



# Finance Committee

Finance Committee Meeting Minutes  
 February 3, 2011 @ 1:00 pm  
 Judge Welsh Room at the Provincetown Town Hall  
 Called to Order: 1:07 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"/>	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 and is available for viewing at <http://www.provincetowntv.org/> or on DVD at the Provincetown Television office.*

<b>Also Present:</b>	
Sharon Lynn, Town Manager	Dan Hoort, Finance Director
Jeff Jaran, Chief of Police	Brian Carlson, Health Inspector
Jerry Irmer, Harbor Committee	Paul Gavin, Assessor
Linda C. O'Brien, Treasurer	Domenic Rosati, Parking Admin.

<b>Order of Business:</b>
1) Revenue & Expense Budget Overview
2) Public Safety Budgets, Div. III
210 Police
211 Police Station 220

Fire  
231 Ambulance Service 240  
Inspections  
241 Community Development 291  
Emergency Management 294  
Harbor Committee  
295 Harbormaster  
296 Shellfish  
299 Parking

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

### **Clarification of Agenda**

Mr. Coen said that because the fire chief was unavailable, the Committee would postpone discussion of the fire department, fire capital improvement and ambulance budgets. Instead, the Committee would consider Division II (finance) budgets as time allowed.

### **Revenue & Expense Budget Overview**

Mr. Hoort said the FY 2012 budget gap had not changed since the Committee's February 1 meeting. However, the debt service portion of the budget had fallen to \$1,992,996, saving about \$120,000 as a result of changed interest rates. "Overall for the taxpayer it's great news," he said, although not all of the difference flowed to the bottom line. This is because some of the difference occurred from debt-exclusion items.

### **Public Safety Budgets, Div III**

#### **294 - Harbor Committee Presented by Mr. Irmer.**

Mr. Irmer said \$810 for the recording secretary could be deleted, because he was taking Harbor Committee minutes himself. Ms. Maguire suggested covering the cost of printing the new Harbor Plan brochure by trading

the line items for recording secretary and printing, without changing the department's budget request.

Mr. Coen asked Mr. Irmer to summarize the Harbor Plan, which had been rejected by the Massachusetts Department of Environmental Protection in 2005. Mr. Irmer said he expected the Board of Selectmen to consider a revised plan at its February 14 meeting that would include 150 parking spaces as desired by the State, not 187 as approved by the Harbor Committee under the old plan.

"It's just a guide for the DEP," Mr. Irmer said. However, he added that the new proposal might be subject to amendment at Town Meeting, "which could really open up a can of worms."

<b>Motion # 1:</b> To recommend budget 294 – Harbor Committee in the amount of \$1,135			
Motion By: Ann Maguire		Second By: David McChesney	
For: 6	Against: 0	Abstain: 0	Recuse:

**296 - Shellfish** Presented by Ms. Lynn.

Tony Jackett, the Shellfish Warden, was unavailable. The Committee discussed the role of his department, which includes seeding and maintaining the shellfish beds. "He does a terrific job," said Mr. Coen.

<b>Motion # 2:</b> To recommend budget 296 - Shellfish in the amount of \$53,423.			
Motion By: Ann Maguire		Second By: Erik Yingling	
For: 6	Against: 0	Abstain: 0	Recuse:

**131 - Finance Committee** Presented by Mr. Coen.

The Committee omitted \$2500 for an on-call secretary to record hearing minutes. "No one will do it" for the offered rate, Mr. Coen said. Instead, members of the Committee will take the minutes. The Committee requests \$250 for supplies to print its annual report by itself.

<b>Motion # 3:</b> To recommend budget 131- Finance Committee in the amount of \$75,925.			
Motion By: Ann Maguire		Second By: Glenn Dombrow	
For: 6	Against: 0	Abstain: 0	Recuse:

**291 - Emergency Management** Presented by Mr. Carlson and Chief Jaran.

Mr. Carlson explained the purpose of the largest item in the budget, the Town's CODE RED emergency notification system. This budget is level-funded.

<b>Motion #4 :</b> To recommend budget 291 – Emergency Management in the amount of \$5,830.			
Motion By: Ann Maguire		Second By: Fred Biddle	
For: 6	Against: 0	Abstain: 0	Recuse:

**210 - Police** Presented by Chief Jaran.

The proposed budget deletes a new full-time officer's position, saving about \$48,000. Even so, the police force is fully staffed, said Mr. Jaran. The freedom to hire from outside the civil-service system had made it possible for him to "hire more viable, experienced candidates" from other forces, he said. The Town's police now includes 12 full-time officers, four sergeants, one lieutenant and the chief, he said. Six officers had been hired in the previous year.

February 3, 2011 "By having full staffing, hopefully you're going to be able to put a dent in the overtime pay," Ms. Maguire said. Mr. Jaran agreed, saying the overtime savings would become obvious in the FY 2012 budget. He added that he was closely monitoring the use and abuse of sick-leave by officers.

<b>Motion # 5:</b> To recommend budget 210 - Police in the amount of \$2,240,150.			
Motion By: Ann Maguire		Second By: David McChesney	
For: 6	Against: 0	Abstain: 0	Recuse:

**211 Police Station** Presented by Chief Jaran.

The department is level-funded, reflecting a new, pro-forma accounting of heat and electric bills. Mr. Coen asked whether they might be better shifted to the bottom line of the Department of Public Works. But Mr. Hoort suggested that the Town might be better off not streamlining these expenses, because the consensus was that usage at the police station was not comparable to more structurally sound Town buildings.

Mr. Jaran said the rehab of the station last year, despite improvements, was a Band-Aid approach" that had failed to bring a rickety former funeral home up to the standards of the police station that Provincetown needs.

"The building is a death trap, and there's just no two ways around it," he said. "It's not protected by proper fire codes, and in the event we had an electrical fire or a smoke fire we would have a very difficult time getting anyone out of those cells. And officers would be risking life and limb in order to do it."

"We haven't passed a state inspection in our holding cells for over a decade," Jaran said. "All we need is one tragic incident, and it's going to cost the Town a lot more than it is in the long-run, in terms of replacing it."

"The bottom line is, the building is completely beyond repair," Mr. Coen said. "It was totally unsuited for its purpose from day one, probably. We're talking about replacement. And also, the building is in a terrible location because it's in a flood plain."

Mr. Biddle asked how much a new station would cost, and whether it would compare to the recent renovation of Town Hall. A \$6 million figure was discussed, but Ms. Maguire said that any number is premature. For example, the Town is considering the sale of several buildings, she said, and whether a

new station could be built on land owned by the Town would also make a big difference in cost.

"Sometime in the relatively near future the Finance Committee should be expecting a capital project to build a new police station," Mr. Coen said. "But at this point we just don't have the specifics."

<b>Motion # 6:</b> To recommend budget 211 - Police Station in the amount of \$42,800.
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Motion By: Ann Maguire	Second By: Glenn Dombrow
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For: 6	Against: 0	Abstain: 0	Recuse:
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For: 6	Against: 0	Abstain: 0	Recuse:
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For: 6	Against: 0	Abstain: 0	Recuse:
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For: 6	Against: 0	Abstain: 0	Recuse:
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**Clarification of Agenda** The Committee next discussed several Capital Improvement Projects, but agreed not to vote on them pending clarification of funding.

**210 Police Department (Capital Improvements)** Presented by Chief Jaran.

The Committee discussed the police vehicle purchase and fleet upgrade plan, which includes a three-year lease of two new vehicles.

"The logic is that the vehicles have a lifespan of three years, and you rotate usable ones into parking department," said Mr. Hoort. Ideally, financing would be up-front, but last year the plan was funded by the Town's free-cash accounts. He cited this as an example of why he and Ms. Lynn were considering new, more stable funding sources for overall capital improvements. By Town Meeting, the capital improvement fund would probably total \$185,000 he said --less than expected.

**210-1 Police Department (Capital Improvements)** Presented by Chief Jaran.

Mr. Jaran said he wanted to replace most of the department's 25 portable police radios, some of them 15 year-old relics of the 1996 Olympic games.

Mr. Coen said the Town might have to postpone this and other CIP requests to a Special Town Meeting in Fall, based on the limited amount of funds revealed by Mr. Hoort. Ms. Lynn agreed that the Town should "err on the side of caution."

**299 Parking (Capital Improvements)** Presented by Mr. Rosati and Chief Jaran.

Mr. Coen and Ms. Lynn suggested that resurfacing the Town's parking lots could be paid for by grants, and from funding for storm water and for overall improvements to the central business district.

Responding to a question from Ms. Maguire, Mr. Rosati said the Town's first electronic parking kiosk at Ryder St. for 30 spaces yielded 10% more revenue in its first year than the parking meters it replaced. The total might have been more if not for the inconvenience to drivers of the renovation of Town Hall nearby.

Mr. Coen and Chief Jaran agreed the kiosks should not eliminate jobs. Staffers at the Town's parking lots "may not be collecting money" as more kiosks are rolled out, Jaran said, "but I don't know of one person who's come into town parking that hasn't had questions" at some time, he said. In terms of tourism, "They're the ambassadors," he said of the lot attendants.

Mr. Yingling proposed increasing the rate at the Municipal Parking Lot. Mr. Rosati said there might be better places to consider, such as the Grace Hall lot. He said the Town could also standardize hours for parking lot meters to charge parkers from 8 am to midnight at all lots, versus 9 am to 9 pm at some lots.

Mr. Yingling then proposed increasing charges at the Municipal Lot from \$2.50 to \$3.50 an hour. "That could result in hundreds of thousands of dollars for the town," he said. "It's getting tighter and tighter every year, and sources of revenues and ways to expand them without increasing the burden on taxpayers is very difficult."

Mr. Coen said, "It's not going solve all the world's problems, but it could help on capital improvements and whatever else we need."

Ms. Maguire estimated the change would have the potential to raise about \$200,000, based on previous year's total collection of \$1,482,000. Fees at the Grace Hall lot hadn't been changed since 2002, Mr. Hoort said, and possibly for many years before that at the Municipal Lot.

Ms. Lynn said a new fee structure should be brought up at the February 28 joint meeting of the Committee and the Board of Selectmen, which had already been scheduled to discuss warrant articles for Town Meeting.

<b>Motion # 7:</b> To recommend to the Town Manager and the parking department, that hourly rates at the Town's main parking lots be increased by a minimum of 20%, and that hourly rates at meters be increased from \$1 to at least \$1.50 per hour.			
Motion By: Erik Yingling		Second By: Ann Maguire	
For: 6	Against: 0	Abstain: 0	Recuse:

*The Committee then resumed its discussion of regular department budgets.*

**299 Parking** Presented by Mr. Rosati.

The budget includes a \$2500 increase for part-time personnel. The Committee discussed the public perception of public employee parking spaces. Mr. McChesney asked about the feasibility of buying 40 parking spaces in the Grace Hall parking lot now leased by The Town for \$35,000 a year from the Fall River Diocese.

<b>Motion # 8:</b> To recommend budget 299 - Parking in the amount of \$397,989.			
Motion By: Ann Maguire		Second By: Erik Yingling	
For: 6	Against: 0	Abstain: 0	Recuse:

*The Committee went into recess at 3:28 pm, and returned to session at 3:40 pm. The Committee resumed discussion of budgets from Division 11- Finance*

that had begun with the Finance Committee Budget 131 earlier in the afternoon.

**Finance Budgets -Div. II**

**141 Assessor** Presented by Mr. Gavin.

The request comprises an increase of 1.38% in employee compensation. Mr. Gavin said the department was considering raising fees for building -scale calculations, abutters' lists and mapping.

<b>Motion # 9:</b> To recommend budget 141 - Assessor in the amount of \$218,960.			
Motion By: Erik Yingling		Second By: Glen Dombrow	
For: 5	Against: 0	Abstain: 0	Recuse:

*(Ms. Maguire was absent from the hearing room during the vote).*

**145 - Treasurer/Collector** Presented by Ms. O'Brien.

The request reflects a 2% increase in compensation for department executives. The Committee, Ms. O'Brien and Mr. Hoort discussed how the department's operating revenues had declined by \$75,000 since FY 2009, based on a decrease in interest rates on the Town's bank accounts, and its other liquid investments. Typical yields on the Town's \$10-\$15 million cash on hand are 0.35%.

Ms. Maguire asked about the possibility of shopping banks for better rates, but Ms. O'Brien noted that the Town's main bank, TD Bank, also provided a standing \$20 million line of credit that insures municipal funds. Comparison shopping would not only involve accounts at the Town's seven main banks (including TD Bank), but many sub-accounts, Mr. Hoort said. Mr. Coen added that many higher rates offered by banks were "teasers" that expired after six months a similar short term.

<b>Motion # 10:</b> To recommend budget 145 - Treasurer/Collector in the amount of \$191,732.			
Motion By: David McChesney		Second By: Fred Biddle	
For: 6	Against: 0	Abstain: 0	Recuse:

**820 - Tax Title** Presented by Ms. O'Brien.

The budget represents the cost of placing liens on delinquent properties. The budget reduces legal expenses by \$4,000 from FY 2011.

<b>Motion # 11:</b> To recommend budget 820 - Tax Title in the amount of \$20,000.			
Motion By: Fred Biddle		Second By: Ann Maguire	
For: 6	Against: 0	Abstain: 0	Recuse:

**710 Debt Service** Presented by Ms. O'Brien and Mr. Gavin.

Despite the \$120,000 break described by Mr. Hoort earlier, the debt service on the Town's general fund has increased from \$1,632,640 in FY 2011. The Committee considers it a fiduciary responsibility to approve this budget as presented.

<b>Motion # 12:</b> To recommend budget 710 - Debt Service in the amount of \$1,993,996			
Motion By: Ann Maguire		Second By: David McChesney	
For: 6	Against: 0	Abstain: 0	Recuse:

**910 - Insurance** Presented by Ms. O'Brien.

The proposed budget presumes an average 10% increase in retirement benefits and health insurance for Town employees in FY 2012. Mr. Coen said the Committee would have to revisit the budget as more accurate

numbers emerged. New numbers would most likely involve the retirement benefits, Mr. Hoort said.

"This budget accounts for slightly more than 25 percent of the entire operating budget of the Town," said Mr. Coen. "It's so scary to be going up at rates like 10% a year, which is beyond our ability to raise property taxes without an override."

Mr. Hoort noted that the department's budget increased about \$415,000 from FY 2011, while tax increases allowed under Proposition 2 1/2 had yielded \$495,000. "That means you have \$80,000 left for everything else," he said.

If not for the recent increase in the rooms tax and the new meals tax, "we would be in deep doo-doo this year," said Mr. Coen. But given the pace of health and retirement cost increases, these new revenues will soon "leave us back in the same position," he said. "This is just a one-year respite."

The Committee then broadly discussed employee health insurance in Provincetown, compared to other communities on the Cape.

Ms. Maguire suggested to Mr. Hoort that the town comparison-shop vehicle insurance rates annually.

**Motion # 13:** To recommend budget 910 - Insurance in the amount of \$5,573,263

Motion By: Ann Maguire

Second By: Glen Dombrow

For: 6

Against: 0

Abstain: 0

Recuse:

**135 - Town Accountant** Presented by Mr. Hoort.

The proposed budget reflects an \$8,449 increase in compensation to employees who were formerly union-represented.

<b>Motion # 14:</b> To recommend budget 135 –Town Accountant in the amount of \$208,837			
Motion By: Ann Maguire		Second By: Fred Biddle	
For: 6	Against: 0	Abstain: 0	Recuse:

**List of documents reviewed:**

- 1. Proposed departmental budgets and Capital Improvement Projects*

Next Meeting:	Tuesday, February 8 <sup>th</sup> @ 1:00 pm
Adjourn:	4:51 pm
Minutes by:	Fred Biddle

Approved by  on October 7, 2011  
 Thomas Coen, Chair