



Finance Committee

Finance Committee Meeting Minutes
 Monday, April 4, 2011 @ 5:00 pm
 The Auditorium at the Provincetown Town Hall
 Called to Order: 5:03 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 checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Thomas Thurston (arr. 5:35)	
<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	David McChesney	
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Erik Yingling (arr. 5:15)	
<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Thomas 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 starting at 6:00 pm and is available for viewing at <http://www.provincetowntv.org/> or on DVD at the Provincetown Television office.

Also Present:	
Dan Hoort, Finance Director	

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| <p>Order of Business:</p> <ol style="list-style-type: none"> 1. Any last minute Town Meeting business. 2. Minutes of prior meetings, as time permits. 3. To attend Town Meeting and present the Finance Committee's reports and recommendations on the articles in the Town Warrant. 4. Any other business that may legally come before the Finance Committee. |
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Last Minute Business

The Committee had several articles to vote on or reconsider prior to Town Meeting.

STM Article 6. Wastewater Optimization and Expansion – Supplemental Borrowing Authority

The Committee has previously voted on an incorrect amount (\$800K). The correct amount is \$3,900,000.

Motion # 1: To reconsider STM Article 6.			
Motion By: Thomas Donegan		Second By: Ann Maguire	
For: 6	Against: 0	Abstain: 0	Recuse:

Motion # 2: To recommend STM Article 6 in the amount of \$3,900,000.			
Motion By: Thomas Donegan		Second By: Ann Maguire	
For: 6	Against: 0	Abstain: 0	Recuse:

STM Article 12. Room Occupancy Tax

The Committee was unable to vote on this article earlier due to a lack of quorum caused by recusals. Members agreed that extending the room tax to private, short-term rentals is matter of fairness to other businesses in town that are required to collect the tax. It would also generate considerable additional income.

Motion # 3: To recommend STM Article 12.			
Motion By: Thomas Donegan		Second By: Glen Dombrow	
For: 5	Against: 0	Abstain: 0	Recuse: AM

ATM Article 32. Rescind Real Estate Transfer Fee

Having previously recommended against the transfer fee, the Committee struggled with what position to take on this article. If the home rule petition is approved by the legislature, it would generate up to \$500K in new revenue. The Committee would welcome the revenue, but it's unlikely to pass.

Motion # 4: To Not Recommend ATM Article 32.			
Motion By: Ann Maguire		Second By: Thomas Donegan	
For: 6	Against: 0	Abstain: 0	Recuse:

STM Article 8. Library Renovations – Extend Air Conditioning to Second Floor

The Committee was waiting to vote on this article until the final bids were accepted. The breakdown is \$139,000 for air conditioning; plus \$162,000 for structural repairs, painting and electrical work.

There was vigorous discussion about the history of the library project, and whether or not air conditioning on the upper level is really necessary. The majority agreed that the project needs to be, finally, finished.

Motion # 5: To Recommend STM Article 8, in the amount of \$360,000.			
Motion By: Ann Maguire		Second By: Thomas Donegan	
For: 5	Against: 2	Abstain: 0	Recuse:

ATM Article 31. Allow Non-Resident Property Owners to Serve on Town Boards

The Committee had previously voted to recommend indefinite postponement of this article due to concerns about the way it is written. Mr. Coen asked for reconsideration.

Motion # 6: To reconsider ATM Article 31.			
Motion By: Thomas Donegan		Second By: Frederic Biddle	
For: 8	Against: 0	Abstain: 0	Recuse:

Mr. Coen explained that he thought that a vote to not recommend makes more sense given the concerns raised.

Motion # 7: To Not Recommend ATM Article 31.			
Motion By: Thomas Donegan		Second By: David McChesney	
For: 7	Against: 1	Abstain: 0	Recuse:

The Committee went into recess at 5:40 pm, and came out of recess when the Moderator called the Special Town Meeting to order.

Town Meeting

The Committee attended Town Meeting, gave its reports on the articles, and answered questions as necessary. *(Copies of the reports are attached).*

Other Business

(None).

List of documents reviewed:

- 1. Finance Committee Report and Recommendations on Articles for the April 4, 2011 Special & Annual Town Meetings*

Next Meeting:	Tuesday, April 4 th @ 5:30 pm
Adjourn:	10:00 pm
Minutes by:	Thomas Coen

Approved by  on May 1, 2011
Thomas Coen, Chair

**Finance Committee Report
Special Town Meeting Warrant**

Article 1. FY2011 Budget Adjustments.

This article, if approved by the voters, provides authority to approve and amend the FY2011 Budget.

The Finance Committee considered this article and recommends it to you tonight by a vote of 6-0-0.

Respectfully submitted,

Tom Donegan
April 4, 2011

**Special Town Meeting FY-2012 Article 2.
Rescind Unused Borrowing Authority.**

This article rescinds borrowing authority for seven articles in the amount of **\$172,472**. This process of rescinding and closing older articles was part of the recommendation from the Massachusetts Department of Revenue in the 2008 Management Report. It is akin to closing out old credit cards that are no longer used. It is yet another effort to clean up the books and could improve our bond rating.

The Finance Committee considered this article and recommends it to you by a vote of 6-0-0

Respectfully submitted,

A handwritten signature in blue ink, appearing to read "Erik Yingling", with a long, sweeping flourish extending to the right.

Erik Yingling
April 4, 2011

STM Article 3

To see if the Town will vote to raise and appropriate, borrow, or transfer from available funds \$379,721 to be expended under the direction of the Town Manager and the Director of Public Works for capital improvements needed for the Veteran's Memorial Elementary School Building and costs associated with the relocation of various staff departments to the same building and costs related thereto, provided that the appropriation shall be contingent on a Prop 2 1/2 Capital Outlay or debt exclusion ballot question, or to take and other action relative thereto. If this article is approved, the Recreation Department, the Council on Aging and Public Works Department offices would be relocated. For the Recreation Department it would mean they would have a big gymnasium and playing fields to use. For the Council on Aging it would mean a big kitchen, ample parking, the ability to add programs and it would all be on one level--no stairs.

The Finance Committee recommended this article by a vote of 6-0-0

Ann Maguire 4/4/11



Finance Committee Warrant Article Report

STM Article 4 - Sale of the Grace Gouveia Building

The building assessment completed by consulting engineers uncovered many deficiencies at the Grace Gouveia Building. The Council on Aging, Social Services and the Department of Public Works have outgrown this building. They are limited by the building's layout and size. Renovations needed are estimated to cost close to \$420,000. While the renovations will improve the building, the final result will fall short of their needs. The cost to renovate far outweighs the value of the final result.

The move to the Veteran's Memorial Elementary School will enable the departments to secure the type of space that they require. For this reason the Finance Committee recommends this article to you tonight by a vote of 6-0-0.

Respectfully submitted,

Glen Dombrow

on April 4, 2011

Glen Dombrow



Finance Committee Warrant Article Report

STM Article 5 - Sale of the Community Center Building

The Community Center Building has many deficiencies. The building assessment completed by the consulting engineers indicated that renovations would cost close to \$446,000. The cost to renovate the building far outweighs the value of the final result.

The move of the Recreation Department to the Veteran's Memorial Elementary School will enable them to utilize a building that is more suited to them. For this reason the Finance Committee recommends this article to you tonight by a vote of 5-0-1.

Respectfully submitted,

Glen Dombrow On April 4, 2011

Glen Dombrow

**Finance Committee Report
Special Town Meeting Warrant**

Article 6. Wastewater Optimization and Expansion - Supplemental Borrowing Authorization

In regards to the Town's match of federal funds: The article provides the authority to a) issues bonds (not to exceed \$3,900,000) for the purpose of expanding the wastewater treatment programs as a result of expansion of Phase III , b) apply for aid from other governmental agencies to cover these costs, and c) specific authority for Water and Sewer Board to assess users in an amount to repay 100% of these obligations.

The Finance Committee considered this article and recommends it to you tonight by a vote of *6-00* .

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Respectfully submitted,


Tom Donegan
April 4, 2011

**STM Article 7- Transfer-Funds to the Cemetery
Perpetual Care Fund.**

This article transfers \$46,645 of unexpended funds to the Cemetery Perpetual Care Fund. This transfer corrects a funding error made at the 2003 Annual Town Meeting.

The Finance Committee recommends this article by a vote of 6-0-0.

Respectfully submitted,



David J. McChesney

April 4, 2011.



Special Town Meeting Finance Committee Warrant Article Report

STM Article 8. Library Renovations - Extend Air Conditioning to Second Floor

This article, if approved by the voters, would fund the extension of air conditioning throughout the library. Currently, only two rooms are air conditioned. The low bid for this work was \$139,000.

The article will also fund structural repairs of the trusses in the attic; other minor repairs; painting; and electrical work. The low bid for this work was \$162,000.

The library project architects, McGinley Kalsow & Associates, have also recommended that we add a 20% contingency due to the complexity of the structural repairs of the trusses, bringing the total to \$360,000.

This project will be paid for, in part, by using any leftover funds from the current Library project. The remaining amount will be funded by a Proposition 2 Y2 Debt Exclusion that must also be approved by the voters at the ballot box on May 3rd.

The Finance Committee recommends this article to you tonight by a vote of 5-2-0.

Respectfully submitted,

Thomas Coen on April 4, 2011

Thomas Coen

STM Article 9

To see if the Town will vote to expend \$67,794 from the parking Fund for the following repairs and maintenance:

1. \$13,794 for electrical and maintenance repairs on three parking booths.
2. \$5,000 for patching repairs to the Municipal Parking Lot pavement.
3. \$6,000 for the replacement of car stop bumpers in the Johnson Street, Alden Street and school Street parking lots.
4. \$43,000 for the reconfiguration of the municipal Parking Lot. or to take any other action relative thereto.

This will allow our main parking lot to have a separate entrance and exit which will help the traffic flow at Lopes Square.

The Finance committee recommended this article 6- 0-0

Ann Naguire 4/9/11



**Special Town Meeting
Finance Committee
Warrant Article Report**

STM Article 10 - April 4, 2011

**Use of Unexpended Funds in Prior Town Meeting Articles
to Fund Fire Department Building Capital Improvements**

While our volunteer fire department, the only one left on Cape Cod, costs us a fraction of what taxpayers in other towns pay, we do have the obligation to maintain the buildings out of which they operate. The Department has developed a list of items which need to be addressed at three of their stations totaling \$61,480. This article proposes to transfer the needed amount from unexpended funds authorized but not spent in prior years. The Finance Committee considered this request at its meeting on March 16th and recommends the article to you tonight by a vote of 6-0-0.

Respectfully submitted,

Thomas F. Thurston

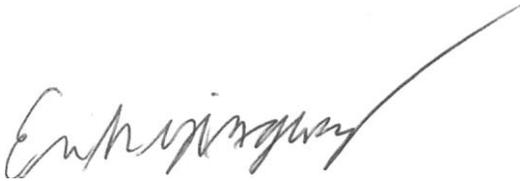
Finance Committee

**Special Town Meeting FY 2012 Article 11
Stabilization Fund**

The Towns fiscal policy goal is to set aside an amount equal to 5% of the operating budget into the stabilization fund. This fund can be thought of as a "rainy day" fund to help the town address emergency spending needs. The transfer of \$220,000 into the stabilization fund will bring us one step closer to our fiscal policy goal as well as approaching the recommendations laid out by the Massachusetts Department of Revenue.

The Finance Committee considered this article and recommends it to you by a vote of 6-0-0

Respectfully Submitted,

A handwritten signature in black ink, appearing to read "Erik Yingling", with a long, sweeping flourish extending upwards and to the right.

Erik Yingling April 4, 2011



**Special Town Meeting
Finance Committee
Warrant Article Report**

STM Article 12. Room Occupancy Tax

This article asks the state to grant the Town the authority to impose a 6% local option room tax on all short term vacation rentals, including private residences and condominiums. It would close a loophole in the law that exempts these properties and, by doing so; level the playing field for businesses in Town that compete with private rentals. It would also generate significant additional revenue for the Town that could be used for purposes such as capital improvements

In addition to Town Meeting approval, it will require approval of the legislature and the governor in order to take effect.

The Finance Committee recommends this article to you tonight by a vote of 5-0-0.

Respectfully submitted,



on April 4, 2011

Thomas Coen

FINANCE COMMITTEE REPORT ANNUAL TOWN MEETING: ARTICLE 4

To the Meeting, through the Town Moderator:

Article 4 supports the town's sewer and water businesses.

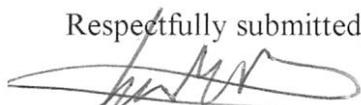
In both cases expenses are offset by income, mostly through new hookups and usage fees in the case of the Wastewater Enterprise Fund. As for the Water Enterprise Fund, income occurs almost entirely from usage fees. These don't flow through the General Fund.

We expect the wastewater fund's income to balance expenses for FY 2012. In future years, a surplus may develop as new users connect to the system as a result of the Phase 3 expansion.

Meanwhile, water revenues have recently improved -- about 8 percent more in 2010 over 2009, due to increased water usage associated with the recovering economy.

The Committee recommended the approval of both provisions of Article 4 by a vote of 6-0-0 on February 11, 2011.

Respectfully submitted,



Frederic M. Biddle
Finance Committee
April 4, 2011



**Annual Town Meeting
Finance Committee
Warrant Article Report**

ATM Article 5. FY 2012 Capital Improvements Program; Section 1, Shortel Telephone Network Expansion

The Town needs to update the phone systems used by departments currently located in the Grace Gouveia and Community Center buildings. They are technologically obsolete, unreliable, and costly to maintain.

The move to the Veterans Memorial Elementary School presents a perfect opportunity to incorporate these departments into the same telephone system that's used at Town Hall.

We'd like to note that this is the first Town Meeting article to be funded by the Capital Improvements Stabilization Fund.

The Finance Committee recommends this article to you tonight by a vote of 6-0-0.

Respectfully submitted,

Thomas Coen on April 4, 2011

Thomas Coen

ATM Article 5 Section 2

This article asks for \$8,800 to be expended under the direction of the Town manager and the Chief of police for the first year of a 3 year lease for one police vehicle and costs related thereto.

The Finance Committee voted 6-0-0 in favor.

Chris Maguire 4/4/11

ATM Article 5 Section 3

Funds for this article are being transferred from the 2002 Annual Town meeting article 4 Section 10 DPW Fleet Replacement. This article asks for \$19,835 to be expended under the direction of the Town manager and the Chief of Police for the second year of a three year lease of two police vehicles as initially approved by town voters at the April 2010 Annual Town Meeting-Article 5 section 5 and costs related thereto.

Ch. Roguie 4/4/10

**ATM Article 5-FY 2012 Capital Improvements Program-
Storm Water Management.**

This article expends \$100,000 to continue ongoing improvements to the town's storm drainage system. These continuing expenditures improve the water quality of Provincetown Harbor and Cape Cod Bay.

The Finance Committee Recommends 6-0-0.

Respectfully submitted,



David J. McChesney April 4, 2011

**Finance Committee Report Annual Town Meeting
Warrant**

Article 5, Section 5

Public Works Fleet Replacement Plan - \$202,000 to be expended the purchase of one trash removal trailer and two recycling trucks as well as authorize lease purchase agreements for terms not exceeding 5 years

The Finance Committee considered this article and recommends it to you tonight by a vote of 6-0-0.

Respectfully submitted,


Tom Donegan
April 4, 2011

**ATM Article 7-Cape Cod Greenhead Fly Control
District Assessment.**

This article funds \$938.75 for Greenhead Fly Control as authorized General Laws, Section 24, Chapter 252 and is to be paid into the State Treasury.

The Finance Committee recommends this article by a vote of 6-0-0.

RESPECTFULLY SUBMITTED

David J. Mc Chesney
DAVID J. MCCHESENEY

APRIL 4, 2011