SANDWICH FINANCE COMMITTEE MEETING  
SANDWICH TOWN HALL  
MARCH 29, 2022. 7:00 PM  

G. Dunham, Town Manager; W. Jennings, Finance Director  

CALL TO ORDER  

Mr. Guerin called the meeting to order at 7:00 PM.  

REVIEW AND APPROVAL OF MINUTES  

Ms. Crossman moved to approve the minutes of March 8 and March 15, 2022. Seconded by Mr. Anderson. Approved with two abstentions.  

CORRESPONDENCE/STATEMENTS/ANNOUNCEMENTS  

Mr. Shea went to a tour of Upper Cape Tech. He met administrators and he believes this is an impressive education facility with many interests. It is well run and working on projects of value for the community. This is a great use of Town funds.  

Ms. Crossman attended as well. She was amazed at the welcome and the engagement with students.  

Mr. Guerin announced his retirement from the Finance Committee effective 4/1/2022. He has been on the Finance Committee for 9 years and has been a volunteer for the Town for 23 years. He has other hobbies of interest. Mr. Crossman, Mr. Dunham and members thanked him for his service.  

TOWN MANAGER REPORT  

1. The BOS voted the base budget articles on the warrant. There is one article they have not voted. Mr. Dunham gave the Committee the most recent draft; the only change is the numbers from the accounting office. He is working with counsel on language for a couple of articles.  
2. In response to a question about Town owned vehicles, Mr. Dunham will develop a list of which ones go to employees’ homes.  

Mr. McCormick said he is under the assumption that the Finance Committee can recommend articles, but the Board of Selectmen has voted on articles without the Finance Committee’s recommendations. Mr. Dunham said there is no requirement as to the order of voting. The Finance Committee advises Town Meeting, and the Capital Improvement Planning Committee is required to review any articles regarding capital requests. Only Selectmen can put articles on the warrant, except for petition articles, and submit ballot questions. There was a question as to whether the items other than the administrative offices on the School’s capital request are going to be itemized for approval? Mr. Dunham said that if the Committee supported the rest of the items, it could recommend an amount that does not include the amount for the administrative offices. There was some discussion of the intent of the vote taken at the last meeting, whether it was to approve the school capital or table the discussion until tonight. Mr. Guerin said that he believed that the intent of the Committee was to approve all the warrant articles this week; the members agreed that they would look at all the items.  

OLD BUSINESS  

Mr. Dunham reviewed the warrant:  
#1 - Reports and summary of the Long-Range Plan  
#2 - Budget - the large financial article - general government operating budgets plus interfund transfers. This represents a budget of 3.07% increase. Mr. Anderson moved to approve the budget as presented. Seconded by Mr. Shea. Ms. Crossman had a question about the Fire Department overtime; her impression from the consultant is that that amount would go down. Mr. Dunham responded that ideas addressed creatively
reorganizing shifts and hours. Mr. Dunham provided an explanation of why the budget balance changed over the process; a positive budget balance is an estimate to show that the budget is affordable. No money can be spent except what Town Meeting has approved. There is an additional funding amount for OPEB. Relative to the Fire Department overtime, the Committee is asked every year to fund the overtime; this year’s recommendation is an attempt to better address and manage the issue. The consultant report is not yet final, but approval of the article is not dependent on the receipt of the report. The motion was approved with 6 in favor and 2 opposed.

#3 Enterprise Funds – Mr. Anderson moved to approve Article 4 as presented. Seconded by Mr. Collup. There was a clarification about the additional funds for the marina as listed in article 10. Mr. Dunham explained that Article 10 is to cover a shortfall in the current year related to fuel prices. Article 3 was approved unanimously.

#4 - Revolving Funds. We vote an expenditure limit every year; these are the same amounts as last year. Mr. Anderson moved to approve Article 3 as presented. Seconded by Mr. Meomartino. Approved unanimously.

#5 - Annual Capital Budget - $150,000 each for the town and school and $125,000 for equipment at the golf course. This is a net $300,000 as the golf course funds will come out of their enterprise fund. Mr. Anderson moved to pass Article 5 as presented. Seconded by Ms. Crossman. Approved unanimously. There was a suggestion that there be a future joint meeting of the Capital Improvement Planning Committee and the Finance Committee.

#6 Chapter 90 Funds. Mr. Anderson moved that the Committee approve the request to accept Chapter 90 money. Seconded by Mr. Meomartino. Approved unanimously.

#7 - Cell Tower Funds. The cell tower at the High School contributes money that is used for athletic fields. Mr. Anderson moved to approve Article 7 as presented. Seconded by Ms. Crossman. Approved unanimously.

#8 – Beach revenues. This is set up to set aside 20% of the prior year’s revenues for beach renovation. Mr. Anderson moved to approve Article 8 as presented. Seconded by Mr. Meomartino. Approved unanimously.

#9 Room Taxes. Mr. Dunham explained that this is the first year of a special act that allows towns to charge a tax on short term rentals; this has expanded the amount of room tax funds. Town Meeting previously voted to use 50% for debt-eligible projects and the remainder divided among three organizations – the Sandwich Chamber of Commerce, The Canal Chamber of Commerce and the Sandwich Visitors Services Board. The taxes are collected by the State going directly to the DOR and proceeds are returned to the towns quarterly. Mr. Anderson moved to approve Article 9 as presented. Seconded by Mr. Shea. Approved unanimously.

#10 – Marina Transfer. This is for the current fiscal year for the marina due to increases in gas prices. They need to buy gas, but they charge more than what they pay. All unused revenue reverts back to the enterprise fund. Mr. Anderson moved to approve Article 10 as presented. Seconded by Mr. Meomartino. Approved unanimously.

#11 – CPA. This is the only CPA article this year. It is for debt obligations; 10% of projected revenue is set aside to pay the debt. Mr. Anderson moved to approve Article 11 as presented. Seconded by Mr. Collup. Approved unanimously.

#12 – Easements - requests for town land and also private property temporary easements for the Section 111.

#13 – Golf Course. This is authorization to bond and borrow for the golf project. Motion language is proscribed by State law; it identifies the principal amount only. Mr. Anderson moved to approve Article 13 as presented. Seconded by Mr. Shea. Approved unanimously.

#14. School Capital Project – this requires a debt exclusion. The motion explains how the money is being raised and how much will be authorized ($13 million). This requires a 2/3 Town Meeting vote and a majority vote for the ballot question. Mr. Anderson moved to approve Article 14 as presented. Seconded by Mr. Chaprales. The article motion and the ballot question language are worded for a debt exclusion; this is standard language for a project funded outside of 2 1/2%. Even if it passes at Town Meeting, if it is not approved by ballot, the project will not go forward. Discussion followed. Important points include the following:

- Is this the best use for the money? The Human Services Building could be sold instead, and the amount received could be used in other ways (roofs, playgrounds etc.). This would lower the amount requested
for the debt exclusion. Also, there needs to be more back-up information for the plan for the administrative offices; the numbers keep changing.

- The Upper Cape Tech students could assist with various aspects of the project to reduce the costs. Any project needs to directly benefit students, not the administration.
- Preliminary construction estimates are near $2 million for the administrative office. That number is not going down and there is a worry that the whole article will fail. There is also concern about the level of debt the town is incurring. Mr. Jennings reminded members that a fair amount of debt will be retired over the next few years. Putting off approving this could result in an enormous increase in borrowing costs related to inflation. Mr. Guerin suggested that the actual added impact for this would be approximately $10 on the average valued home. Mr. Anderson reminded the committee of the costs of moving the administrative offices; they have moved multiple times over the past years with an estimated cost of $100,000 per move. It is time to find them a permanent home.
- There is a question about the impact of the project on continuing maintenance. The information provided does not project a maintenance plan. Most of the items in this project are related to age of equipment and buildings and not lack of maintenance. Going forward, the committee should request a maintenance plan.

The vote was taken by roll call and failed to pass with 4 in favor and 5 against.

Mr. McCormick moved to approve the article as written but striking language about the Human Services Building and associated costs. Seconded by Mr. Collupy. Some members are in support of the entire amount of money because it is needed but would like to see further review of that part of the project related to the administrative offices. They would like to see more back-up on the projected costs. The motion fails by roll call vote with 2 voting in favor and 7 against.

Mr. Shea moved to approve the money as presented but with the stipulation that there be encouragement of further consideration and close supervision by the School Committee of construction and associated costs of the Human Services building part of the project. Seconded by Ms. Crossman. The motion passes by roll call vote with 7 in favor and 2 against.

Mr. Dunham said that one thing that could help is when the solar canopy is constructed at the High School the savings could be set aside for maintenance.

Other Matters Not Reasonably Anticipated for Old Business
None.

NEW BUSINESS

Other Matters Not Reasonably Anticipated for new Business
None.

ADJOURNMENT

Mr. Chaprales moved to adjourn the meeting. Seconded and approved unanimously. The meeting adjourned at 8:19 PM.

Note: Finance Committee meetings are recorded and available for viewing in their entirety on the Sandwich Community Television website: https://sandwichcommunitytv.org

Respectfully submitted,

Susan James
Susan James

Supporting Documents:
Warrant List (1 page)