



Town of Orleans
Finance Committee
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MEETING MINUTES

Thursday, November 2, 2023 – 7:00pm

This was a hybrid meeting of the Orleans Finance Committee convened in the Nauset Room at Town Hall, with remote participation provided by Zoom technology. Real-time public access was provided by Orleans Channel 8 on the Town website and cable television.

The meeting was called to order at 7:00pm by Finance Committee Chairman Nick Athanassiou. Also attending, and thus constituting a quorum were Vice Chairman Chris Kanaga, Clerk Elaine Baird and Committee members David Abel, Lynn Bruneau, Ed Mahoney and Peter O’Meara (the latter participating remotely). Tony Pearl and Constance Kremer were absent.

Guests: Peggy O’Sullivan from Media Operations provided technical support for this meeting.

(00:00) Announcements/Public Comment

Ms. Bruneau reminded the audience that the Town Election is on Tuesday, November 7. The polls are open at the Council on Aging from 7am-9pm. There are 3 ballot questions.

Ms. Bruneau also noted that this year’s New Committee Member Orientation will take place in the Nauset Room on Wednesday, November 8 in the Nauset Room. All new members and Chairs of Town boards and committees are encouraged to attend.

Also, on November 8 at 5:30pm in the Nauset Room, the Wastewater Management Advisory Committee (WMAC) is sponsoring a public information session on the update of the Town’s Comprehensive Wastewater Management Plan (CWMP).

The Planning Board has scheduled two public “Visioning Sessions” as part of their effort to update the Town’s Local Comprehensive Plan (LCP). The first one will be on November 16 from 5:30-7:30pm at the COA and the second on December 5, from 3-5pm, at the Police Department’s Community Room.

(4:00) Review/Approval of Finance Committee Meeting Minutes – 10/12/2023

- **10/12/23 – Ms. Baird moved to approve the minutes of the 10/12/23 Finance Committee meeting; Mr. Kanaga seconded. The vote was 7-0-0 with Mmes. Baird and Bruneau, and Messrs. Abel, Athanassiou, Kanaga, Mahoney and O’Meara all voting “aye” by roll-call.**
- **10/16/23 – Ms. Baird moved to approve the minutes of the 10/16/23 Fin Comm meeting; Mr. Kanaga seconded. The vote was 6-0-1 with Mmes. Baird and Bruneau, and Messrs. Abel, Athanassiou, Kanaga and Mahoney all voting “aye” by roll-call. Mr. O’Meara abstained as he was absent from the 10/16/23 meeting.**

(5:30) Approve payment of MMA membership bill

Mr. Athanassiou informed the Finance Committee that there is a bill for \$190.00 from the Mass. Municipal Association (MMA) for the Committee’s annual membership in the MMA’s Association of Town Finance Committees. A copy of the invoice had been shared with Committee members.

Mr. Kanaga moved to approve the bill for Mr. Athanassiou's signature and for payment by the Finance Department from Fin Comm's account; Ms. Baird seconded. The Committee vote was 7-0-0 with Mmes. Baird and Bruneau, and Messrs. Abel, Athanassiou, Kanaga, Mahoney, and O'Meara all voting "aye" by roll-call.

(7:00) Special Town Meeting debrief/discussion

Mr. Athanassiou asked Committee members for their observations regarding the October 16th Special Town Meeting:

Mr. Kanaga reiterated his concern that special interest groups are able to garner interest in certain issues, and having Articles on the Warrant, when there may be fewer attendees in the fall. Mr. Mahoney was concerned with the sequencing of the Articles, suggesting that the most important and/or controversial Articles be in the beginning when attendance is at its highest.

Ms. Bruneau said that, per the Town Clerk's records, there were 469 voters in the start and 334 in the end for the final vote. She noted that changes may be coming with the guidance of the new Town Manager, Ms. Newman, and that these observations may be addressed during that process.

Mr. Mahoney raised a question about controls over the electronic vote "clickers", particularly when people are leaving the meeting and to ask for them to be turned in. Ms. Bruneau will follow up with the Town Clerk, Kelly Darling, with regard to controls over the clickers.

Mr. Athanassiou suggested having a big clock for speakers to clearly see when they are reaching the 3-minute limit. Fin Comm members agreed that long speeches generally lose the interest of the voters and can lead to a longer meeting.

Ms. Bruneau noted that she has heard strong support for the Fin Comm presentations at Town Meetings, when Fin Comm members are speaking to Articles either in support or opposition.

Mr. Athanassiou discussed the number of Warrant Articles, and how processes can be improved to reduce the number of items that are required to go to Town Meeting. He also discussed how Articles are written and information provided leading up to the Meeting. Committee members discussed how it might have a larger role in the writing of Articles and assembling of the Warrant, in cooperation with the Select Board and Ms. Newman.

(22:00) Free Cash "history" analysis presentation/discussion

Mr. Athanassiou said that Ms. Newman approached him and Ms. Bruneau for some support in researching/understanding the use and management of Free Cash in the Town of Orleans. Ms. Bruneau outlined the work that she and Mr. Athanassiou had done, pulling Free Cash-related materials from Fin Comm "archives" (eg, the Finance Director's fiscal year-end presentations) and then the development of a spreadsheet to capture and compare the information. The material was provided to Ms. Newman and Micaela Miteva in a meeting yesterday afternoon (11/1/23).

Mr. Athanassiou and Ms. Bruneau noted that the underlying data is difficult to compare because the way the data was gathered and summarized varied over the years (eg, in 2017, Water Department revenue was included in the totals but not in later years; data for the Enterprise Funds was excluded from the totals beginning in FY2022; etc.). In the meeting w/ Ms. Newman, Ms. Bruneau and Mr. Athanassiou discussed the adoption of the Free Cash Policy (in September 2020) and the Finance Director's focus on maintaining the Town's AAA Bond Rating, increasing the level of Free Cash reserves and maintaining the stabilization funds.

Ms. Bruneau noted that the Auditors will be coming in a few weeks to provide their report. She provided Ms. Newman with questions and comments for the auditors related to the FY2022 Audit Report. Ms. Bruneau also noted that Ms. Newman plans to put the audit out to bid, as Powers & Sullivan has been doing the audit for many years now.

There was further discussion on how Fin Comm can work with Ms. Newman to improve the efficiencies of Town operations and budgeting. The Free Cash analysis material will be forwarded to Fin Comm members.

(42:00) Follow-up to Q&A with Finance Director re FY23 Financial Results presentation

Ms. Bruneau reviewed the responses to a list of questions that Fin Comm had asked of Finance Director Cathy Doane about the FY23 Financial Results presentation. A follow-up meeting has been scheduled with Ms. Doane to focus specifically on the reconciliation of Enterprise Fund balances - to ensure that Fin Comm understands the reconciliation before Ms. Doane's anticipated retirement.

Mr. Kanaga discussed Enterprise Funds, and importance of having clarity on how the Funds are structured to cover costs. Ms. Bruneau noted that there will be a continued discussion on this with Ms. Newman and Ms. Doane.

FY25 Fin Comm Budget - Preliminary Discussion

Mr. Athanassiou noted that Fin Comm needs to submit its own budget by mid-November (following Town Hall guidance/formats). He asked Committee members for comments on the draft version that he provided. Ms. Bruneau commented on Reserve Fund alternatives - with one version at the standard \$80k and another at \$500k per Fin Comm's 8/31/23 discussion with Town Manager Kim Newman. Ms. Bruneau briefly reviewed all sections of the budget, such as salaries and wages, office supplies, and dues and memberships. There was further discussion.

The Committee preference was to proceed with the \$500k Reserve Fund version of the draft budget - which will be officially voted at the next Fin Comm meeting. It was suggested that examples of how this additional funding might be utilized should be included in Attachment A.

(1:02:00) Preliminary discussion re Fin Comm Liaison roles/assignments for FY24

Mr. Athanassiou discussed liaison assignments, particularly for new members and to cover the roles that previous members had been responsible for. Mr. Athanassiou noted that Mr. Pearl had expressed an interest in the Shellfish and Waterways Committee and the Marine & Fresh Water Advisory Committee. Mr. Abel is interested in the Energy and Climate Change Committee, the Schools, and Housing-related Committees.

There were no significant changes in liaison roles, and Mr. Athanassiou will update the list accordingly.

(1:14:00) Discussion re process/timeline for Fin Comm letter for Town Annual Report

Ms. Bruneau provided the 2021 and 2022 calendar year reports as a reference. The report must be submitted by early January 2024. Fin Comm will continue discussing the report over the next few meetings, with perhaps a "huddle" to get things started.

(1:20:00) Updates/Liaison Reports as appropriate.

Ms. Baird discussed the Council on Aging, and current staffing. They are fully staffed, except for bus drivers. She noted in particular the time and effort that goes into hiring staff. She also discussed water pipe issues at the COA and the improvements being made. Finally, the COA will be having a discussion about its gift policy in the coming months.

Ms. Bruneau noted a joint meeting of the Affordable Housing Trust Board and the Affordable Housing Committees on November 7 to continue their discussion of the Housing Study update currently underway.

Ms. Bruneau also briefly reviewed highlights from the 2 most recent Select Board meetings, including the "Build-out Analysis" which had been presented previously at a Planning Board meeting (10/24) - identifying buildable lots and estimating potential population growth.

Ms. Bruneau also provided a brief update on recent Board of Water & Sewer Commissioner meetings and Wastewater Management Advisory Committee meetings as well as the weekly Meetinghouse Pond sewer project meetings. She noted that this week's Economic Development Committee hosted Cape Cod Chamber of Commerce President Paul Niedzwicki, who provided interesting comments on regional as well as local economic development priorities.

Ms. Bruneau noted the OES School Committee meeting on 10/23 and the OCF-sponsored school-focused session on 10/26. Mr. Athanassiou will be representing Fin Comm at an OES building project-focused meeting on November 18.

(1:48:00) Review Meetings Schedule and Items for Future Agendas

- Thurs, Nov 16, 6:15pm: Fin Comm meeting, w/ Fire Chief Geof Deering for a Reserve Fund Transfer request (to help cover the cost of his vehicle recently destroyed by fire)
- Thurs, Dec 7, 7:00pm: Fin Comm meeting
- Thurs, Dec 14, 7:00pm: Fin Comm meeting (last of 2023)

(1:49:00) Adjourns

Mr. Mahoney moved to adjourn; Ms. Baird seconded. The vote was unanimous, 7-0-0.

The meeting adjourned at 8:49pm.

Respectfully submitted,
Courtney Butler, Secretary

The documents listed below are all in the Finance Committee Drop Box except as noted:

1. 11/2/2023 Fin Comm meeting agenda
2. Draft 10/12/2023 Fin Comm meeting minutes
3. Draft 10/16/2023 Fin Comm meeting minutes
4. MMA Invoice for Annual Membership in Association of Town Finance Committees
5. October 16, 2023 Special Town Meeting Warrant
6. Free Cash "history" analysis/presentation materials
7. FY23 Year-End Financial Results Presentation - Q&A with Finance Director
8. Draft FY25 Fin Comm budget material
9. FY24 Fin Comm Liaison assignments
10. 2021 and 2022 Fin Comm Annual Town Reports

The minutes of the November 2, 2023 Finance Committee meeting were reviewed and approved at the November 16, 2023 meeting. **Motion to approve by Ms. Baird; second by Mr. Kanaga. The vote was 6-0-2 with Mmes. Baird and Bruneau and Messrs. Abel, Athanassiou, Kanaga and Mahoney voting “aye”. Ms. Kremer and Mr. Pearl chose to abstain as they were both absent from the 11/2/23 meeting.**

