

Board of Selectmen  
Second Floor Meeting Room  
November 7, 1996  
Minutes

The meeting was called to order by Chairwoman Kiggins as a joint meeting of the Board of Selectmen and the Finance Committee at approximately 7:30 pm on the 2nd floor of the Town Hall. On checking with the Finance Committee Chairwoman it was noted that a quorum of the Finance Committee was present. In addition to Chairwoman Kiggins, David Ernst, Cynthia Paine, and Ira Wood were present from the Board of Selectmen. Town Administrator John Hinckley was also in attendance. The Chair asked if the Town Administrator would take the minutes. He noted that they were being taped and would be transcribed.

Following a statement by the Chairwoman regarding the history leading up to the meeting and discussion regarding the guidelines for the discussion including the town administrator's direction to provide a level services policy. Selectmen Wood noted his feelings regarding Finance Committee concerns that level funding did not adequately address the financial issues facing the Town. Chairwoman Pickard noted that she did not feel the original policy addressed the rising costs of existing services and that in some departments it is impossible to keep the same level of salaries etc. without cutting services. Jim MacLachlan noted that long term projects have suffered as a result of the current policy. Howard Grossman submitted data showing the drop in buying power when inflation and other factors are not included.

Selectwomen Paine and Kiggins noted that in spite of the level funded budget, revenues were returned and the overall budget as voted, went up.

The Town Administrator noted that the only major change would be to use the term "Level Services" to indicate a willingness to adjust cost to account for inflationary impact on a budget. He emphasized the need to support the previous policy statement as it related to removing unnecessary costs and tightening up the budget. He noted the influence of tax increases from debt exclusion votes in the creation a higher tax rate, but pointed out that it was a tax increase that would be removed following the retiring of that debt. Discussion continued on these issues including whether the baseline for the budget should include the transfers and special town meeting actions during the previous fiscal year. Selectman Ernst discussed the low income levels of some residents and high property tax values on some properties in Wellfleet. He noted he would like to increase services to the Town and noted specific projects. Discussion continued including the status of the town's computer support. Jim MacLachlan noted that 2/3rds of the town's tax base comes from non-resident taxpayers. Discussion continued regarding what is wanted for the future of the town.



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Selectwoman Paine noted that she wanted to keep it (the town) affordable for the people, for the natives, the people who live here, the kids, and the senior citizens.

Selectmen Wood questioned if anyone intended to tax to the levy limit. Selectwoman Paine noted that nobody knows what the impact of the schools will be on the budget. Fin Com Chairwoman Pickard noted that the Committee looks at the previous budget Vs. the new budget. If they are the same, that's level funding.

Discussion turned to the impact of property revaluation on the tax rate and the impact of valuation going up or down. It was then noted that tourism is highly dependent on services and facilities that are appealing. If Wellfleet doesn't do this the income will go away. Chairwoman Kiggins noted that she would expect that the Department Heads have to make requests for capital improvements. Chairwoman Pickard noted that maintenance would preclude capital improvement needs. Discussion moved to allocations for maintenance in each department. Luke Fox noted that \$54,000.00/year is allocated to cover all building costs for the Town. The Chief of Police followed up on a question from Selectmen Ernst as to what department Heads get when they get their budget materials by stating that both the Finance Committee and the Board of Selectmen made it very clear that they are not looking for people to come forward with frivolous expenditures...your looking to keep the lid on expenditures a very prudent and reasonable goal. He went on to note that if you don't make repairs things become very very expensive. Were not talking about increasing services were talking about maintenance. Chairwoman Kiggins read an October 30th memo from the Town Administrator in which the administrator identified the baseline for the budget development and urged the department heads to attend the November 7th meeting. The question of deferred maintenance costs backing up to a critical point was raised. Chairwoman Pickard noted that prior to the Charter, special articles were utilized to earmark funds for specific maintenance projects. Selectmen Ernst noted the DPW Consultant Report recommended at least two additional staff be employed at the DPW. The Town Administrator noted that the only reason he raised the question (level services Vs. level funding) was to try to develop a consensus between the Board of Selectmen and the Finance Committee regarding fiscal policy so that the town might better define a goal to provide the same level of service even though other factors, including cost, may have changed.

Selectwoman Paine noted that she hadn't seen requests for additional funds during her two budget cycles as a Selectman. "Ask and submit your priorities". The Finance Committee Chairwoman noted Cynthia's point as well. The Town Administrator asked for clarification regarding whether departments reduced their initial budgets based on review.



The Assistant DPW Director noted that the bottom line of his budget remained the same. Chairwoman Kiggins and the Assistant DPW Director discussed past practice regarding the budget process. Fred Wolff suggested that a meaningful, cost effective, maintenance program, be included by department heads, in their budget messages.

Members of the Finance Committee noted again that departments were asked to level fund. Chairwoman Kiggins again noted that she felt the current policy was very flexible. Discussion turned to efficiency issues. Jim MacLachlan requested the DPW report and discussed his concerns that the Finance Committee had not received the draft DPW Report after authorizing funds to support it. He also noted that he was concerned that the Finance Committee had not received the Auditor's Report. He then commented on additional costs of implementing the computer network including a network manager. Selectmen Wood commented on the need to have a full-time grant writer.

David Ernst requested that the Town administrator provide the Bartlett Report to the Finance Committee. Selectman Paine noted that the Town Administrator is responsible for grants. The Administrator responded that the Charter notes that the administrator is responsible for the administration of the Town. He stated that doesn't mean that all those indicated tasks are done personally. He further noted that these could be delegated to others. He also advised that a grant writer was being addressed (with the Personnel Committee). Howard Grossman asked about the amount that might be expected from a full-time grant writer. Discussion on that subject continued. The Chairwoman commented on the Draft Bartlett Report and the time it remained as such. The Town Administrator responded that there was a contract that defined that an overview would be presented to the Board and then the Board would avail itself of an opportunity to meet with Mr. Bartlett personally. He went on in detail regarding the history of the report delay, and noted that Mr. Bartlett would still be happy to meet if the Board so desired. Chairwoman Pickard noted that the Finance Committee funded the study and have not seen it.

David Ernst suggested that Mr. Bartlett be asked to meet with the Finance Committee and the Board of Selectmen sometime soon after the Finance Committee has had time to read the report.

Selectwoman Paine expressed concerns regarding the computerization of Town Hall. She was very concerned about the cable and electric services for the computer. The Town Administrator outlined what has been done in the Town Hall Renovation project regarding these matters.

Cynthia Paine requested that the Finance Committee review the debt policy as part of the Budget Process.



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On a Motion by Selectwoman Paine: "Moved that the Board of Selectmen adopt their preliminary budget policy for fiscal year 1998 as we did several months ago" Seconded by Chairwoman Kiggins. Discussion followed regarding understanding intent.

David Ernst expressed concerns about cutting needed services in one place to pay for increases in another. Chairwoman Pickard asked for clarification regarding what is the budget baseline. It was agreed that the level funded line is the end of year cost for each department.

The Chairwoman noted that policy should be general and should be clarified from year to year.

The Chairwoman of the Finance Committee noted that operating costs should be considered, not capital expenses.

David Ernst discussed that the goal is to maintain quality services for the town and in connection therewith deal with the question of whether your reducing expenses or maintaining them or maybe even increasing them.

Jim MacLachlan emphasized that everyone needs to understand the message.

It was suggested that a memo be sent out to all departments requesting a maintenance wish list . The Town Administrator pointed out once again that the goal of the current policy statement deals with holding costs not maintaining services. Discussion followed regarding revenue generation strategies.

David Ernst proposed several changes in the current policy and discussion followed. Selectwoman Paine discussed possible amendments to her motion including methodology in implementing the policy. Following the discussion, the Town Administrator asked, due to the fact it was on tape, that the amended motion be stated. Further discussion followed on the content of the policy. Chairwoman Kiggins strongly recommended that a policy be adopted tonight.

Motion stated by Selectwoman Paine: "To adopt the fiscal year policy that we adopted a couple of months ago with the addition in the second paragraph: Furthermore it is recognized that maintenance, programs or services, may not be possible within these guidelines, thus department managers may submit separately, items they regard as priorities. It will be reviewed and, if appropriate and necessary, be funded in the budget process". Further discussion on the motion occurred.

Selectmen Ernst again discussed his concerns with further discussion from the members present.



At this point at the suggestion of Chairwoman Kiggins, members of the Finance Committee removed themselves to discuss other issues.

A motion made by Cynthia Paine and seconded by Chairwoman Kiggins, was amended by David Ernst to read: The goal of the Board of Selectmen for FY 98 is to maintain quality services and, at the same time, to review revenue sources other than the tax levy, in order to stabilize the tax rate.

In order to contain expenditures, the Board's budget policy includes basically level funding for the total of all departmental budgets except where factors beyond local control, including inflation, necessitate increased expenditures. Some service areas may require additional resources. Reduction in other services should be made if appropriate. Department managers are therefore requested to review all operations and services in their departments. In this connection particular attention should be given to seeking grant funds as a means of reducing budgets or increasing services without increasing expenditures.

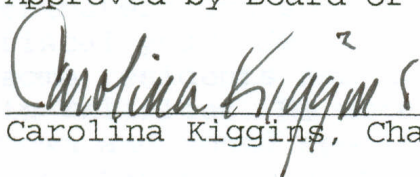
Furthermore, it is recognized that maintenance, worthy projects, programs or services, may not be possible within these guidelines plus new items they regard as priorities. These will be reviewed and, if appropriate and necessary, be funded in the budget process. Selectman Wood's "preserve the infrastructure" and other minor language corrections were made followed by the Board voting 4-0 in the affirmative. It was also noted by the Chair that the other sections i.e. Capital Expenditures and Debt as previously adopted would be included in the policy statement.

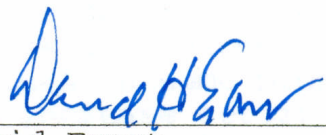
The meeting was adjourned at approximately 10:00 pm.

Respectfully submitted,

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John P. Hinckley, Jr.  
Recorder

Approved by Board of Selectmen:

  
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Carolina Kiggins, Chairwoman

  
\_\_\_\_\_  
David Ernst

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Cynthia Paine

\_\_\_\_\_  
Ira Wood