

**FINANCE COMMITTEE**  
PUBLIC MEETING  
Judge Welsh Room, Town Hall  
Provincetown MA

**MONDAY, JUNE 26, 2017**

Members Present: Mark Hatch (MH), Chairman; Scott Valentino (SV), Vice Chair; Duane Steele (DS); Mark Del Franco (MDF); Kathleen Goodwin (KG).

Absent: Mark Bjorstrom (MB); Stan Sirkorski (SS).

Others Present: David Panagore (DP), Town Manager; Josee Young (JY), Finance Director; Mary-Jo Avellar (MJA), Town Moderator.

MH opened the meeting at 10:03 am.

**1. Member Statements.**

MH referenced something he found on Facebook concerning the cost of housing in Town; proposed that if one has a normal debt load of about \$500 a month and then look at debt ratios and what a bank might tell you that you can afford, that figure is about \$250,000; which, he said, per Realator.com might get you a parking space in this Town. MH said not to lose sight of the forest for the trees, to consider what it might be like to be in your late 20's, 30's and trying to save for a 55k down payment which might get you something in the far East End that hasn't been updated since 1842.

MH said it is important to not lose sight of the real problem in terms of housing in Town which is found in that example and that those numbers are sobering and signal a lot of work to be done, above and beyond the Housing Trust and other local resources.

MDF concurred and said part of his frustration is that the public goes to Town Meeting expected to vote for measures that will bring about change and improvement in the housing situation and then it doesn't happen; said that sometimes the numbers are just the numbers and what might be determined as middle income housing doesn't always mean the same thing for everyone.

DP said he agreed entirely in clarifying without vilifying; that it's a very serious matter when we speak of mistrust in the government; that he will always take accusations seriously and investigate. DP spoke in terms of the housing situation, that he felt we are fighting a hurricane with a pen knife; that no one tool will work for all but that Provincetown had gone far and beyond what anybody in the State would do in terms of passing the Inclusionary Bylaw.

DP related that he had spoken with Housing Specialist, Michelle Jarusiewicz, who said the way she operates is house-by-house, person-by-person as the market forces are just too big to think beyond going block-by-block.

MH said it was a sobering discussion and asked why does it always stop at 100% AMI when it should be up to 200 AMI, suggested it was up to the Town to solve the problems for themselves. DP said the FINCOM might start thinking about where it will put the money if the Airbnb tax measure moves in July.

MH said he agreed with DP's suggestion that a mini CPI might help to bring about housing growth. DP questioned if going to the State for a numbers-based waiver could prove fruitful.

MJA requested clarity on the article that recently appeared about housing for workers. DP said the Cape Cod Times story got it wrong; referenced the bankruptcy case of Harbor Hills used as a case in point and Lemonjuice Capital Partner's role in the pay-out to time shares. DP continued to speak emphatically about continuing the work to find opportunities for affordable housing.

DP stated that the Town's market sector is tourism to which SV added that if a waiter is good at his or her job and responsible with money they can make enough in 16 weeks in season to live at Harbor Hills year round.

MDF confided that in speaking out strongly early in the meeting he didn't mean to give the impression that he wasn't sensitive to other people's perceptions; and that he had named a person in the referenced thread, which, he felt, had a lot of unprofessional sentiment contained within it.

SV recommended the meeting move on to JY's presentation.

## **2. End of fiscal year transfers and review.**

### **a) Reserve Transfer Fund; Rescinded Items**

As reported by JY:

- i. \$4,880 in un-used funds awarded to Open Gov was returned to the Fund from an initial pro-rated sum of \$11,760.
- ii. \$2,000 initially awarded to the Library, unrelated to a specific expense, was rescinded and returned to the Fund.
- iii. \$9,000 approved for the DPW Police Station Study was rescinded and returned to the Fund after the money was found in a Capital Article.

Total: \$15,880.

MDF made a motion to accept the rescinding items as written; SV seconded the motion and it passed, 5-0-0. MDF, SV, MH, DS, KG.

### **b) Travel Reimbursement Policy**

JY submitted and highlighted the FINCOM's new policies on setting caps on meals allowances including procedures for reporting travel and how to apply for reimbursement.

MDF asked per credit cards section in Appendix 1, which the employee signs and which states that if violations occur can result in disciplinary action including termination; asked if this was necessary to include in this part. DP said he would consider including the wordage in the beginning of the document to be effective for overall consideration.

SV made a motion to accept the travel reimbursement policies as written and admitted. KG seconded the motion and it passed, 5-0-0. SV, KG, MH, MDF, DS.

MDF recommended the word “approved” be added to tuition section on p. 15.2. DP concurred and amendment was approved, 5-0-0.

**c) Gift Funds**

JY said there was no standing policy concerning Gift Funds except some that are obsolete; that if the current proposal is accepted, the policy could then apply to combining or closing some existing Gift Funds at a future date.

DP said he thought there were over 160. JY said she’d like to condense and combine what is out there as it’s a bit confusing as it now stands; added that Town Counsel, John Giorgio, had recommended that the unspecified purpose items be closed to the General Fund. MH agreed, said this is right as the purpose no longer exists. JY reported there is somewhere in the area of tens of thousands in outstanding Gift Funds.

MH mentioned a request from the Renewable & Recyclable Energy Committee for \$10,900 to put more cigarette butt disposal units around Town. JY said she had spoken to Lydia about two or three weeks ago about the measure and suggested they may have to wait until FY2018 when they can actually go through the application process. MH said that unfortunately it sounded like a Warrant Article.

**4. Minutes approval.**

MH reported there were no minutes to approve and gave a shout out to Maggie, saying her mailbox was rejecting, requested that she e-mail.

**5. Any other business that may legally come before the Committee.**

**a) Audit Address**

MJA said that the FINCOM was on the agenda for a meeting with the BOS which JY said was the exit conference for the audit. MH said he would be there for the 6 pm meeting. MJA said that as it wasn’t posted, the FINCOM could continue its meeting until 6 pm to make it legal.

JY remarked on the substance of the audit address: that there were two findings on the single audit, the audit of federal grants, which were procedural things and that they found one exception, that the airport grant was the only one included in the federal awards audit and was, also, the one with no documentation; auditors requested formal procedures on procurements for specific grants which JY said she would take care of.

JY spoke of Town’s financial statement audit; management letter included a carried-forward comment about making payroll systems more streamlined and taking extra time away from the process. JY said they were planning on bringing on the MUNIS system going forward to address that concern for FY2018.

JY said there was informational commentary about implementations based on a two-year warning and some things that were not being done right for 6/30/16, but would be followed up on.

MJA remarked that there needed to be copies distributed for something that would be discussed in advance.

**b) Enterprise Funds**

MH suggested discussing income when producing budget books, which DP said was there already but was not talked about. MH thought the income-side should be addressed. DP said he thought Parking should become an Enterprise Fund item; to produce a ledger, while other stuff is more difficult to do, but that there are allocations and income coming in from the State and that overall this stuff needed to be paid more attention to. MH concurred.

DP said it could be beneficial to make comparisons between the Town and others, in other locations. MH agreed and said he felt the Town should seek to take advantage of its better, comparative position.

MJA asked after the Pier Corp as an Enterprise Fund, which MH said is something that is always out there; that the Enterprise Fund is not a penalty but a much smoother way too get things done with less chaffing, in his view.

**c) Décor**

MJA asked if the ugly painting and hanging apparatus could be improved upon. DP said he felt the room was shaped wrong. DS suggested the Art work in the Judge Welsh Room needed to be cleaned.

MH made a motion to adjourn the meeting at 10:49 am until 6 pm; No vote was taken and the meeting was adjourned.

Respectfully Submitted,  
Jody O'Neil