of the Warrant. He stated this could be done through a workshop meeting. Brief discussion ensued re: having a workshop to write recommendations. Mr. McDonald stated he would also like to deal w/ the Letter to Voters at the workshop meeting.

**B. Schedule articles to discuss w/ proponents.**

**C. Joint meeting w/ the BOS for other articles.**

Discussion ensued.

Mr. McDonald stated a joint meeting may or may not happen.

**D. Discussion of FY 2015 budget process.**

Mr. McDonald stated he attended a meeting w/ the School Superintendent & Town Administrator re: the framework discussed at a previous FinCom meeting.

Ms. Donahue feels the Town Administrator & the School Superintendent are on board w/ working together & seeing what can be done. They are putting together a proposal that includes changes, cuts, etc.

Mr. McDonald stated all Article 7 does is give the BOS an opportunity to discuss the framework & decide whether or not to put it forth for the ballot. Ms. Donahue noted there needs to be a viable plan going forward. She stated this plan is being worked on.

Present before the FinCom: Geoff Swett, School Committee

Mr. Swett stated if there is an override vote, it is successful, & if it doesn't state at Town Meeting how the money will be spent, it will just sit there. He stated Article 7 is not just an article to encourage the BOS to put this matter on the ballot. The contingent budget would in fact have to state what the money will be spent on. He stated this would have to be presented. He stated after that, the BOS would move it forward or choose not to move it forward. He again stated Article 7 is not just an explanation, but it is an appropriation of money. He stated Town Meeting appropriates.

Mr. McDonald updated the FinCom on discussions that were held w/ DOR. He stated a question had been raised re: at what point the State steps in & what do they do. He discussed the four levels of when the State steps in. He stated DOR is not currently looking at the Town as a candidate for "stepping in". He stated when a town can't set its tax rate, this is the first sign of trouble for the DOR. He stated a town also needs to have a balanced budget.

Mr. Sullivan stated none of the levels/options are very good. He stated if it comes to that point; the town loses control. He stated the Town needs to address the structural deficit albeit an override. Lengthy discussion ensued.

**VII. ANY OTHER BUSINESS**

**VIII. LIAISON REPORTS**

Mr. McDonald stated Liaison Reports should be taken off the agenda for now. Brief discussion ensued.

**IX. APPROVAL OF MEETING MINUTES: JANUARY 23, 2014 & JANUARY 29, 2014**

**MOTION:** Ms. Cottuli moved to approve the meeting minutes of January 23, 2014. Ms. Donahue seconded.

**VOTE: Unanimous (6-0-0)**

The FinCom members concurred to place the meeting minutes of January 29, 2014 on the next meeting agenda.

**X. NEXT MEETING DATE & TIME**

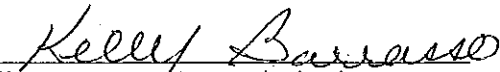
The next meeting will be held on February 26, 2014 at 6:30 P.M.

**XI. ADJOURNMENT**

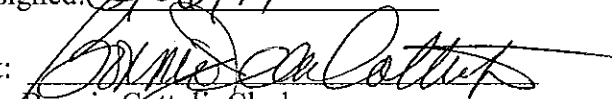
**MOTION:** Mr. Cammarano moved to adjourn the meeting at 8:05 P.M. Ms. Cottuli seconded.

**VOTE: Unanimous (6-0-0)**

Respectfully submitted,

  
Kelly Barrasso, Transcriptionist

Date signed: 2/26/14

Attest:   
Bonnie Cottuli, Clerk  
WAREHAM FINANCE COMMITTEE

Date copy sent to Town Clerk: 2/27/14

Massachusetts Department of Revenue Division of Local Services  
Amy Pitter, Commissioner  
Robert G. Nunes, Deputy Commissioner & Director of Municipal Affairs

Wednesday, February 19, 2014

Derek Sullivan  
Town Administrator  
Town of Wareham

Re: **NOTIFICATION OF FREE CASH APPROVAL - Wareham**

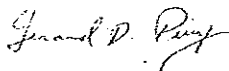
Based upon the unaudited balance sheet submitted, I hereby certify that the amount of available funds or "free cash" as of July 1, 2013 for the Town of Wareham is:

General Fund		\$	874,361
Sewer Enterprise Fund	Enterprise Fund	\$	2,702,417

This certification is in accordance with the provisions of G. L. Chapter 59, §23, as amended.

Certification letters will be e-mailed to the mayor/manager, board of selectmen, prudential committee, finance director and treasurer immediately upon approval, provided an e-mail address is reported in DLS' Local Officials Directory. Please forward to other officials that you deem appropriate.

Sincerely,



Gerard D. Perry  
Director of Accounts

cc:

aslavin@wareham.ma.us;dsullivan@wareham.ma.us;emiller@wareham.ma.us;jdonahue@wareham.ma.us;jfoster@wareham.ma.us;jwhiteside@wareham.ma.us;jlauzon@wareham.ma.us;nroth@wareham.ma.us;ptropeano@wareham.ma.us;pteitelbaum@wareham.ma.us;rbarboza@wareham.ma.us;soldfield@wareham.ma.us;sholmes@wareham.ma.us;scurry@wareham.ma.us;recapdata@dor.state.ma.us