



Finance Committee

Finance Committee Meeting Minutes
 Tuesday, February 8th 2011 @ 1:00 pm
 Judge Welsh Room at the Provincetown Town Hall
 Called to Order: 1:05 pm

Membership:

P	E	U	Name	
<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Thomas Coen, Chair	
<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Ann Maguire, Vice Chair	
<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Thomas Thurston	
<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	David McChesney	
<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Erik Yingling	
<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Tom Donegan	
<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Glen Dombrow	
<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Frederic Biddle	
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	(Open)	
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	(Open), Alternate	<input type="checkbox"/> Voting
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	(Open), Alternate	<input type="checkbox"/> Voting

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

These minutes are in brief format. This meeting was filmed and is available for viewing at <http://www.provincetowntv.org> or on DVD at the Provincetown Television office.

Also Present:	
Sharon Lynn, Town Manager	Dan Hoort, Finance Director

<p>Order of Business:</p> <ol style="list-style-type: none"> 1. Revenue & Expense Budget Overview. 2. Division I – General Government budgets: <ul style="list-style-type: none"> 499 – Cable Advisory Commission 482 – Airport

- 179 – Historical Commission
- 113 – Elections
- 161 – Town Clerk
- 174 – Housing Office
- 182 – Economic Development
- 122 – Board of Selectmen
- 123 – Town Manager
- 151 – Legal Services
- 156 – General Government Administration
- 157 – Land Bank

3. Revisit previously reviewed departmental budgets, as necessary.
4. Minutes of prior meetings, as time permits.
5. Any other business that may legally come before the Finance Committee.

Revenue & Expense Budget Overview

Deficit: The budget deficit has declined slightly to \$178,252. While the interest on the Town’s latest bond issue was lower than expected, the assessment from Cape Cod Regional Technical High School has increased by \$36,000.

Parking Revenues: If the increases recommended by the Committee are approved, there are no restrictions on how the additional revenues can be used. There are many options – balancing the budget, transfers to the stabilization fund, or adding to the Parking Fund.

The Board of Selectmen will be holding their annual traffic hearing on March 15th. The Town Manager suggested that the Committee’s recommendation go first to the Board of Selectmen and the Parking Department. The potential \$250,000 in receipts could be used to balance the budget, thereby allowing us to make a transfer from free cash into the stabilization fund.

Division II – Finance Budget Reviews

132 – Information Systems. Presented by Beau Jackett, MIS Director.

(This budget was moved forward from February 10th.)

Other than salary increases, the largest increases in the budget are:

- \$12,000 for the 3rd year of the hardware refresh program. After this year, it should level out.
- \$15,500 for the renewal of the Microsoft enterprise agreement, using the State’s negotiated rates.

Upcoming initiatives include:

- Updating the Town’s badly outdated phone system in all buildings, other than Town Hall.
- iPad training for students and administrators in the school.
- Improving cellular phone service in Town.

The cost of upgrading the Town’s phone system won’t vary significantly if the Town consolidates facilities into the Veterans Memorial Elementary School.

Motion # 1: To recommend budget 132 – Information Systems in the amount of \$335,054.

Motion By: Ann Maguire		Second By: Glen Dombrow	
For: 5	Against: 0	Abstain: 0	Recuse:

Division I – General Government Budget Reviews

499 – Cable Advisory Commission

Review of this budget was postponed until a later date due to the recusal of two members (Ann Maguire and David McChesney) who are both sit on the Provincetown Television Board of Directors. This left the Committee without a quorum.

482 – Airport Commission. Presented by Steve Tait (Airport Commission) and Butch Lizenby (Airport Manager).

New initiatives under consideration include:

- Fencing in the entire airport for security reasons.
- Reconfiguring the taxi way.
- Repaving the parking lot.
- Possible expansion of the facility due to space lost to TSA security.

Overall, the expense budget is exactly level funded. However, rental income has been reduced by \$7,200 because TSA is no longer using a trailer.

The Airport is now using the DPW as a source of fuel, for which it is billed.

The use of police details for security will continue unless the police can increase the size of the force, which would probably be more expensive than the current arrangement with TSA.

Motion # 2: To recommend budget 482 – Airport Commission in the amount of \$85,850.

Motion By: Ann Maguire	Second By: Frederic Biddle
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For: 5	Against: 0	Abstain: 0	Recuse:
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Other Business

Fiscal Year 2011 Budget Adjustments: Per the Finance Director, there will be approximately \$13,226 of adjustments to be made based on second quarter results.

Wastewater Enterprise Fund: Revenue projects are good and expenses are in line.

Water Enterprise Fund: Usage and revenues have increased, in part due to the ongoing leak detection program. A surplus is possible.

179 – Historical Commission Presented by Doug Johnstone (Town Clerk)

The budget is level funded. Most of the budget is for printing brochures and pictures. The Visitor Services Board has provided funding for a Building Provincetown iPhone app.

Motion # 3: To recommend budget 179 – Historical Commission in the amount of \$500.			
Motion By: Ann Maguire		Second By: Glen Dombrow	
For: 5	Against: 0	Abstain: 0	Recuse:

113 – Elections Presented by Doug Johnstone (Town Clerk)

This budget rises and falls depending on the number of elections. In 2012 there will be two elections – the annual Town election and the presidential primary.

Motion # 4: To recommend budget 113 – Elections in the amount of \$10,580.			
Motion By: Frederic Biddle		Second By: David McChesney	
For: 5	Against: 0	Abstain: 0	Recuse:

161 – Town Clerk Presented by Doug Johnstone (Town Clerk)

Overall the budget is down by \$1,000. Contracted services are being used to bind town records. This hasn't been done since 1989.

Motion # 5: To recommend budget 116 – Town Clerk in the amount of \$106,862.			
Motion By: Ann Maguire		Second By: Glen Dombrow	
For: 5	Against: 0	Abstain: 0	Recuse:

122 – Board of Selectmen

Most of this budget is the salary of the Board’s secretary.

Motion # 6: To recommend budget 122 – Board of Selectmen in the amount of \$55,591.			
Motion By: Ann Maguire		Second By: Frederic Biddle	
For: 5	Against: 0	Abstain: 0	Recuse:

123 – Town Manager

Almost this entire budget is for the salaries of the Town Manager, Assistant Town Manager and the TM’s secretary.

Motion # 7: To recommend budget 123 – Town Manager in the amount of \$273,790.			
Motion By: Ann Maguire		Second By: Glen Dombrow	
For: 5	Against: 0	Abstain: 0	Recuse:

151 – Legal Services

Ms. Maguire noted that in the past this budget was much higher. The Town Manager is doing a good job managing legal expenses.

Motion # 8: To recommend budget 151 – Legal Services in the amount of \$200,000.			
Motion By: David McChesney		Second By: Glen Dombrow	
For: 5	Against: 0	Abstain: 0	Recuse:

Mr. McChesney asked where the budget for 182 Economic Development is? It has been removed by the selectmen.

156 – General Government Administration

Purchasing of supplies and services have been centralized in this budget, leading to some savings overall. It is down from the current year.

Motion # 9: To recommend budget 156 – General Government Administration in the amount of \$64,790.			
Motion By: Frederic Biddle		Second By: David McChesney	
For: 5	Against: 0	Abstain: 0	Recuse:

157 – Land Bank

Most of this budget is to pay for debt service on open space acquisitions using Land Bank funds. 10% also goes into the Affordable Housing Trust Fund, and 3% into maintenance.

Ms. Maguire raised the possibility of dissolving the Land Bank and using the 3% property tax surtax to fund a health insurance trust fund.

Requests for financial assistance from the Affordable Housing Trust Fund go the Community Housing Council. They have a great deal of flexibility in determining how to use the funds.

Motion # 10: To recommend budget 157 – Land Bank in the amount of \$132,175.			
Motion By: Glen Donbrow		Second By: Ann Maguire	
For: 5	Against: 0	Abstain: 0	Recuse:

174 – Housing Office Presented by Michelle Jarusiewicz (Community Housing Specialist)

Ms. Jarusiewicz explained that Housing Specialist position is funded by a combination of Community Preservation Act (CPA) funds and grants. She also explained the process for getting CPA grants.

Ms. Maguire asked whether or not there are date restrictions on using CPA grant funds. Ms. Jarusiewicz indicated that future projects will have such restrictions.

The Stables project grant request will be reduced at the next Town Meeting from the original amount of \$800K to \$540K, due to a reduction in the number of affordable units. The difference will go back into the CPA’s housing fund.

The 90 Shankpainter project has more flexibility on income brackets. It should be getting under way soon.

Motion # 11: To recommend budget 174 – Housing Office in the amount of \$42,752.

Motion By: Ann Maguire

Second By: Glen Dombrow

For: 5

Against: 0

Abstain: 0

Recuse:

Minutes

(None).


Other Business

(None).

List of documents reviewed:

1. *Fiscal Overview FY 2011-2012 as of 2/8/11 (attached)*
2. *Division II – Finance & Division I – General Government budgets, as recommended by the Board of Selectmen*

Next Meeting:	Tuesday, February 8 th @ 4:00 pm
Adjourn:	2:50 pm
Minutes by:	David McChesney & Thomas Coen

Approved by  on February 24, 2011
Thomas Coen, Chair

**Fiscal Overview FY 2011-2012
as of 02/08/11**

	FY 2010	FY 2011	FY 2012	
	Budget	Budget	Budget	
Revenues				
Real Estate Taxes				
Prior Year Property Tax Levy	13,964,367	14,545,634	15,043,754	
2.5% Increase	349,109	363,641	376,094	
Overrides	115,500	0	0	
New Growth	116,658	134,479	120,000	
Levy Limit	14,545,634	15,043,754	15,539,848	3.3% 496,094 Increase
Debt Exclusion	133,954	158,071	685,105	
Capital Outlay Exclusion	100,000	150,200	0	
Other Adjustment-County Assessment	85,916	88,063	86,100	
Current Year Property Tax LEVY	\$ 14,865,504	\$ 15,440,088	\$ 16,311,053	5.6% increase
Cherry Sheet Aid	774,997	813,758	\$697,501	based on Governor's proposed budget
Estimated Receipts - Local	4,026,800	4,440,743	\$4,448,713	
Community Preservation Funds	1,485,623	473,395	\$481,838	no budget yet
Cape Cod Land Bank Funds	423,848	274,362	132,175	funds dept 157 in general gov't
Overlay Surplus	0	0	\$0	
Free Cash	397,000	250,000	\$0	
Appropriation from Other Funds:				
Cable		75,000	120,000	funds dept 499
Waterways		80,000	80,000	funds public safety budget (partial)
Wetlands		4,696	4,696	funds dept 171 (partial)
Tourism		450,000	450,000	offset below
Ferry Embark		55,000	55,000	funds public safety budget (partial)
Septic Loans		30,655	0	
Other	1,233,971	0	30,000	
Enterprise Fund Revenue				
Water Enterprise - direct, indirect & PILOT	1,904,870	2,103,899	2,278,935	
Wastewater Enterprise	2,635,714	2,817,594	2,958,337	
<i>Sub-total</i>	4,540,584	4,921,493	\$5,237,272	
TOTAL REVENUES	\$ 28,025,459	\$ 27,309,190	\$ 28,048,248	2.7% increase
Expenditures				
Revenue Deficits & amounts to be raised	443,671	\$54,644	\$0	
Cherry Sheet Charges	800,570	\$854,446	\$861,442	based on Governor's proposed budget
Cherry Sheet Offsets		\$258,061	\$190,962	based on Governor's proposed budget
Overlay Reserve	186,290	185,000	\$180,000	
Operating Budgets				
I General Government	1,288,220	1,227,852	1,146,867	-6.6% decrease (from Land Bank)
II Finance	7,377,728	7,802,053	8,617,767	10.5% increase (debt service)
III Public Safety	3,968,100	4,182,315	4,290,759	2.6% increase
IV Public Works	2,557,222	3,001,352	3,008,302	0.2% increase
V Public Services	815,614	802,348	824,958	2.8% increase
VI Schools -300	3,556,648	3,354,959	3,187,211	-5.0%
VI Cape Cod Tech - 310	88,072	52,401	88,131	CCRTH Assessment (5 students)
<i>Sub-total</i>	\$19,767,104	\$20,423,280	\$21,163,995	3.6% increase
Water Enterprise Fund - direct	1,635,509	1,834,538	2,009,574	
Wastewater Enterprise Fund Exp-Direct	2,478,687	2,737,160	2,880,654	
Tourism	419,136	450,000	450,000	
Town Meeting Articles-General Fund	100,000	939	\$939	
Town Meeting Articles-Other	437,339	0	\$0	
Into STABILIZATION Fund	0	250,000	\$0	
Chapter 90 Highway	0	0	0	
Human Service Articles	53,799	53,799	\$49,848	
Community Preservation Funds	1,410,883	439,086	\$439,086	no budget yet
TOTAL EXPENDITURES	\$ 27,732,988	\$ 27,540,953	\$ 28,226,500	2.5% increase
REVENUES minus EXPENDITURES	292,472	(231,763)	(\$178,252)	
FREE CASH				
Balance Certified			\$223,640	
Used for FY 2012 Operating Budget			\$0	
Balance			\$223,640	

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