



Finance Committee

Finance Committee Meeting Minutes
 Tuesday, February 1st 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 checked="" type="checkbox"/>	<input 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	David Guertin, DPW Director
David Gardner, Asst. Town Mgr.	Sandy Turner, DPW Deputy Dir.
Dan Hoort, Finance Director	

Order of Business:
1. Revenue & Expense Budget Overview.
2. Division IV – Public Works & Enterprise Fund budgets: 432 – Recycling and Renewable Energy Committee

- 192 – Buildings & Grounds
- 421 – Administration
- 422 – Highway
- 423 – DPW Snow & Ice
- 431 – DPW Solid Waste
- 439 – DPW Solid Waste Disposal
- CIP – DPW
- 440 – Wastewater Enterprise Fund
- 450 – Water Enterprise Fund

3. Minutes of prior meetings, as time permits.
4. Any other business that may legally come before the Finance Committee.

Revenue & Expense Budget Overview

Dan Hoort presented the following:

- The BOS approved the Police Budget, after discussing and applying some cuts.
- As of this date, for FY 012, we are at a deficit of \$184,215. Some numbers may be revised. The final state numbers, once determined, could impact our numbers. Over the past three years, Provincetown state aid dollars have reduced by \$300,000.
- We could balance the budget by using free cash, but we don't want to do that.
- Sharon Lynn indicated that overall we are in a better position this year.
- Ann Maguire asked how we are doing with respect to Provincetown being on the State Watch List. Dan indicated that the state has all of the information they need. He is feeling very good, and hopes that by the end of the year we will be removed from the list.

Division IV Budget Reviews

192 – DPW Buildings & Grounds

David Geurtin and Sandy Turner presented the following:

- Their budget is based on the DPW moving to the Veteran's school.
- The Grace G. and Community Center numbers are now combined in the overall budget (due to upcoming move).

- The overtime line item is above current budget, due to the time spent for the town hall move.
- Staffing remains unchanged.
- Energy/heating line item is based on expected increase in cost of fuel as well as the overall increased space that the DPW will have after the move. Heating price has gone up recently from \$2.44 per gallon to \$2.81, per Ms. Turner.
- Eric Yingling asked about the status of the library landscaping. Ms. Lynn responded that the landscaping will be completed in the summer. Some work will be done on the front grounds (leveling), but final work will be later.
- David McChesney asked if the school building could be retro-fitted for alternative sources of energy (solar). Mr. Geurtin replied it obviously could be, but this would be a capital expense, unless we were able to obtain a grant.
- Ann Maguire asked why he budget item “repair/maintenance” has increased. The answer is that they expect to need to do more repairs in the school building.

Motion # 1: To recommend budget 192 – DPW Buildings & Grounds in the amount of \$1,027,023.			
Motion By: Ann Maguire		Second By: Erik Yingling	
For: 6	Against: 0	Abstain: 0	Recuse:

421 – DPW Administration

David Geurtin and Sandy Turner presented the following:

- The “A” budget is lower due to the retirement of the finance coordinator.
- Eric Yingling asked why costs for street lighting have increased. Ms. Turner responded that this is due to the increased cost for lighting.
- Ann Maguire asked if she could see the contract with republic, the contractor for street light repairs. It takes a long time for repairs to be made. The expectation is a 24-48 hour turn-around time.
- Fred Biddle asked about the gas/oil/diesel line item. FY2011 budget amount is \$100K. To date, \$118K spent. Credits are made as other

departments “pay” for gas use, etc. To date, \$76K in reimbursements has been received. The credits don’t go back to this budget item.

- Repair/maintenance line item reduced. Due to the fact that 5 cars this year are new, therefore repair costs should reduce. As more cars are replaced, this budget item should flatten or reduce.

Motion # 2: To recommend budget 421 – DPW Administration in the amount of \$414,291.			
Motion By: Ann Maguire		Second By: David McChesney	
For: 6	Against: 0	Abstain: 0	Recuse:

422 – DPW Highway

David Geurtin and Sandy Turner presented the following:

- Regarding the “B” budget – energy/heat has been reduced. Some efficiencies, insulation added.
- Contractor services: Route 6 - is comprised of costs for signs, guard rails, line painting, lights. This is a state contract.

Motion # 3: To recommend budget 422 – DPW Highway in the amount of \$676,030.			
Motion By: Ann Maguire		Second By: Frederic Biddle	
For: 6	Against: 0	Abstain: 0	Recuse:

423 – Snow & Ice

David Geurtin and Sandy Turner presented the following:

- Estimate of overtime based on private contractor pricing. The State estimates that this line item should be equivalent to about 16% of the budget.
- Dan Hoort talked about how we can legally overspend on the snow/ice budget.

Motion # 4: To recommend budget 423 – Snow & Ice in the amount of \$167,700.			
Motion By: Ann Maguire		Second By: Glen Dombrow	
For: 6	Against: 0	Abstain: 0	Recuse:

431 – DPW Solid Waste

David Geurtin and Sandy Turner presented the following:

- Step increase only in the “A” budget. Level funded otherwise.
- Ms Turner talked about costs for trash removal and recycling hauling. We charge \$142 per ton for individuals to leave items at the transfer station. We don’t make money; we may break even.
- Hauling/tipping fees are a big unknown in the next 5 years. They are expected to double. We need a strategy.

Motion # 5: To recommend budget 431 – DPW Solid Waste in the amount of \$554,008.			
Motion By: Erik Yingling		Second By: Glen Dombrow	
For: 6	Against: 0	Abstain: 0	Recuse:

432 – Recycling Committee

David Geurtin and Sandy Turner presented the following:

- Costs for brochures for single stream recycling.
- Mass Recycle/ICLEI memberships.

Motion # 6: To recommend budget 432 – Recycling Committee in the amount of \$1,250.			
Motion By: Frederic Biddle		Second By: Ann Maguire	
For:	Against:	Abstain:	Recuse:

439 – DPW Solid Waste Disposal

David Geurtin and Sandy Turner presented the following:

- Level funded.
- SEMASS – where we bring our waste. We pay them a tipping fee.
- We pay a contractor, who hauls the waste.
- Ms. Turner indicated that the solar powered barrels are a great success.

Motion # 7: To recommend budget 439 – DPW Solid Waste in the amount of \$168,000.			
Motion By: Ann Maguire		Second By: David McChesney	
For: 6	Against: 0	Abstain: 0	Recuse:

DPW Capital Improvement Projects

David Geurtin and Sandy Turner presented the following:

- Fleet replacement – five year plan.
- Storm water management – five year master plan.
- Transfer station – five year plan.

(The Committee recessed for 10 minutes at 2:54 pm).

440 – Wastewater Enterprise Fund

David Geurtin and Sandy Turner presented the following:

- Contractor services budget item: We use AECOM, in the 8th year of a 20 year contract. This is the cost to run the entire system. Costs are up. David McChesney asked why the increase. Mr. Geurtin replied that we have a larger system, a 4th operator needs to be added, increase in the CPI, more cost to remove sludge and increase electrical costs.
- Mr. Geurtin indicated that plant expansion can be fully paid for by committed betterment receipts. We incur minor debt up front until cash is received.
- Tom Coen indicated that in terms of reserve, our surplus is basically gone. Tom asked how the DPW would handle something that comes up, like the need to repair (grinder pump, for example). Mr. Geurtin indicated that the Contractor Services budget has a small amount

(\$60K) built in. In general, there are no major expense types for wastewater repair/replacement.

Motion # 8: To recommend budget 440 – Wastewater Enterprise Fund in the amount of \$2,980,649.			
Motion By: Ann Maguire		Second By: Frederic Biddle	
For: 6	Against: 0	Abstain: 0	Recuse:

450 – Water Enterprise Fund

David Geurtin and Sandy Turner presented the following:

- Legal services will fluctuate, as need requires.
- Eric Yingling asked what makes up the Contractor Services/Professional line item. The response was payroll for the water superintendent, police detail costs (policing road work, leaks) and water tap costs.

Motion # 9: To recommend budget 450 – Water Enterprise Fund in the amount of \$2,362,921.			
Motion By: Ann Maguire		Second By: Erik Yingling	
For: 6	Against: 0	Abstain: 0	Recuse:

Minutes

Motion # 10: To approve the minutes of January 6 th .			
Motion By: Ann Maguire		Second By: David McChesney	
For: 5	Against: 0	Abstain: 1	Recuse:


Other Business

(None).

List of documents reviewed:

1. *Fiscal Overview FY 2011-2012 as of 01/31/11(attached)*
2. *Division IV Public Works budgets, as recommended by the Board of Selectmen*
3. *Proposed DPW Capital Improvement Projects*
4. *Wastewater and Water Enterprise Fund budgets, as recommended by the Board of Selectmen.*
5. *January 6th Draft Minutes*

Next Meeting:	Thursday, February 3 rd @ 1:00 pm
Adjourn:	4:53 pm
Minutes by:	Glen Dombrow & Thomas Coen

Approved by  on February 24, 2011
 Thomas Coen, Chair

**Fiscal Overview FY 2011-2012
as of 01/31/11**

	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	747,672	
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	16,373,620	6.0% increase
				based on Governor's proposed budget
Cherry Sheet Aid	774,997	813,758	\$697,501	
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	<u>2,635,714</u>	<u>2,817,594</u>	<u>2,958,337</u>	
<i>Sub-total</i>	4,540,584	4,921,493	\$5,237,272	
	\$	\$	\$	
TOTAL REVENUES	28,025,459	27,309,190	28,110,815	2.9% 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	8,722,028	11.8% 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%

**Fiscal Overview FY 2011-2012
as of 01/31/11**

VI Cape Cod Tech - 310

	FY 2010	FY 2011	FY 2012
	Budget	Budget	Budget
	88,072	52,401	52,400
<i>Sub-total</i>	\$19,767,104	\$20,423,280	\$21,232,525
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
	\$	\$	\$
TOTAL EXPENDITURES	27,732,988	27,540,953	28,295,030
REVENUES minus EXPENDITURES	292,472	(231,763)	(\$184,215)

4.0% increase

no budget yet

2.7% increase

**FREE
CASH**

Balance Certified	\$223,640
Used for FY 2012 Operating Budget	\$0
Balance	\$223,640