

MINUTES

FINANCE COMMITTEE

Meeting: February 16, 2022

Present: Jerry Cerasale, Chair; Steve Cole, Vice-Chair; Mary Shaw, Clerk; Roy Merolli; George Deptula; Tom Gardner; Peter Wade (arrived 5:04); Rick Knight (left meeting 6:34); Russ French (arrived 5:04); Jacqui Beebe, Town Administrator; Art Autorino, Select Board Representative; Rich Bienvenue, Assistant Town Administrator/Finance Director; Silvio Genoa, Director of Public Works.

Members Absent: None

Jerry Cerasale called the meeting to order at 5:00 PM. This is a remote meeting via Zoom.

- **Approval of Minutes**
 - None presented

- **Discussion of Town Budget for DPW, Natural Resources, Maintenance, & Water Enterprise.**
 - Rich Bienvenue introduced Silvio Genoa, Director of the DPW to present a budget update.
 - Mr. Genoa reviewed the programs conducted by the DPW divisions as well as some accomplishments during the past year. Challenges and operational requirements in conducting their work were also discussed. Some questions and discussion included:
 - Staffing issues and the use of overtime.
 - Procedures and finances involved with the transfer station and recycling program.
 - Staffing and operations during storm events. Debriefing and recommendations learned from recent winter storm to be presented in the future.
 - Plowing of private and public roads.
 - Maintenance of roadways and drainage systems.
 - Approach to building and facility maintenance and interaction with the capital budget.
 - Consensus to postpone discussion on the Water Enterprise Fund budget to a future meeting.

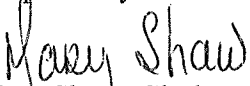
- **Initial Discussion on Finance Committee Letter for Town Warrant.**
 - Jerry Cerasale opened discussion and asked for feedback regarding preparation of the Finance Committee letter for inclusion in the upcoming Town Meeting warrant.
 - Discussion on some of the issues that ought to be included, in particular the potential of asking Town Meeting to consider an operational override.
 - Consensus of the Committee to have Rich Bienvenue, Finance Director prepare a draft of potential letter talking points that address the financial planning issues considered in arriving at the current draft budget.
 - Finance Committee to consider these points in its upcoming meetings in order to finalize its letter for inclusion in the warrant.
 - Rick Knight left meeting at 6:34.

- **Discussion on Finance Committee Appointment.**
 - Jerry Cerasale noted that member Roy Merolli's appointment concludes on June 30, 2022, and that Mr. Merolli has indicated he would like to continue serving on the committee.
 - Vote regarding the Finance Committee appointment to be taken at an upcoming meeting.

- **New Business**
 - Rich Bienvenue provided on update as to the status of FY 22 appropriations through January 2022:
 - Unemployment rates tripled at the beginning of the year but have since subsided, however, this budget line item is in deficit by a marginal amount and a Reserve Fund request will likely be made in the near term once additional information comes in to determine the final amount of the request.
 - DPW overtime accounts are currently in deficit due to storm events, however, will likely be offset by savings in other salary accounts. In the event these amounts cannot be covered through the savings, either a Reserve Fund transfer or year-end transfer from DPW expense account savings will be requested to cover what would be expected to be a relatively small amount.
 - Media salary accounts are higher than anticipated due to extended sick leave of full-time staff person necessitating additional work from part-time staff. Anticipated that savings from other municipal finance salary accounts will be sufficient to cover these amounts.
 - Snow & Ice account is currently overspent, which is allowed (and typical) but the preferred approach is to ensure funding of any snow & ice deficits in the current year as opposed to rolling into the upcoming year. Town Administration will likely ask the amount to be funded through a Select Board/Finance Committee year-end transfer from savings identified elsewhere in the budget. Final amount to be determined when winter season is complete. Alternatively, amount could be funded from an available fund at the upcoming Town Meeting.
 - Emergency Management expense account is overspent due to spending required responding to/managing the last snow event. Town staff to provide a debriefing and recommendations on emergency operations responses, will finalize amount of deficit and request a Reserve Fund transfer to cover this spending.
 - Fire Department overtime. As discussed at the previous meeting, FD overtime is expected to be significantly over budget due to staff vacancies from turnover and injured on duty claims. This is being managed by reducing call back and other overtime events to the extent they can be managed. In addition, we are also managing other salary line items to attempt to generate savings to offset the overtime overage. However, it is anticipated that the remaining overage will still be significant and require funding beyond what could be provided from the Reserve Fund. A Select Board/Finance Committee year-end transfer is anticipated from, first, FD expense accounts, then other budget accounts, and potentially the IOD Fund to cover the short fall.

- Rich Bienvenue indicated receipt of budget materials from the elementary school and regional school districts. Materials to be forwarded to the Committee for their review. Representatives from the Nauset District anticipated for the March 16, 2022 meeting.
- Rich Bienvenue updated the Committee on Finance Department staffing changes:
 - Town Treasurer, Susan Laak, is leaving for a position up cape, which is closer to home. We have hired an Assistant Town Treasurer/Collector that we will ask to have named as Interim Treasurer/Collector and begin a hiring process for a permanent replacement. The interim person hired is a qualified Treasurer/Collector and is anticipated to be a candidate for the permanent appointment.
 - Town Principal Assessor, Belinda Eyestone, has retired and hiring process concluded for her replacement. Colleen Mercurio has accepted the position and will begin on March 9, 2022.
 - IT Director, Jeff Caton, is retiring 2/18/2022. We will likely begin a hiring process for a replacement, but also provides an opportunity for us to look at how we operate our IT operation and consider some re-organization opportunities.
- Rich Bienvenue reported that the Town has recently begun to receive payments from the state for Marijuana Excise, and from local host fee agreements and that the amount of the proceeds is promising. Currently estimated in the \$400 – 500,000 range, annually.
- Mary Shaw inquired about our response to Barnstable County regarding the process for spending or allocating American Rescue Plan Act (ARPA) Funds.
 - Jacqui Beebe and Rich Bienvenue reported the Select Board have provided a letter, which they voted at their last meeting requesting Town's be allowed to spend directly, or on a reimbursement basis.
 - Rich Bienvenue indicated the Cape & Islands Town Managers have been discussing and that most Town's have sent similar letters to the County Commissioners and Assembly of Delegates.
- Next meeting is February 23, 2022 at 5:00pm.
- **Adjourn** – Motion by Steve Cole, 2nd by Russ French. Roll call vote 8-0-0, approved. Meeting adjourned at 7:01 pm.

Respectfully submitted,


Mary Shaw, Clerk

