

Finance Committee Meeting
 February 27, 2008
 10:00am
 Judge Welsh Meeting Room
 Called to Order: 10:00am

Membership:

P	E	U	Name	
<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Gary Delius, Chair	
<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Ruth Gilbert, Vice Chair (arrived 10:05)	
<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Robert Vetrick	
<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Virginia Ross	
<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Thomas Thurston (arrived 3:30)	
<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Walt Winnowski	
<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Edward Gage	
<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Thomas Coen	
<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	David Bedard	
<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Philip Gaudiano, Alternate	<input checked="" type="checkbox"/> Voting
<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Frederic Biddle, Alternate	<input type="checkbox"/> Voting

(Note: **P** = Present **E** = Excused **U** = Unexcused)

Also Present:

Alix Heilala, Finance Director
 David Gardner, Asst. Town Manager

Order of Business:

1. To review the Budget for Division V, Public Service.
2. To review the budget for Division VI, Schools.
3. To review other Division budgets as time permits.
4. To consider minutes of previous meetings.
5. To consider other business which may legally come before the Finance Committee.

Mr. Delius opened the meeting by explaining that school budget hearing had not been properly posted. Rather than taking place at 1:00pm, it will be at 4:00pm.

Budget Reviews

512 – Public Health/Human Services - Presented by Valerie Carrano

The largest item in this budget is the \$23,000 contract with the Visiting Nurse Association to provide nursing care for uninsured and underinsured citizens of all ages. The Town is the provider of last resort. Demand for these services is increasing as our population ages and as hospitals are discharging patients too soon.

Motion #1 : To recommend budget 512, Public Health/Human Services, in the amount of \$42,362.			
Motion By: Robert Vetrick		Second By: Edward Gage	
For: 8	Against: 0	Abstain: 1	Recuse:

541 – Council on Aging - Presented by Valerie Carrano

This budget is supplemented through fund raising by the Friends of the Council on Aging. Last year they raised \$13,000. For the current year-to-date \$30,000 has been raised.

Motion #2 : To recommend budget 541, Council on Aging, in the amount of \$189,341.			
Motion By: Virginia Ross		Second By: Philip Gaudio	
For: 9	Against: 0	Abstain: 0	Recuse:

543 – Veterans Services - Presented by Alix Heilala

Veterans services are provided by Department of Veterans Services in Hyannis. A representative is in Provincetown one day a week. There are

currently 51 veterans receiving services in the Town. Veterans benefits are funded by a cash grant from the State.

Ms. Gilbert asked if the veterans are receiving the same services since our long-time local Veterans Agent retired. Ms. Heilala said yes. Mr. Gaudiano added that a friend of his who is a veteran is very happy with the services being provided.

Motion #3 : To recommend budget 543, Veterans Services, in the amount of \$29,839.			
Motion By: Ruth Gilbert		Second By: Robert Vetrick	
For: 9	Against: 0	Abstain: 0	Recuse:

610 - Library - Presented by Debra DeJonker-Berry

In this budget, the Library is proposing to eliminate the vacant position of Operations Director and create a new position of Community Relations Librarian/Assistant Director. The salary of the new position would be \$47,187 which is \$5,849 more than the position being eliminated. This triggered a vigorous discussion.

Ms. DeJonker-Berry explained the rationale for this change as follows:

- One of the biggest challenges facing the library is raising funds to complete the capital improvements to the library building.
- The library needs someone on staff who has fund raising skills to support the efforts of the Trustees.
- Another challenge is succession planning. A qualified candidate for this position would be able to take over the roll of the Director in the event that she retires.
- The salary needs to match the skill set that the position would require.
- Nantucket has a similar position.

Ms. Gilbert suggested that we re-read the Finance Committee’s 2001 Letter to the Voters. The Committee warned that the actual costs could be far greater than the numbers that were put forward. Mr. Vetrick reminded

everyone that a large number of voters were against the plan to relocate the library to the former Heritage Museum site because of the potential costs.

Ms. Gilbert stated that we have spent \$4.6 million so far on the Library and asked how much more do we need to spend? \$2M or more? Ms. DeJonker-Berry provided the following estimates:

- \$800k to complete repairs to the façade;
- \$100k to paint the building;
- \$111k for landscaping; and
- \$50k - \$100k to complete the build out.

Ms. DeJonker-Berry pointed out that the roof doesn't leak – the problem is the base of the steeple. The Library is also pursuing grants of \$100,000 from the Massachusetts Historical Committee and \$100,000 from the Community Preservation Committee.

Ms. Gilbert said that she does not support the proposed position and thinks that a grant writer should be hired instead.

On another topic, Line item 51110, Vacation/Relief, has increased \$26,052 (51%) since 2007. Ms. De-Jonker Berry explained that the Visitor Services Board provided funding for extra custodial services for the public bathrooms in year one but that funding is no longer available. This line also funds part-time desk staffing. Security issues require a minimum level of staffing at all times.

The Committee asked why aren't custodial services provided by DPW. Ms DeJonker-Berry explained that DPW does provide a full-time custodian. However, due to the heavy use of the public bathrooms, a contractor is needed to do additional cleaning after the full-time custodian leaves for the day. DPW is unable to provide this service due to budget constraints.

Motion #4 : To amend budget 610, Library, as follows:

- Reduce the A budget (Personal Services) by \$5,800 from the 51104 Professional/Technical line;

And to recommend the revised total amount of \$307,641.

Motion By: Ruth Gilbert		Second By: Robert Vetrick	
For:	Against:	Abstain:	Recuse:

After some discussion, Motion #4 was withdrawn and a new motion was introduced.

Motion #5 : To table discussion of budget 610, Library, until the afternoon of March 5th.

Motion By: Ruth Gilbert		Second By: Robert Vetrick	
For: 9	Against: 0	Abstain: 0	Recuse:

672 – Art Commission - Presented by Stephen Borkowski

Most of this budget (\$14,170) is for contracted services for restoration, conservation and management of the Town's art collection, including digital copying and publication on the Town's website. The budget has been reduced by 10% from the current level. Last year the Town received over \$4,000 in grants to assist in this process.

Ms. Gilbert asked if the budget could be cut by 25% given the Town's financial situation. Mr. Borkowski explained that the current project should be largely completed in FY09 and that the budget request will be reduced in FY10.

Motion #6 : To recommend budget 672, Art Commission, in the amount of \$14,670.

Motion By: Ruth Gilbert		Second By: Robert Vetrick	
For: 8	Against: 1	Abstain: 0	Recuse:

673 – Cultural Council - Presented by Frank Vasello

The Committee asked if the Cultural Council would be willing take its own minutes. Mr. Vasello responded that this would work for some of the meetings and agreed to a \$100 cut in the Clerical Services budget.

Mr. Vasello was also asked to reduce the Advertising budget by \$300 to bring it in line with actual prior spending.

Motion #7 : To amend budget 673, Cultural Council, as follows:			
<ul style="list-style-type: none"> Reduce the B budget (Expenses) by \$100 from line 52102 Clerical Services; and by \$300 from line 52500 Advertising; 			
And to recommend the revised total amount of \$3,500.			
Motion By: Ruth Gilbert		Second By: Edward Gage	
For: 0	Against: 9	Abstain: 0	Recuse:

During the discussion of motion #7 the Committee realized that there was no immediate need to appropriate \$1,500 for the Art in Public Spaces program. The RPF will be released in a month and there will be time to evaluate the responses. If necessary, an Article can be raised at the Fall Special Town Meeting.

Motion #7 failed. A new motion was made accordingly.

Motion #8 : To amend budget 673, Cultural Council, as follows:			
<ul style="list-style-type: none"> Reduce the B budget (Expenses) by \$100 from line 52102 Clerical Services; by \$300 from line 52500 Advertising; and by \$1,500 from line 52100 Professional Services (Art in Public Places); 			
And to recommend the revised total amount of \$2000.			
Motion By: Ruth Gilbert		Second By: Virginia Ross	
For: 9	Against: 0	Abstain: 0	Recuse:

630 - Recreation - Presented by Tracy Trehwella

The main point of discussion on the Recreation Department budget was the fees that are charged for the after school and Summer camp programs. The after school program costs \$5 per day for the first child; up to \$10 for several children in the same family. The fees for Summer camp are \$100 per resident child (10 weeks) and \$60 per week for non-residents. The consensus of the Committee is that the fees are too low.

Motion #9 : To ask the Recreation Commission to seriously consider raising rates for the Summer program by at least 50%.			
Motion By: Ruth Gilbert		Second By: Philip Gaudiano	
For: 8	Against: 0	Abstain: 0	Recuse: DB

Motion #10 : To recommend budget 630, Recreation, in the amount of \$145,410.			
Motion By: Robert Vetrick		Second By: Edward Gage	
For: 7	Against: 0	Abstain: 1	Recuse: DB

620 – Public Service Administration - Presented by Alix Heilala

The budget for this department originally contained all of the expenses related to the 4th of July celebration and fireworks. The Board of Selectmen decided to put those on the ballot as a Proposition 2 ½ override. All that's left is \$2,500 for the Memorial Day and Veterans Day celebrations.

Motion #11 : To recommend budget 620, Public Service Administration, in the amount of \$2,500.			
Motion By: Robert Vetrick		Second By: Thomas Coen	
For: 9	Against: 0	Abstain: 0	Recuse:

The Committee went into recess at 12:25pm and came out of recess at 3:31pm. Mr. Thurston arrived at 3:30pm.

310 – Cape Cod Regional Technical H.S. - Presented by Alix Heilala

This is the assessment for Provincetown students attending Cape Cod Regional Technical High School. Enrollment is down by 1 from 10 to 9.

Motion #12 : To recommend budget 310, Cape Cod Regional Technical H.S., in the amount of \$153,030.			
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Motion By: Thomas Thurston		Second By: Walter Winnowski	
For: 9	Against: 0	Abstain: 0	Recuse:

The Committee went into recess at 3:50pm and came out of recess at 4:03pm.

Joint Meeting with the Board of Selectmen & the School Committee

The Finance Committee was joined by the Board of Selectmen, the School Committee, the Superintendent of School, other School officials and a large public audience for a joint hearing on the Schools' budget.

Ms. Waugh gave a brief summary of the budget which had been approved by the School Committee the previous evening. The initial draft budget prepared in December proposed a roughly \$300K increase over the current year. Given the fiscal situation of the Town, the Superintendent and the School Committee were able to pare that down and are now proposing a level funded budget of \$3,647,904.88 which is \$4,434.99 lower (-.12%) than the current year.

After some discussion, it was agreed by all that we would review the school budget department by department, focusing on those items that had the biggest change – plus or minus.

School Committee - Presented by Superintendent Jessica Waugh & the Administrative Assistant for Business & Finance, Betty White

The proposed School Committee budget (\$18,410) has been reduced by \$3,300 (15.2%).

Line item School Committee Contracted Services reflects a \$4,000 decrease in liability insurance.

Line item School Committee Advertising has been increased by \$1,200 from \$3,800 to \$5,000. This covers advertising for teacher positions, legal notices, public hearing notices, etc. This line item has been consistently overrun in previous years. The actual year-to-date amount spent as of 1/16/08 is \$5,800.

Superintendent's Office - Presented by Superintendent Jessica Waugh & the Administrative Assistant for Business & Finance, Betty White

The proposed Superintendent's Office budget has been reduced by \$845.44 (0.34%).

Two items in the Superintendent's budget sparked vigorous discussion. First, the Superintendent's salary was cut by 20% (\$19,000). Second, the salaries of the two Administrative Assistants were increased by slightly over \$12,000 each.

Ms. Waugh explained that the cut in her salary was voluntary and permanent. She proposed the cut to demonstrate her commitment to the schools. Members of the School Committee confirmed that Ms. Waugh had made this cut voluntarily despite their own objections.

Regarding the second issue, Ms. Waugh and Ms. White provided the following explanation:

- Due to consolidation of positions, responsibilities of the two positions have expanded greatly.
- The job descriptions have been re-written to reflect the new responsibilities.
- Two step increases have been added at 7% each.
- Annual increases also include 3% cost of living adjustments and longevity.
- The amounts in the budget reflect the second year of a three year contract.
- The increases for the first year of the new contract are not reflected in the current year (FY08) budget making the year over year increase look larger than it really is.

The concerns raised by members of the members of the Finance Committee and the Board of Selectmen can be summarized as follows:

1. The cut in the Superintendent's salary, even if voluntary, could set a bad precedent going forward when the time comes to hire a new Superintendent.

2. Even if justified, the increases in the Administrative Assistants salaries during a period of budget constraint send the wrong message to other Town employees who are facing potential job cuts and the prospect of getting no raises at all.
3. The two taken together create the appearance that the budget has been balanced artificially.

Veterans Memorial Elementary School - Presented by Superintendent Jessica Waugh & the Administrative Assistant for Business & Finance, Betty White

The proposed FY09 VMES budget (\$1,221,134.16) is \$85,536.06 (7.53%) higher than this year. Enrollment as of October 1, 2007 was 96 students including 20 School Choice students.

Many of the Committee's questions related to increases in salary lines. Most of those are per union contracts with a few exceptions noted below.

- Part-time teaching specialist salaries increased by \$29,956.53 (119.04%). This was described as a positive educational move by the Superintendent.
- Compensation for the part-time librarian increased by \$8,389.05 (43.13%) because the librarian has taken on the additional responsibility of teaching technology classes for Pre-Kindergarten through Grade 6 students.
- The nurse is now full-time for VMES only; a second nurse covers PHS under a matching grant program. Prior to this change the nurse's salary was split between the VMES and PHS budgets.

Other items of note that were discussed:

- Pupil transportation costs are covered by School Choice income and thus show as \$0 in the budget.
- Heating costs have risen by \$14,000 (21.28%). No surprise there.
- The school pays \$4,000 for maintenance of its 58 phone lines. When the Town replaces its system, the schools should share the same system to reduce costs.

Due to the regular Board of Selectmen's meeting scheduled to start at 6:00pm, the meeting adjourned at 5:55pm. The three boards agreed to continue their joint hearing at 2:00pm on March 5th.

Next Meeting:	March 3, 2008 @ 1:00pm
Adjourn:	5:55pm
Minutes by:	Thomas Coen

Approved by _____ on _____, 2008
Gary Delius, Chair