

**CAPE COD REGIONAL GOVERNMENT - ASSEMBLY OF DELEGATES
NAUSET BEACH GAZEBO
250 BEACH ROAD
EAST ORLEANS, MA 02653**

APPROVED Journal of Proceedings - August 17, 2016

Speaker BERGSTROM: Welcome to our Nauset Beach meeting hosted by the Town of Orleans. We are grateful to Chris Kanaga for that and John Ohman for setting up. So it's now after 4 o'clock.

I'd like to call this meeting to order. This is the Wednesday, August 17th session of the Cape Cod Regional Government Assembly of Delegates.

Anyone recording this meeting besides our normal recording? No.

In that case, we'll begin with a moment of silence to honor our troops who have died in service to our country and those -- and all those serving our country in the armed forces.

(Moment of silence.)

Speaker BERGSTROM: Thank you. We will now stand for the Pledge of Allegiance.

(Pledge of Allegiance.)

Speaker BERGSTROM: The Clerk will call the roll.

Roll Call (78.79%): Ronald Bergstrom (2.84% - Chatham), Lilli-Ann Green - (1.27% - Wellfleet), Christopher Kanaga (2.73% - Orleans), James Killion (9.58% - Sandwich), Marcia King (6.49% - Mashpee), Edward Lewis (4.55% - Brewster), Teresa Martin (2.30% - Eastham), Suzanne McAuliffe (11.02% - Yarmouth), John Ohman (6.58% - Dennis), Brian O'Malley (1.36% - Provincetown), Patrick Princi (20.92% - Barnstable), Linda Zuern (9.15% - Bourne).

Absent for Roll Call - Arrived Late (0.93%): Deborah McCutcheon (0.93% - Truro).

Absent (20.28%): Edward McManus (5.67% - Harwich), Julia Taylor (14.61% - Falmouth).

Clerk O'CONNELL: Mr. Speaker, we have a quorum with 78.79 percent of the Delegates present; 21.21 percent absent.

Speaker BERGSTROM: Okay. Thank you.

Speaker BERGSTROM: We'll now need a motion to approve today's calendar of business.

Mr. LEWIS: So moved.

Ms. KING: Second.

Speaker BERGSTROM: All those in favor? Aye. Opposed?

(Motion carried)

Speaker BERGSTROM: Okay. You should have received a copy of the Journal of our last meeting of August 3rd. Are there any additions or corrections to the journal?

Mr. O'MALLEY: Mr. Speaker, I've read the minutes, and I move approval as distributed.

Ms. KING: Second.

Speaker BERGSTROM: Okay. All those in favor? Aye. Opposed?
(Motion carried.)

Communications from the Board of Regional Commissioners

Speaker BERGSTROM: Okay. Now we have a representative from the Board of Regional Commissioners here. Next up on the agenda all the way from Falmouth.

Commissioner FLYNN: All the way from Falmouth, except that I got a ride from Barnstable.

Speaker BERGSTROM: Yes. You can sit up here if you want.

Commissioner FLYNN: No, this is fine. I'm okay back here. I guess -- we had a very short meeting today. Sheila wasn't there. She was on the Vineyard.

Speaker BERGSTROM: Is that why it was a short meeting?

Commissioner FLYNN: I'll leave that up to you. Actually, it was short because we just didn't have that amount of business to do today but we will. Next week we are going to have an executive session related to the issues with the Fire Academy. And that will be very interesting. As you know, we've been working with a special counsel on that matter. And Jack, our County Administrator, has been working with Mark Ells and Dan Santos with the town of Barnstable. And I mean these are not issues -- and also the DEP or EPA.

And these are not issues that cannot be resolved; they can be resolved. Everybody has them on the Cape. I mean finding PFOS in the water is not the most unusual thing at least on Cape Cod.

And DEP is very familiar with working on it from the base. I'm very familiar with it because I've been working on base issues since 1988. So there's nothing new there. And I think that's probably our most important challenge right now is to deal with that.

So, with that, I'll turn it over to Jack.

Speaker BERGSTROM: Do you have anything to add to it Jack?

Commissioner FLYNN: And it's so nice to be here. I hope you keep doing this because I look for to this every year. We have to reelect John.

Speaker BERGSTROM: I think he's unopposed.

Mr. O'MALLEY: We don't get to.

Mr. OHMAN: I want to let you know that we've been doing this since 1999, so that's, what, 18 years in a row, and it has been sunny every one of those 18 years. They're never been even a cloudy day.

Commissioner FLYNN: And breezy.

Mr. OHMAN: This is kind of breezy.

Speaker BERGSTROM: Well, we passed an ordinance that says it would have to be sunny every time we had this meeting.

Mr. OHMAN: And you bring good luck to us too.

Mr. KANAGA: It had to be us who passed it because, certainly, Orleans and Chatham couldn't have agreed.

Speaker BERGSTROM: Don't we own part of this beach?

Mr. LEWIS: It's certainly not Orleans and Eastham.

Mr. KANAGA: Exactly.

Mr. LEWIS: I guess the majority -- it seems to be Orleans.

Mr. KANAGA: Yes, it's something in common.

Speaker BERGSTROM: Okay. This is a business meeting here. Jack.

Administrator YUNITS: Thanks. I just want to let John know that I finally got around to registering to vote so you're two up now. I'm at my new place in Dennis.

Just one quick thing here. If you want an update on the PFOS problem in America, Silent Spring just released a new study. It came out this week. Sixty-five million people are affected with PFOS in their drinking water across the country. So it's not a unique problem. And maybe it's time for the government to step up and do something about it.

Then I'm going to defer my time to our brilliant Finance Officer, Mary McIsaac.

Speaker BERGSTROM: Well, before you do that, I see County Commissioner Cakounes approaching the gazebo, so I'll ask him if he has anything to add, and then we'll go to Mary. Leo, your timing is impeccable.

Commissioner CAKOUNES: Excellent. Thank you. Where are we?

Speaker BERGSTROM: Commissioner Flynn gave us a rundown on --

Mr. OHMAN: On your Lincoln meeting.

Speaker BERGSTROM: -- your meeting today and I just wonder if you have anything to add to that.

Commissioner CAKOUNES: The only thing I have to add is I have to drop off an ordinance, a Proposed Ordinance, and it's in regards to a budget transfer (16-08).

Speaker BERGSTROM: Okay.

Commissioner CAKOUNES: I don't know how much you want to get into it now but hopefully you --

Speaker BERGSTROM: We won't get into it.

Commissioner CAKOUNES: Yes. We're just looking to take some money out of two reserve accounts presently and putting it into a different allocated reserve account.

Speaker BERGSTROM: Okay. Good enough. So I guess Mary, you're up.

Communications from Finance Director

Finance Director MCISAAC: Thank you. Can I stand sort of between you?

Commissioner CAKOUNES: Oh, I'm sorry. Is this we're you're supposed to sit?

Finance Director MCISAAC: No.

Speaker BERGSTROM: Why don't you sit up here.

Finance Director MCISAAC: Sure. Well, good afternoon, everyone. Thank you for having me. And it's a good opportunity to be brief and give you some comments about certain items that Jack had brought forward to the chair.

So, today, I'd like to just briefly update you on the kinds of things that are happening in finance. Basically, we're overhauling our vision in finance. And really what's driving that is the need for us to have a true team approach to everything to what we're doing, to achieve all of our goals and objectives, to be as efficient as we can, and, also, to be transparent in all of our activities, and have a true involvement of all of the county departments in what we're doing and what we're trying to accomplish based on the goals and objectives that we have from the County Commissioners and the Assembly.

So to that end, we are reviewing -- I've broken it out really into reviewing the duties and responsibilities of our office. So we're looking at overly broad things like we're talking about treasury management, which involves not only issues to do with revenues and expenditures but talk about financing strategies.

We're talking about a real scientific approach to our cash flow and managing that and seeing where we are and where we're going and making good projections into the future so that we can budget more intelligently.

We're also talking about budget management, and we're breaking that down into budget management in terms of our operating budget and in terms of our capital budget.

In terms of our operating budget, you know, we're really looking back at the history of the last five years and we're going forward with that historical perspective. We're reaching into the future in projecting, based on our goals and objectives, what we can really afford to do in terms of operations and prioritizing the things that we need to do so that we can accomplish as much as we can with, let's face it, with limited sources of revenue other than some grant opportunities that might come our way unexpectedly. But for the most part, we can predict -- we're hoping to be able to predict pretty closely what our revenues realistically will be for us.

And in terms of our capital program, we introduced this year the idea that we'll be reporting to you on prior years' projects. We'll be giving you status reports on the capital project. And the five-year plan will be more of a living document where we're examining that periodically to see where we are in terms of the success of things that we've launched upon and what are needs are.

Because sometimes depending on what grants we get or don't get and the success of certain things, our needs could change. And we want to be able to respond to that in our capital plan as well as in our operating plan.

So for budgeting -- for budget management, we're looking at those kinds of things. We're also looking at debt management, and we've had a lot of conversations about that with the Assembly and with the Commissioners with respect to our capital deficits and how we're dealing with that going forward.

I was taking a lot of research. We're probably a year out from really defining into the future how we're going to resolve that \$8 million of deficits. But it's coming together. The research is happening and we have great support from bond counsel, from our finance advisor, and from a lot of external parties that have a great deal of interest in seeing Barnstable County succeed in getting its finances in order. So I'm very encouraged about that.

But at the same time, we have to draw together policies and procedures to make sure that we don't go down that road again, that something like that cannot

possibly occur without more than one party being involved in some part of it so that, you know, sort of a red flag is raised and there's attention paid to those matters so that we don't go there anymore.

So, basically, when we're talking about the primary roles and responsibilities, it's really the umbrella of all these major functions. Internal to my office where at the same time that we're looking at these things to collaborate as a team more as an independent set of officers or employees in my department where one person does payroll and one person does A/P and one person does procurement and everything else.

For us to be the most efficient, we need to operate as a team. So we're looking at job descriptions and enhancing them and modeling them so that they more perfectly line up with each other so that based on -- really based on the defined position, someone is automatically part of the team and they're automatically support to somebody else, if not more than one person, even if just in an absence of a backup.

So by design, the job descriptions will fit with each other and be more than pieces of a puzzle that forms the team and not just independent silos, sets of responsibilities where one person is solely responsible for one thing and maybe doesn't have the training and education in something else or has no exposure. Because at the end of the day, having no exposure to something else is a disconnect. It doesn't allow employees to be cross-trained and educated in a well-rounded manner, which is really what we need in order to succeed. So we're looking at the job descriptions internally.

And so, as you can imagine, we're having a lot of conversations and a lot of meetings, doing a lot of research in terms of other communities and what they do and what works for them and what doesn't work for them because you can -- it's so much easier to learn from someone else's experience and to guard it and funnel it into what your needs are and design it to suit your purpose. So were spending a lot of time on that.

I'm still in my first year, so I'm still finding my way about some of the history and learning about the people who work for us and what their strengths are, and where we need training and education and a little more experience.

So as far as management goes, I think that those are the key points that I'd like to probably deliver to you today about what we're doing. And we're soldiering on and every day brings a new challenge. So we'll get there. It's exciting. Lots to do.

And with respect to -- if you have any questions certainly just anytime --

Speaker BERGSTROM: Suzanne.

Ms. MCAULIFFE: A comment. I think the approach you're taking is much more suitable for a governmental operation with the openness, the transparency, the collaborative, and I'm very happy the way you're going.

I think we were a little bit of a -- part of a business model before where there was one person saying it's my way and that's the way it is. So I think this is a good government strategy.

Finance Director MCISAAC: Sure.

Ms. MCAULIFFE: I have a minor question. I saw in the paper that the home sales on the Cape are down. Do you track the Registry of Deeds revenue on

an ongoing basis?

Finance Director MCISAAC: Yes.

Ms. MCAULIFFE: And how is it matching up with what your projections or your estimates were?

Finance Director MCISAAC: I've recently spoken to Dave Murphy in the Deed's Office and they track it meticulously. They literally track it daily. They can tell you on a certain Friday that it always gets blown out of the water or -- I mean, it's really -- it's more than a science to him. And he is not surprised about the numbers recently. The summer is slower. August is particularly slower than July, so it follows the trend that he expects and maybe the dollar number is a little lower than it has been but it's not surprising to him and it's fully expected. So we've got a chance to talk to him and he's pretty comfortable with that.

Speaker BERGSTROM: Okay. Ed.

Mr. LEWIS: And I echo Suzanne's comments. I appreciate all the work that's being done. I think it's an excellent way to move forward.

At some point, we had discussed, and this may be something that the Commissioners want to answer, as against you or Jack, is a review of all of the different operations within the County and going forward as to what the Commissioners and you and Jack felt were where we should be going and what we shouldn't be because we may not -- whether we can afford to do everything, which we can't do, and there may be some areas which we feel we need to stop and move away from that.

So I wonder if in your review or the Commissioners in their review or Jack as to how that's progressing in reviewing all the different departments and all the different things that they do as to whether that's the right way for the County to move forward at the expense and I leave it at that.

Finance Director MCISAAC: And Jack can jump in at any time. Absolutely. We've recently set up -- Jack has recently set up a schedule with the departments and asked them to come in to talk about their departments and their budgets and how they saw themselves going into fiscal '18.

He also asked them to be prepared to cut 10 percent out of their budget to be able to articulate that at the meeting. Those meetings are starting the first week in September, I think the first department's coming up -- I believe the 6th of September to sit with Jack and I so we can really get into the meat of their departments, measure their financial strengths and weaknesses, and get them to articulate as the department head where they see they are and self-evaluate at the same time that we are reviewing.

Mr. LEWIS: I just --

Finance Director MCISAAC: So I think that we can certainly look at those conversations and bring that information forward.

Mr. LEWIS: I'm looking more, I think, towards where -- through the Speaker -- reviewing not just lowering expenses, which I think is a good thing --

Finance Director MCISAAC: Right.

Mr. LEWIS: -- but looking and saying and I think Commissioners have talked about it. I know Commissioner Cakounes has talked about that.

Finance Director MCISAAC: Sure.

Mr. LEWIS: As to whether there are areas we don't need to be involved

in. We don't need to do it. It really isn't a County objective, whatever it is.

Finance Director MCISAAC: Right, right.

Mr. LEWIS: And rather than just have people cut across the board, maybe we don't do something.

Finance Director MCISAAC: Right.

Mr. LEWIS: I'm not saying whatever that is --

Finance Director MCISAAC: Sure.

Mr. LEWIS: -- so I just wondered if that -- as against we'll cut 10 percent out or something to that effect.

Finance Director MCISAAC: Right. Well I would expect that kind of list would come out of the conversations about where people are headed and what their successes have been. And we know the mission, you know, the regional purpose of our government.

Mr. LEWIS: Right.

Finance Director MCISAAC: And I think that once you sit down and you start talking to everyone about the nuts and bolts of the component parts of what they do, you can start to develop a sense of questions about, well, is this really our mission?

Mr. LEWIS: Okay.

Finance Director MCISAAC: You know, you do this and how does that fit, and what does that actually do for the regional goals and objectives that we have.

Mr. LEWIS: Thank you.

Finance Director MCISAAC: I think we can get there.

Speaker BERGSTROM: I, actually, was going to make the same comment that Ed just made. I know we're going into a time before -- between now and the time we really stick heavy into next year's budget, there will be an opportunity to review some of these departments.

One of the biggest complaints that I get from the Assembly is, you know, the budget process is so accelerated by the time you make it up, and give it to the Commissioners, and then we bring people in.

Finance Director MCISAAC: Sure.

Speaker BERGSTROM: But in going along with what Ed said, there are some things that we could look at department to department on a cost-benefit analysis as to whether or not we're really getting, you know, the kind of benefit to the community in relation to the money that's being expended. And I'm not a fiscal conservative myself but unless I see the numbers, I can't make the decision.

Finance Director MCISAAC: Sure.

Speaker BERGSTROM: So I know if you're going through that process, I don't want to step on your toes. But if there's an opportunity to have a department come in, like AmeriCorps, come in and say this is what we do. This is how much it costs you. This is the benefit that the community gets.

Finance Director MCISAAC: Right.

Speaker BERGSTROM: And I know that we do -- what is the grant writing program?

Mr. OHMAN: RDO.

Speaker BERGSTROM: The RDO is another one. There are a couple

others too. Just so that people can't jump up at the last minute and, you know, ask question that they should know the answers to.

Finance Director MCISAAC: Sure.

Speaker BERGSTROM: So whenever you can do that, we'd appreciate it. Or Jack can do that.

Finance Director MCISAAC: I'm certain we could schedule some of that into your structure of your meetings.

Speaker BERGSTROM: Yes.

Finance Director MCISAAC: We'd be happy to do that.

Speaker BERGSTROM: The other thing I wanted to ask, of course, the fiscal year -- we ended the fiscal year on the 31st. Now I know I should know the answer to this question, does that get sent to Boston? Do they have to approve it?

Finance Director MCISAAC: Boston would be sent required reports which they will review. They have no approval process in those. I mean they would accept or reject.

Speaker BERGSTROM: The confusion lies because we were, both myself and Ed, and a couple others were Selectmen and we would send our budget up there and they would look at it and they would stamp it.

Finance Director MCISAAC: Well you need your recap and you need Free Cash, so you need your balance sheets certified to get your free cash and the County has -- the County doesn't have any of those things.

Speaker BERGSTROM: It doesn't have any free cash.

Finance Director MCISAAC: Well, you know, you're going to have unreserved fund balance and we're going to grow them. But you're not setting a tax rate. So the oversight and the approval process at DOR does not reach over to county government.

So there are reports that have historically been required that are still being submitted. But the level of review and oversight of the DOR on those, I would suggest to you is not something that's a comprehensive effort.

Speaker BERGSTROM: All right. The reason I ask, of course, is wondering how -- when you would be confident presenting us with the final numbers for the last fiscal year.

Finance Director MCISAAC: Today's Commissioners' meeting contains a couple of requests to approve transfers and continuing appropriations, which is a component part -- well that's a different ordinance for a budget transfer. But they approved the transfers that happen annually for year-end close to happen.

So we're winding down with our sort of punch list about things to do to close the books for the year end. And I would say that the list is significantly complete.

So we'll be tying up loose ends and Joanne will be preparing the final entries for my review, and then we will have -- we'll have numbers in September. And those numbers will go to the DOR, and we'll give you the same report that goes to the DOR.

Speaker BERGSTROM: All right.

Finance Director MCISAAC: So I think we had a few other things, if you want me to move along?

Speaker BERGSTROM: Yes. Jim, do you have a question on that

particular thing or?

Mr. KILLION: I did.

Finance Director MCISAAC: Sure.

Mr. KILLION: Good afternoon, Ms. McIsaac. You had mentioned some new policies and procedures you're looking at.

Finance Director MCISAAC: Yes.

Mr. KILLION: Are these you're taking from perhaps other county governments or are these policies you're creating to correct mistakes or errors of the past?

Finance Director MCISAAC: Well I think -- not, I think; we're creating policies to assert them into the operation of the County because they are best practices, because they follow statutes of law that cities and towns have to follow. And I've made the decision as the finance director with a lot of input from our bond counsel and some representatives from Standard & Poor's that just because Chapter 34 and 35 which mostly guides the County does not address this particular item. And it is addressed in say Chapter 44 and Chapter 41 which applies to cities and towns and districts for the most part, that they would look at it as a good practice to create a policy that mirrors statutes of law that cities and towns have to follow.

So for select things, we'll be creating policies that actually follow laws that are on the books today that only because of the language of the legislation only applies to these towns and districts. They look at that as the best practice.

Obviously, policies are, you know, what can trigger a policy formulation is the absence of some framework of control over something. But I think that we have enough laws in place already that provide those controls; they just weren't complied with necessarily. So we don't want to overregulate certain things, but we would definitely -- we're definitely going to stockpile best practices in terms of assets, in terms of financing, in terms of budgeting. In terms of -- say, for instance, something really simple, employee reimbursement, you know, defining what's acceptable to be reimbursed for, the standard mileage rates, standard fees for, you know, limitations on hotels, if that's the case, uniform allowances, policies about all of those things so that when an invoice or a request for reimbursement comes, there's a standard policy. Everything fits into it or its rejected so that we have a control over that item for every department in the County and it's not one department has a different reimbursement policy and another department goes by another set of rules.

Mr. KILLION: What is the timeline for some of these changes?

Finance Director MCISAAC: We're already making changes. I have a draft almost ready for an investment policy, which is comprehensive. It includes OPEB. These kinds of things are like a simple example of employee reimbursements. It's not a priority over an investment policy. So we're working on the big items first.

We're definitely -- we already took the first step about OPEB by the Commissioners just approved Section 20 of Chapter 32 which allows us to create an OPEB Liability Trust Fund and the investment policy language will mirror that we have accepted that statute.

And so the investment policy really, for me, is the most important. And

then component part of that is policy about OPEB.

Mr. KILLION: Okay. Thank you.

Finance Director MCISAAC: So there will be priorities about polices.

The list is endless, so we're having at it, basically.

Mr. KILLION: Thank you.

Finance Director MCISAAC: You're welcome.

Speaker BERGSTROM: Brian.

Mr. O'MALLEY: Through you, Mr. Speaker. On the question of investment policy that, obviously, is an area that has potential loaded implications. Is that a policy that is approved by the Board of Regional Commissioners?

Finance Director MCISAAC: I believe the Commissioners --

Mr. O'MALLEY: Does it require their approval?

Finance Director MCISAAC: -- would approve the policy.

Mr. O'MALLEY: Okay.

Finance Director MCISAAC: Even if it wasn't a requirement, I would want the Commissioners to be able to believe that anything that I would as the finance director.

Mr. O'MALLEY: Because in contemporary times there are certainly movements towards divestments from areas that are perceived to be not places where we want to be putting our money. So I want to know and understand that we have political control over the process.

Finance Director MCISAAC: Well there's tight control over the process with respect to a legal list of investments.

Mr. O'MALLEY: Yes.

Finance Director MCISAAC: And when you establish an OPEB policy, you know there's another framework and there's also language in Chapter 35 about investing for counties and that's its own restrictive (Inaudible). So we have to comply with all of that.

Speaker BERGSTROM: Are you talking about investment outside of the Barnstable County Retirement Association? Are you talking about investing funds that we have?

Finance Director MCISAAC: We're talking about investing available funds.

Speaker BERGSTROM: Okay.

Finance Director MCISAAC: That are not required to be used currently or over the long-term for paying bills.

Speaker BERGSTROM: I asked the -- I know (Inaudible) before Doc was here, I asked the previous County Administrator who was then chairman of the Barnstable County Retirement Association if they considered socially responsible investment. And he gave me a one-word answer. "No." Okay. And it was not just a "No." It was no, you fool; we don't even consider it. So I'm hoping that we at least think about that. No, I don't mean to --

Now, you talked about looking at the personnel in various jobs. Are we going to do a reclassification at all? Are you going to change their status or classification status? Can you do that in County government?

Finance Director MCISAAC: Well, if we are not able to achieve our goals

by amending a job description, we'll definitely create a new one. This is too important and we have to get it right from the get-go. So we're not going to put a Band-Aid on something that's really not --

Speaker BERGSTROM: Most of the County employees already have stepped out maximum; is that true?

Finance Director MCISAAC: I couldn't tell you how many were or weren't to be honest with you. That kind of information doesn't really drive the goal of the changes we need to make so.

Speaker BERGSTROM: Yes, Ed.

Mr. LEWIS: Just piggybacking what the Speaker has said. When you look at all these different job descriptions, do you look at similar jobs that are being either in other County government or in town government and where our -- where our rankings or ratings or however you look at it or steps how that fits?

Finance Director MCISAAC: Yes.

Mr. LEWIS: We have probably within the County government less union personnel than most of the town governments have.

Finance Director MCISAAC: Sure.

Mr. LEWIS: And if I look at the County government, it's not easy to get all the salary structures that we ask for. They sort of come in very convoluted ways to the Assembly, which hopefully that's a horse of a different color we'll be discussing at some future point.

But when I look at what I did get and having been nine years going through the town of Brewster and knowing what they earn for similar-type jobs, the County is -- it appears to be much higher pay rates than the towns have. And that concerned me last year and the year before, and I hope it concerns the Commissioners and the Administrator because that has a direct effect on the budget process moving forward and all of what we're doing.

So I would hope that when you do these reviews and you look at these job descriptions and you look at the pay rates of all of the individuals within that time, I wouldn't say anything but they're all doing their job. But I think we need to look at that as to where that sits and how we do these job descriptions.

Speaker BERGSTROM: Anyway, you want to continue, if there are no other questions. And you have some other things that you want to tell us.

Finance Director MCISAAC: Sure. I need to give you some comments from the Fire Training Academy and some financing options. So, briefly, from what I can say is we will use as much as possible available funds to address our short-term needs with respect to the Fire Training Academy mitigation efforts.

And in the long term, I'm prepared to issue bonds and notes depending on the outcome of the negotiations that are ongoing to which I'm really not a party but there are options under the law.

And there's also the option, which has been exercised by other communities and in similar situations and that is to write your own legislation to create, in most cases, a more affordable term limit for a sizable obligation that needs to be paid.

So depending on where we end up in terms of what we need to afford, legislation is an option to bring us outside of the term limits that might be in the legislation right now.

So we're prepared. We would plan and just really wait for sort of the final answer. But the ongoing expenses as much as possible we do hope to bring out of available funds.

So we won't be borrowing in the short-term or authorizing any borrowing as nearly as I can tell for short-term needs for the Fire Training Academy matter.

Speaker BERGSTROM: John.

Mr. OHMAN: What are the ongoing expenses right now, besides the legal expense of --

Finance Director MCISAAC: Well, there are legal expenses and now there will be the task of removing the soil from a certain area that's being, I'm guessing, engineered. That will be removed and trucked out and I'm not sure how that's disposed of. But that will be an expense and needs to be covered.

There are always the expenses of the ongoing monitoring of the wells and there are expenses relative to that. There are all the expenses of the testing. Money was transferred but, obviously, as the testing is regular or even more frequent depending on what decisions are made that I'm not privy to, we need to have the funding in place in order to pay for those things. And those things are the things that are considered to be short-term.

Speaker BERGSTROM: Okay. Brian.

Mr. O'MALLEY: On the Commissioners' agenda today was an item of transfer related to this and it was equally divided between legal and the remediation.

Finance Director MCISAAC: Yes.

Mr. O'MALLEY: Is that approved? Did that go through? Was that acted upon?

Finance Director MCISAAC: That was presented to the chair today.

Mr. O'MALLEY: That's the ordinance.

Speaker BERGSTROM: Yes. Just a comment, hypothetical comment. I don't know what the negotiations are and I'm glad I don't. But I would hope that what comes out of it is an agreement that's not open-ended, in other words that once the agreement is signed everybody understands there are present and future obligations and are not committed to a process which may snowball later on in the future. So I know that you're not party to it.

Finance Director MCISAAC: I'm not.

Speaker BERGSTROM: It would be nice for the Assembly to know -- adopt -- we're going to contribute with other parties to this that we're going to have a dollar amount. We're going to know exactly what are obligations are and not find out five years later that there's more.

Finance Director MCISAAC: Well, with respect to borrowing, you need to have a sum certain for approval of bond counsel. You can't give a range or an estimate. That's not the -- that's not a way that you would borrow.

Mr. LEWIS: Pat.

Speaker BERGSTROM: Oh, sorry.

Mr. PRINCI: Regarding the Fire Training Academy as far as revenue streams from that is there any way that since, you know, the liability is obviously on the County but by pinpointing the liability it's on the Fire Training Academy. Is there ways that we could work to get more monies into the Fire Training

Academy if possible? If it's saving the towns a lot of money and it's free, could we get more money from those towns to help us assume some of that liability over the long term and work something like that out?

Or even just, basically, you know, cut our losses and close the Fire Training Academy if it continues to just be a revenue drain and we'll deal with what we have.

Finance Director MCISAAC: Right. You know, honestly, I'm not privy to the real discussions about that. The public discussions about the Fire Academy since I've been here have been a debate about whether it should be closed or whether it should stay open.

And only from my experience, and that would be limited to the places where I've been, you know, in meetings where there's been conversation, it appears to me that there's support for the Fire Training Academy to remain open. So in that regard, if it's going to remain open then, obviously, the financial plan for that -- we'd have to consider all the factors and all of the history. In order to protect and preserve it, if it's going to stay open.

Mr. PRINCI: Thank you.

Finance Director MCISAAC: You're welcome.

Speaker BERGSTROM: Yes, Ed.

Mr. LEWIS: I would caution anybody making statements saying that -- who's at fault and who's not at fault because I think you're in the middle of a lawsuit, and I don't think we can comment until something happens there as to whether who's at fault or who's not at fault with regard to what's happened with the wells.

Finance Director MCISAAC: Correct. Right.

Mr. LEWIS: And to automatically assume and make statements that we're at fault, I think -- we may be; I don't know that for a fact.

Mr. PRINCI: Well there is a part of our fault on the County.

Mr. LEWIS: Well, I would wait to see because there are other things that involve --

Mr. PRINCI: We don't have to wait. The information's there.

Mr. LEWIS: I wouldn't prejudge that.

Mr. PRINCI: I'm sorry.

Speaker BERGSTROM: I don't want to get in too deep a discussion.

Commissioner CAKOUNES: There's a lot of new information coming forward too.

Mr. LEWIS: I wouldn't prejudge it.

Speaker BERGSTROM: Chances are any agreement will have some little addendum saying that nobody admits any fault.

Ms. MCAULIFFE: Right.

Speaker BERGSTROM: But that's how it usually works out.

Mr. LEWIS: But the other point I wanted to make and ask is at some point will the administrative part of the County hold -- will we, as an Assembly, hold some form of executive session with the Commissioners and the administrators that will at least bring us up to speed on what's going on and what's not going on and what you can?

It would seem prudent that at some point that not -- I'm not saying now

but at some point the Assembly be brought up to speed so they're aware of what is actually going on and what the workings of these possible agreements are.

Finance Director MCISAAC: Well, I think during litigation that's not possible, but I'm certain when the time comes that those kinds of discussions can be held. I'm certain that --

Speaker BERGSTROM: It's not really up to Mary though.

Finance Director MCISAAC: Right.

Speaker BERGSTROM: That's a decision made by the Commissioners.

Mr. LEWIS: I understand that. I'd just -- I'm concerned. I'm concerned to a certain degree that the Assembly, and maybe that's just the role, is we won't be involved at all. We'll be just told exactly what the agreement is and what we've agreed to do.

And then the Assembly is required to sign off on the money but that's an agreement that's been made by somebody else and you don't have any choice. Maybe that's the way it works. I'm not sure that that's the way it should work but okay.

Speaker BERGSTROM: Well, I mean we, obviously, have the power -- we have the power of the purse so we would be needed to appropriate money. We also have a provision in the Charter which says that the Assembly of Delegates can establish or unestablish any branch of County government.

So if the suggestion was made that they close the Fire Training Academy, according to the Charter, that would be our function or to not close it. So it's a complicated process but I think we should leave it up to the Commissioners and the people directly involved right now.

Anyway, so are you done?

Finance Director MCISAAC: Well, I had a couple more items so let's just run through that because everybody's getting winded here.

One of the more important things that we've been looking into is the establishment and creation of a Grant Oversight Committee. It's a strong recommendation of the GFOA, which is the Government Finances Officers' Association. And what a Grant Oversight -- the purpose of the Grant Oversight Committee is to examine the opportunities for grants in advance of applications even being submitted.

And the recommendation of the GFOA is that you create a policy about the examination of grant opportunities. And you establish criteria; you examine those; you report, you know, you create your own sort of summary report on those kinds of things by committee.

And then you decide based on the answers to the questions whether this grant is something that is purposeful; you can afford it, and the burden into the future isn't more than we're prepared to give.

Because what, often times, comes with grants is financial responsibilities that are burdensome, staff and asset responsibilities that are burdensome, and, actually, there's not always a measure into the future of what the liability to the grantee is on the signing of the grant.

And so it's a priority for my department to draft a policy to establish a Grant Oversight Committee so that we can start examining the grants and being able to really capsule them before we even apply and understand truly the cost of

the grant against the benefit of the grant so that we can preserve and protect our assets to function for our priorities and not for the priorities that might've been 10 years ago that we still have.

So that's an important thing that we're looking into and expecting to draft a policy and ask for the creation of a committee to start reviewing grant applications before they're even submitted.

So that's something that I'm pretty excited about. We have a lot of grants. We have a lot of money that comes in and out of the County. But with that signing off on those grants comes a lot of responsibility.

And in some cases, a longevity of a burden that I don't think anybody that signed an original grant agreement was cognizant of or was prepared to articulate it was in the best interest of the County.

So we'd like to really get a handle on that on grants going forward. Sort of cut our losses about the ones that are still costing us money that are long gone. And just sort of start fresh as some of these old ones drop away and so that we intelligently go into the new ones, you know, by committee and transparently. So that's something that's happening that we're pretty excited about.

And just finally a quick update on the state audit. Suzanne Bump's office has been working with us for a number of months now defining and redefining the scope of an engagement. And we've agreed upon the scope. Suzanne's office has left it as giving us a proposal and an estimate of \$15,000 to do about 50,000-plus dollars' worth of work. And we expect that they're going to schedule an entrance meeting in the next month or so when they're going to start doing their audit work.

The state auditor's office only does compliance audits. So for the areas within the scope, they will be defining for us whether the policies and procedures of the County and statutes of law have been complied with for certain activities and certain transactions.

And I'm very happy that they're coming in. It will be good to have that independent set of eyes reviewing for us.

Speaker BERGSTROM: All right. Yes, John.

Mr. OHMAN: Getting back to the Grant Oversight Committee that's being formed.

Finance Director MCISAAC: Sure.

Mr. OHMAN: Who is going to decide and what part of the population will be looked at to fill those places?

Finance Director MCISAAC: What will be the composition of the committee; is that what you're asking?

Mr. OHMAN: Yes.

Finance Director MCISAAC: It will definitely be Finance, the County Administrator, and Jack and I had conversations about having someone from the Assembly, probably someone from the Commissioners and a couple other departments and maybe someone external.

Mr. OHMAN: Okay.

Finance Director MCISAAC: We don't want to overload the committee and create something that's cumbersome and inefficient, but we would like to extract into the memberships, you know, people that are from the groups that are

running the County, basically.

Speaker BERGSTROM: Well, we think that three is not enough, with due respect to the Commissioners and seven is too many.

Finance Director MCISAAC: Right. Seven is too many. So we're probably down to five. It will be around five. That's not defined yet for sure.

Speaker BERGSTROM: Essentially the Commissioners sign the grants. They're the ones who approve the grants.

Finance Director MCISAAC: They do. They do but, historically, what hasn't come forward was the grant agreement on the agenda is a measure of -- is a measure of the burden and an outlining of the responsibilities and outlining of the duration of an agreement beyond maybe the financial part of it. Because you have financial obligations but then you have other obligations like monitoring or some other promise that you made inside a grant.

Speaker BERGSTROM: What I'm getting at in a sense is that sometimes it would be a clear-cut decision --

Finance Director MCISAAC: Sure.

Speaker BERGSTROM: -- that this grant is not worth it, and some other clear-cut decision that it is worth it. But there's going to be a lot of gray areas. So you're going to have to present this at some point to the Commissioners.

Finance Director MCISAAC: Sure.

Speaker BERGSTROM: I'm just wondering how this committee is going to function. Is it an advisory committee? Is it sort of --

Finance Director MCISAAC: Well committees are advisory.

Speaker BERGSTROM: Okay.

Finance Director MCISAAC: But I truly expect that the membership of the committee will operate in good faith and put together an intelligent package for the Commissioners to consider with the agenda item of the grant agreement. And I would expect the committee's work to be taken with seriousness for sure. You know, it's an important part of a review that has to happen before a grant agreement is signed.

Speaker BERGSTROM: Okay. Doc, did you have something?

Mr. O'MALLEY: I wanted to offer my wholehearted endorsement of this grant review process. My experience certainly is that oftentimes we get tempted by what looks to be kind of easy money and really failed to notice that there are long-term obligations. And, frankly, I presume in our situation these are coming from departments who look at it from their own small perspective and not recognizing how much they encumber us as a government agency altogether.

So it strikes me as a very good concept; the composition is a question, but I think, conceptually, it certainly makes good sense to keep a sense of oversight about where we're going.

Speaker BERGSTROM: All right. Have we -- Lilli.

Ms. GREEN: Thank you. I sincerely appreciate all the hard work that you and Jack are doing and the directions you're moving in.

I wanted to ask you, as far as the audit is concerned, will that include -- the scope of that, will that include the Cape Light Compact and the

Cape and Vineyard Electric Cooperative? And, if not, is there any -- are there any plans in that direction?

Finance Director MCISAAC: So the scope that was defined for the state auditors -- there are three components of the scope. One is leases, one is capital expenditures, and the third is certain municipal expenditures for public purposes.

So in the first instance under leases, there was language drafted for the Cape Light Compact of leases and there was -- I don't think there was any language ever brought forward for a lease for CVEC. But a lease or an absence of a lease brought all of those organizations into that category.

But because we were talking about the process of leasing county assets and whether there was compliance with the procedures that are described -- prescribed by law for leasing. So the absence of a lease is, obviously, noncompliant with the law. So CVEC and Cape Light Compact would be examined under the lease component. I don't -- I'm not aware of any capital expenditures with respect to either of those parties.

And the list of expenditures for public purposes, I cannot absolutely say that any of the expenditures are related to either of those organizations.

The state auditor's office within the scope of what they were asked to do and what they agreed to do, it did not include an examination of those organizations onto themselves because they're compliance audits, and the state auditor's office -- even though our initial conversation included definite departments and organizations, from a perspective of only being able to do compliance audits, those became outside of the scope of what they were able to do for us.

Ms. GREEN: Thank you.

Speaker BERGSTROM: Okay. Thank you.

Commissioner CAKOUNES: Can I add to that, Mr. Speaker?

Speaker BERGSTROM: Yes, through me, you can ask anything you want.

Commissioner CAKOUNES: No, I want to just add to it, if I may?

Speaker BERGSTROM: Oh, add to it, sure.

Commissioner CAKOUNES: Just a quick update. First of all, you should all know that CVEC has very little, if nothing at all to do with the County any more. We are no longer -- we, the County, are no longer the fiscal agents for CVEC. They no longer rent space from us. They have moved off the premises.

They only connection we presently have with CVEC is their single employee is still paid through a service agreement with the County and is still considered a County employee. Although all aspects of her -- or that position's costs are reimbursed to the County through payment and that is being still looked at. And, hopefully, in the next month, within the next 30 days that, too, will be resolved.

The second thing just to update you; because of the audit and other situations, the County has been looking at the service agreement that we have with CLC and that agreement right now has gone through multiple stages of review and we're going to be -- we, the Commissioners, will probably be looking at moving forward on something of that nature within a month or a month and a half.

But that's the only connection that we, the County, has with CLC is going to be through this service agreement.

Speaker BERGSTROM: Leo, you sat down with the previous administrator and you -- we became aware that all checks that were written always went through the County account. In other words, it was one separate account and disbursements were made.

Are you telling me now that those funds have been physically separated from the county budget, that the CVEC accounts and now somewhere else?

Commissioner CAKOUNES: CVEC accounts are somewhere else, yes.

Speaker BERGSTROM: Okay. So they've been taken out of the County.

Commissioner CAKOUNES: CVEC is completely, if I can use a nice term, has been divorced from the County. And the only thing that we have left is the single employee situation.

Speaker BERGSTROM: I mean I'm not --

Commissioner CAKOUNES: CLC is different. CLC -- we are still their fiscal agent and that's the service agreement that I alluded to that we are in the middle of revamping.

Speaker BERGSTROM: I mean I'm not getting into the CLC and CVEC here.

Commissioner CAKOUNES: Yes.

Speaker BERGSTROM: I'm just concerned that all the checks from these separate different organizations went through one account, which I thought, and I think you thought, were --

Commissioner CAKOUNES: All gone.

Speaker BERGSTROM: Okay. So --

Commissioner CAKOUNES: Our finance department is no longer signing 40 checks a month for CVEC.

Speaker BERGSTROM: As long as they sign my check that's all I care about.

Deputy Speaker MCCUTCHEON: May I ask a question, please?

Speaker BERGSTROM: Go ahead.

Deputy Speaker MCCUTCHEON: Mr. Commissioner, my understanding was that CVEC did not have money of its own and got its money from CLC. CLC gets its money from the ratepayers. So the ratepayers are paying the County for the employee that is working for CVEC; is that right?

Commissioner CAKOUNES: With all due respect -- Mr. Speaker --

Speaker BERGSTROM: We're sort of getting away from the topic.

Commissioner CAKOUNES: Yeah, we're getting away -- I just wanted to let you know that CVEC was never 100 percent funded by CLC. There was just a one starter check. CVEC does have their own funds. They do collect money from their wind-generating and solar-generating things. They do have a revenue source right now. It may not be enough but we won't get into that.

Speaker BERGSTROM: We can't wander too far away from the agenda here; otherwise, we'll get into trouble.

Commissioner CAKOUNES: Thank you.

Speaker BERGSTROM: Well, thank you, very much. That was a good update. And, hopefully, we'll see those figures for the last fiscal year and they'll

be perfect.

Finance Director MCISAAC: Good stuff.

Speaker BERGSTROM: Good stuff. We don't know.

Commissioner CAKOUNES: I already spent it so don't worry about it.

Speaker BERGSTROM: All right. Do we have any communications from Public Officials?

Speaker BERGSTROM: Do we have any communications from members of the Public? Hearing none.

Assembly Convenes

Proposed Resolution 16-06: Honorary Position of Dean of the Assembly to Julia Taylor

Speaker BERGSTROM: The Assembly will convene. In Item 12, the honoree has requested that we table this until the next meeting because she can't be here.

Ms. MCAULIFFE: I move to table it to the September meeting.

Speaker BERGSTROM: It's moved and seconded. All those in favor? Aye. Opposed?

(Motion carried.)

Speaker BERGSTROM: Do we have any committee reports? I don't think we've had any committees.

Report from the Clerk

Speaker BERGSTROM: How about a report from the Clerk?

Clerk O'CONNELL: Just briefly. I want to thank everyone who assisted with organizing the meeting at the beach today. As you can well imagine it doesn't just happen on its own. Everything from the permitting process through the Town of Orleans -- very thankful that went smoothly. A lot of cooperation from Parks and Rec, and Delegate Kanaga who was able to schedule the use of the tables and chairs from the yacht club.

Mr. KANAGA: But John did the heavy lifting.

MS. O'CONNELL: And John picked them up and delivered them and assisted in that way. And also my husband, Bob, who is my right-hand person, gets here early with me and makes sure everything is just right and breaks it down at the end too. So thank you, very much, everybody.

Speaker BERGSTROM: All right. In that case, is there any other business to be brought before the Assembly?

Ms. MCAULIFFE: Move to adjourn.

Speaker BERGSTROM: Wait a minute; we've got Linda.

Ms. MCAULIFFE: Oh, I'm sorry.

Ms. ZUERN: I was just asked to -- probably ask Janice to just announce when the nomination papers have to be in for the Assembly of Delegates? It's

August 22.

Clerk O'CONNELL: The deadline is -- would be next Tuesday, and I think that's the 23rd.

Ms. ZUERN: The 22nd I thought.

Speaker BERGSTROM: Today is the 17th.

MS. O'CONNELL: I think it's the 23rd.

Mr. OHMAN: I thought it was the 23rd.

MS. O'CONNELL: I think it's the 23rd and that's at 5 o'clock. The office will be open until five for people who are taking every last minute to get their paperwork in.

Ms. ZUERN: Thank you.

Ms. MCAULIFFE: Now I move to adjourn.

Ms. KING: Second.

Speaker BERGSTROM: All those in favor? Aye. Opposed?

Mr. OHMAN: Let's go eat!

**Whereupon, it was moved, seconded, and voted to adjourn the
Assembly of Delegates at 5:00 p.m.**

Submitted by:

Janice O'Connell, Clerk
Assembly of Delegates

List of materials used and submitted at the meeting:

- Business Calendar of 8/17/16
- Unapproved Journal of Proceedings of 8/3/16
- Proposed ordinance 16-08 (submitted by Commissioners)
- Proposed Resolution 16-06 (tabled until 9/7/16)