

FINANCE COMMITTEE MINUTES
Yarmouth Town Hall, Room A
August 12, 2013

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Present: Jack Moylan, Chair, Cathy Romboli, Vice Chair, Dorothy Voelker, Joseph Goldstein, and Alan Ferguson

Absent: Ed Noto, Phil Morris, and new member Chuck Hart

Administration: William Hinchey, Town Administrator, Sue Milne, Director of Finance

The meeting was called to order by Jack Moylan, Chair, at 6:30 p.m.

Mr. Moylan announced that Jessica Roberts resigned and moved to Virginia for a new job. He summarized her e-mail to him, in which she said that she enjoyed being on the Board and appreciated the older people being nice to her.

Mr. Moylan also announced that we had a new member, Chuck Hart, who is a former Selectman.

It was noted that there was a quorum of 5 members for this meeting.

TRANSFERS

The following two Internal Transfers were made:

1. For the construction of a cemetery building which has gone over budget. It was proposed that \$12,000 be transferred out of the following 2 old Articles:
 - a. Public Prop. Sp. Art 2005. Transfer \$2,977.86 and \$771.86
 - b. Public Prop Sp. Art 2006. Transfer \$8,250.28

Mr. Hinchey explained that this cemetery, Chandler Gray cemetery, was located on Higgins Crowell Road. It was originally budgeted \$40,000 for a FY 12 bid, and ran \$12,000 over budget. The foundation was to be done this week.

Mr. Ferguson objected to the manner in which money was held in Warrant Articles, not closed out, and used for internal transfers. He asked for an inventory of past Articles for the Finance Committee. Ms. Milne explained that the Town's Charter allowed for Internal Transfers. Mr. Ferguson also asked if there were a written financial policy handbook for the town. Mr. Hinchey explained that the financial practices of the town will be reviewed by the Board of Selectman in order to improve the Town's bond rating and be in compliance with the DOR.

There was a motion by Dorothy Voelker, seconded by Joseph Goldstein, to transfer \$12,000 from 2 old Articles to complete the Cemetery Storage Building. The vote was 4 in favor, 1 opposed.

There was also a discussion of Free Cash and the Reserve Fund which need Town Meeting approval for transfers.

1. For an increase of \$30,000 for a new Facilities Manager it was proposed that Engineering Wages be transferred to Public Building Wages.

The new Facilities Manager will join two people on the Project team, who are responsible for the maintenance of the buildings, Mr. Hinchey said. He went on to say that the balance of the new Facility Manager's wages would come from Project Funds. The Personnel Policy Board approved this new position.

A motion by Dorothy Voelker, seconded by Cathy Romboli, to transfer \$30,000 from Engineering Wages to Public Building Wages for a new Facility Manager's wages was unanimously approved, 5-0-0.

FINCOM ADMINISTRATIVE ITEMS

Mr. Moylan said that we must replace Jessica Roberts, and Chuck Hart was a new member.

Alan Ferguson asked for a list of open Articles through 2013 for the next meeting. He also asked that the Finance Committee look at the ratio of Reserve Funds to Total Budgets across the State. Sue Milne said it was about 6%.

TOWN ADMINISTRATOR'S UPDATE

Mr. Hinchey said that the Board of Selectmen will be looking at deficiencies in areas such as IT, Library, Police and Fire, and they will prioritize them at their next meeting on August 20th, 2013.

Mr. Goldstein asked about the denial of the School Project for Tanger Ray units (solar arrays) at three of the system's schools. Mr. Hinchey said that the Board of Selectmen supported it, but the Board of Appeals denied it for health and safety reasons. It was projected that this project would have saved \$70,000 per year when operating. This project could be appealed in two years in Superior Court or on the grounds that it has been modified significantly.

Mr. Ferguson asked about the restaurant at the Golf Course and its revenue. Mr. Hinchey said that due to objections from neighbors when a private vendor operated the restaurant at the public golf course, the town took it over. He said that it provides a potential economic opportunity, but to be realistic in our expectations, we must compare potential revenues with those of other communities with municipal golf courses.

There was further discussion of internal transfers. Mr. Hinchey said that using the Reserve Fund for unforeseen emergencies was a good theory, and that it may provide for better planning, but even the best planning often falls woefully short of goal. He cited the example of construction and the 40 B process when the local economic market is fluid and the union wage rate is volatile.

A motion was made by Mr. Ferguson proposing that the transfer documents be attached to the minutes in the future, seconded by Jack Moylan. The vote was 2 in favor, 3 opposed.

A motion was made by Cathy Romboli, seconded by Dorothy Voelker, that a copy of the Reserve Fund transfers and not Internal Transfers be attached to the minutes. After some discussion, Cathy Romboli withdrew the motion.

MINUTES

A motion was made by Cathy Romboli, seconded by Dorothy Voelker, to accept the minutes of the July 15, 2013 meeting. The vote was unanimously in favor, 5-0-0.

NEXT MEETING

For next month agenda: How the budget is approached, how it was addressed in the past, and how we expect to address it in the future? In addition the Committee will go over the Budget Review Process. Mr. Larry Azer was unable to come to this month's meeting as was scheduled.

The next meeting will be Monday, September 16, 2013, at 6:30 p.m. in Room A, Yarmouth Town Hall.

Dorothy Voelker made a motion to adjourn; it was seconded by Cathy Romboli. The motion was withdrawn.

Cathy Romboli nominated Dorothy Voelker for the position of Clerk, subject to her consideration. The nomination was seconded by Joseph Goldstein, and the vote was 5-0-0.

Cathy Romboli made a motion to adjourn at 7:40 p.m. The motion was unanimously approved, 5-0-0.

Respectfully submitted,



Grace E. Buckler, Recording Secretary