

Finance Committee Meeting
 March 24, 2008
 5:00pm
 Judge Welsh Meeting Room
 Called to Order: 5:00pm

Membership:

P	E	U	Name	
<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Gary Delius, Chair	
<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Ruth Gilbert, Vice Chair	
<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Robert Vetrick	
<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Virginia Ross	
<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Thomas Thurston	
<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Walt Winnowski	
<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Edward Gage	
<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Thomas Coen	
<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	David Bedard	
<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Philip Gaudiano, Alternate	<input checked="" type="checkbox"/> Voting
<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Frederic Biddle, Alternate	<input checked="" type="checkbox"/> Voting / Arrived 5:05pm

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

Also Present:

The Board of Selectmen	Sharon Lynn, Town Manager
David Gardner, Asst. Town Manager	Alix Heilala, Finance Director
Various other Town officials	Members of the public

Order of Business:

1. Joint Public Hearing with Board of Selectmen: FY 2009 Operating Budget
2. To consider any other business which may legally come before the Finance Committee.

Joint Public Hearing

Mr. Delius presented the attached letter to Board of Selectmen and gave a verbal summary of its contents.

The Chair of the Board of Selectmen, Ms. Avellar, and Mr. Delius walked through each Division's budget, department by department, to compare the Selectmen's recommendation with the Finance Committee's recommendation. When there was a difference, Mr. Delius explained the Finance Committee's changes.

Along the way, a few addition errors were discovered and corrected with the assistance of the Finance Director, Alix Heilala.

At the end of each Division, after the Division totals were compared and verified, members of the public were invited to comment or to ask questions. Members of the Finance Committee responded as appropriate.

The Finance Committee went into recess at 6:40pm at the end of the public hearing.

The meeting reconvened at 6:50 in the adjacent meeting room to discuss a home rule petition at the request of the proponent.

ATM Article 28 – Home Rule Petition – Real Estate Transfer Fee - Presented by Barbara Rushmore

(Mr. Vetrick was excused from the meeting at 7:00pm)

Ms. Rushmore presented her article to the Committee and emphasized that, given the Town's need for new revenue, the Committee should consider recommending it to the voters. Ms. Rushmore also added a provision to exempt transfers of property among family members.

The members of the Committee asked a number of questions including –

- Is this really a tax and not a fee? (unclear)

- How much revenue would the fee raise? (\$400-500K)
- What’s the definition of a primary residence? (needs to be defined)
- How will the fee be collected? (at the closing)
- How will it be enforced? (by the Registry of Deeds)
- What happens when a property owner is selling below cost?
- What affect, if any, will this have on the real estate market? (not clear)

After a lengthy discussion, the Committee had a number of reservations but agreed with Ms. Rushmore that any opportunity to raise revenue deserves serious discussion at Town Meeting.

Motion #1 : To recommend Annual Town Meeting Article 28, Home Rule Petition – Real Estate Transfer Fee.			
Motion By: David Bedard		Second By: Thomas Thurston	
For: 5	Against: 1	Abstain: 1	Recuse:

Next Meeting:	March 31, 2008 @ 6:00pm
Adjourn:	7:30pm
Minutes by:	Thomas Coen

Approved by _____ on _____, 2008
 Gary Delius, Chair



Finance Committee

Memo

To: Provincetown Board of Selectmen
From: Provincetown Finance Committee, Gary Delius, Chairman
CC: Finance Committee
Date: May 5, 2008
Re: Results of Finance Committee FY2009 Town Budget review and 2008 Town meeting Article review.

Ladies and Gentlemen of the Board of Selectmen

The Finance Committee received the Selectmen's proposed budget in early February and held the most extensive review in over 20 years. The Finance Committee held 11 public meetings across a period of 8 weeks for a total of 48 hours and 416 person-hours of detailed review and discussion. This number does not include the countless hours Committee members and staff spent researching, preparing, writing and presenting the data which was used during our deliberations. As is usually the case, other than for the joint meeting on the Schools Budget, not one member of the general public attended any of our meetings nor spoke at the public hearing on the Capital Intensive Programs budget. We were able to reduce the Selectmen's budget by \$156,792.80 and bring to you a balanced budget for FY 2009 in 2008 ATM Article 2. However, a balanced budget did not come without extensive cuts that will affect the services tax-payers receive.

This has been the most volatile budget we have worked with in years with changes continuing even as we meet. There are significant differences between our two budgets which need to be resolved now, or brought to the voters for resolution on the floor of Town Meeting. Our budgets contain the following differences beyond those which have been set aside in 2008 ATM Articles 2a, 2b and 3. Many of our reductions were the elimination of overtime time from the various personnel budgets, consolidation of computer expenses into the MIS budget and delaying the purchase of items until future fiscal cycles. The Finance Committee decided not to take a position on those articles which require override approval since these items are now purely based on the individuals desire for the services the overrides represent.

On the Articles where we differ:

1. Div II, 135 Town Accountant, reduction of \$500 for overtime.

2. Div II, 136 MIS Department, reduction of \$6,000 expenses and an increase is \$7,342 transferred in from Assessors for a net increase of \$1,342.
3. Div II, 141, Board of Assessors, decrease of \$7,342 in computer software moved into MIS.
4. Div II, 145 Treasurer, decrease of \$5,000 on Contracted Services.
5. Div III, 210 Police, decrease in \$9,000 Chief's Housing allowance.
6. Div III, 240 Inspections, decrease \$1,953 Overtime.
7. Div III, 294 Harbor Committee, decrease \$250 contracted Services.
8. Div III, 296 Shellfish, decrease \$1,220 from shellfish stock.
9. Div III, 299, Parking, decrease \$ 6,000 from personnel overtime, and several expense items.
10. Div IV, 421, DPW Administration, decrease \$7,800 from several expense items.
11. Div IV, 431, Solid waste/ recycling, decrease \$152,483 curbside pick-up.
12. Div V, 610, Library, decrease \$5,848 from several expense items.
13. Div V, 630, Recreation department, decrease \$39,144 eliminate, Asst. Recreation Director position.
14. Div VI, 300, Provincetown Public Schools, decrease \$146,934 representing a difference in the budget originally presented to the Selectmen and the School's budget as submitted at the final joint meeting with the School Committee.

The challenges which lie ahead are enormous. As variable expenses continue to rise out of our control the cost of Government will continue to be compressed as more and more services are forced into override.

Sadly missing from this year's budget is any article requesting an installment to the stabilization fund. We continue to warn the Town and it's taxpayers that failure to establish and fund a stabilization account is unwise and places the Town at enormous risk in the event of a fiscal emergency.

Respectfully submitted,



Provincetown Finance Committee

Gary Delius, Chair