

Finance Committee Meeting

February 17, 2005

Judge Welsh Hearing Room, Town Hall, Provincetown, MA 02657

Members Present: Ruth Gilbert, Chair, Sue Buerkel, Mark Leach, Robert Vetrick, Walt Winnowski, Tom Thurston, Ed Gage, and Matthew Clark

Members Excused: Gail Enos

Members Absent: Ginny Ross

Also Present: Keith Bergman, Town Manager

Meeting was called to order at 3:00 p.m.

Mark Leach made a motion to approve minutes of February 15, 2005. Walt Winnowski seconded and it passed 7:0:1.

FY 2006 Budget Review Hearings con't.

Division V-Public Services

610-Library (Debra DeJonker Berry, Library Director, Marcia Fair, Jim Cole, Sandy Fay, C.J. Noyes, Library Board of Trustees)

10.4% increase reflects move into a larger space, need for more books and materials, new staffing levels and new hardware and software programs. Increase in CLAMS budget due to state budget cuts. Revenues have increased due to new charges for printing and fee for library cards for out of town residents. Ruth Gilbert expressed concern that budget in increasing 10% and they have not even taken occupancy.

Library is scheduled to open April 20, 2005 with a grand opening on April 28, 2005.

Gary Delius made a motion to approve budget of \$259,207. Ed Gage seconded and it passed 8:0:1.

511-Health Inspector/Agent (Doug Taylor, Building Commissioner; Jane Evans, Health Agent; and Pat Pajaron, Health Inspector)

Level funded. In the past, his budget has included funding Health Inspector salary 100% and 2/3 of Health Agent salary (other 1/3 coming from wastewater fund.) This year's wastewater budget will no longer fund the 1/3 and position will become a 3-day a week position. The rationale for this is that sewer hook-ups have decreased number of septic systems that need to be monitored by Health Agent. Jane Evans does not think this is advisable and submitted a report on the scope of work for that position for 2004. Doug Taylor stated that he agrees with reduction and in fact needs more support for the Health Inspector. Michelle Couture, Selectmen, spoke in support of reduction to position as well. Ruth Gilbert spoke that her involvement with the Board of Health has greatly improved since town has had a full time Health Agent rather than contracted services from the county.

Mark Leach made a motion to approve budget of \$100,256. Tom Thurston seconded and it passed 9:0:0.

512-Public Health/Nurse (Valerie Carrano, Director of Public Health)

3.8% increase, which reflects an increase in vacation, pay for Administrative Assistant.

Robert Vetrick made a motion to approve budget of \$41,798. Sue Buerkel seconded and it passed 9:0:0.

513-Board of Health (Doug Taylor)

2% increase reflects materials increases.

Robert Vetrick made a motion to approve budget of \$2,317. Gary Delius seconded and it passed 9:0:0.

541-Council on Aging (Valerie Carrano, Director)

4.8% increase reflects increase in on-call staffing rates.

Gary Delius made a motion to approve budget of \$154,476. Walt Winnowski seconded and it passed 9:0:0.

543-Veterans Services (Earl Chaddock, Director)

.4% decrease

Robert Vetrick made a motion to approve budget of \$26,401. Ed Gage seconded and it passed 9:0:0.

620-Administration

Level funded for town promotional events.

Discussion of moving this as a line item to another budget

Gary Delius made a motion to approve budget of \$2,500. Matthew Clark seconded and it passed 9:0:0.

630-Recreation Department (Dennis Clark, Director)

.8% increase

Robert Vetrick made a motion to approve budget of \$124,972. Gary Delius seconded and it passed 9:0:0.

651-Beautification Committee (James Mack) (funded by Tourism Fund)

23% decrease reflects Tourism Board's five-year plan, which includes this amount for its budget.

Gary Delius made a motion to approve budget of \$8,257. Robert Vetrick seconded and it passed 9:0:0.

672-Art Commission (James Bakker, Commissioner)

Level funded

Mark Leach made a motion to approve budget of \$16,300. Ed Gage seconded and it passed 9:0:0.

673-Cultural Council (Cherie Mittenthal and Dorothy Antczak)

Level funded

Poet Laureate program has gotten started.

Robert Vetrick made a motion to approve budget of \$2,500. Mark Leach seconded and it passed 9:0:0.

A 10-minute break was called at 4:30 p.m.

Re-convened at 4:40 p.m.

699-Tourism (Steve Melamed, VSB Chair and Pat Fitzpatrick, Tourism Director) (funded by Tourism Fund)

7.3% decrease

Town Manager Bergman explained that tourism expenditures, although included in the budget binders and reviewed by the Selectmen as part of the budget process would be brought to Town Meeting as a Warrant article. This approach will ensure that any funds not spent at the end of the fiscal year would carry forward to the next year—rather than reverting to the General Fund.

A discussion ensued of last year's Department of Revenue (DOR) ruling limiting Tourism Fund appropriations to no more than balance in the fund at the end of the prior fiscal year. Mr. Bergman mentioned that the Town and the VSB were considering a home rule petition to the Legislature that would clarify the language in the current statute governing the Tourism Fund and enable funds to be appropriated and spent in the year they are collected. This petition would only be brought before Town Meeting if the language had been approved by DOR in advance.

Mr. Melamed discussed the VSB's desire to re-focus its mission on the development of tourism. He said that the diversion of management time and funds to projects such as the Shuttle had hurt efforts to market Provincetown. He indicated that the VSB and the Selectmen had agreed that while the VSB would continue to fund certain beautification projects and certain DPW activities such as longer rest room hours and additional trash pickups, it would no longer subsidize the Shuttle.

Matthew Clark and Gary Delius asked a number of questions related to the marketing strategy informing the current budget. Among other things, they wanted to better understand:

- What has convinced the VSB that a near doubling of advertising spending while cutting back on trade shows is the best way to improve performance? Mr. Melamed responded that VSB members were convinced and that he would forward a copy of his strategy document.
- What kinds of systems exist to measure the effectiveness of specific marketing campaigns? Ms. Fitzpatrick indicated that she only advertised in journals that offered "response cards" that would enable her to count the number of leads each ad generated. She indicated that it was impossible to assess given

current staffing whether these leads are converting to revenue for Town businesses.

- Why are no funds devoted to PR and the cultivation of travel writers? Mr. Melamed and Ms. Fitzpatrick indicated that there is a substantial and successful effort with the travel press that does not appear on the budget since lodging, transport, and entertainment costs are donated by local businesses.

Walt Winnowski asked, given the recent declines in room tax collections, why the VSB was forecasting growth in room tax revenue in their five-year plan. Mr. Melamed said it was hard to know for sure, but many tourism people say that Presidential election years are always bad for the travel industry.

Ruth Gilbert expressed her long-standing frustration with how the Committee should respond to this budget—and with the turf battles that always seem to get in the way of the Town being able to present, a common, consistent marketing face to the world.

Robert Vetrick made a motion to table consideration of this budget until the Committee can review the wording of the Warrant articles. Sue Buerkel seconded.

Mark Leach commented that as a retailer, he was highly frustrated with the overall efforts at tourism development. There are so many groups—the Chamber, the Business Guild, the VSB, etc.—yet no one is really working to solve the whole problem.

A discussion of governance ensued in which the question of who would own the broad challenges of economic and tourism development. A number of possibilities were floated.

Discussion complete, the Committee voted 9-0-0 to support the motion to table the Tourism budget.

Other Matters

Ruth Gilbert raised the issue of scheduling additional meetings to address the capital items, the tabled budgets (School and Marine), and the Warrant articles. A meeting was set for Friday, February 25th from 1:00-5:00PM to discuss the capital requests.

Matthew Clark asked if the Committee felt it would make sense to hold a joint meeting with the Community Preservation Committee. He stated that the repayment of the \$1.9 million in payments in lieu of taxes (PILOT) from New England Deaconess Association to the CPC—rather than to the General Fund—represented an additional \$1.9 million tax on the taxpayers for which they had not voted. The \$1.9 million would have been spent on affordable housing, its intended purpose. He said it only made sense to request the meeting if a majority of Committee members shared his concern.

Ruth Gilbert indicated that she also questioned the appropriateness of the replenishment and the Committee agreed to request that the CPC attend the initial portion of the Committee's February 25th meeting.

Business being complete, Robert Vetrick made a motion to adjourn. Mark Leach seconded. By a vote of 9-0-0, the meeting was adjourned at 6:00 p.m.

Respectfully submitted,

Phyllis Lutsky

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Recording Secretary