

Finance Committee Meeting  
 Judge Welsh Meeting Room  
 Called to Order: Date- Weds., Oct. 29, 2008, Time- 4pm

**Membership:**

<b>P</b>	<b>E</b>	<b>U</b>	<b>Name</b>	
<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Thomas Coen, Chair	
<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Ruth Gilbert, Vice Chair	
<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Robert Vetrick	
<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Virginia Ross (arr @ 4:20)	
<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"/>	Frederic Biddle	
<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Philip Gaudiano	
<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Ann Maguire	
<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Gabrielle Hanna, Alternate	<input checked="" type="checkbox"/> Voting
<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Alfred Tedesco, Alternate	<input type="checkbox"/> Voting (arr @ 4:05)

**Also Present:**

Alex Heilala, Finance Director

Members of the public as noted in the minutes under each article.

Sharon Lynn, Town Mgr (arr @ 6:55)

**Order of Business:**

1. To conduct a public hearing on the November Special Town Meeting Articles.
2. To review & make recommendations on the November Special Town Meeting Warrant Articles.
3. To review the minutes of prior meeting.
4. To consider any other business that may legally come before the Finance Committee.

## Public Hearing

Mr. Coen called the meeting to order and reviewed the format that the public hearing portion would follow:

- Articles would be presented in sequence.
- Public comments and/or questions would follow each article and be limited to five minutes per member of the public.

**Format note:** *In all articles being requested by the Board of Selectmen and Town Manger (articles 1 through 15), Mr. Coen presented a brief synopsis of each article with Ms. Hielala providing further clarification as necessary. After each articles presentation, comments and/or questions from the public were solicited. In the remaining articles (16 through 18), the individual(s) requesting the article would make their own presentation.*

**Article 1. General By-law Amendment: Community Preservation Committee By-law.** To see if the Town will vote to amend the Provincetown General By-laws by amending §5-14-2-4 to delete the words, “not less than 80%” and insert in place thereof the words, “not less than 10%”, or to take any other action relative thereto.

Article 1 would change the way that revenue from the Community Preservations Act 3% surtax is allocated back to the State’s minimum requirement, which is “at least 10% of the funds for each fiscal year will be spent or reserved for later spending on each of the Act’s three community preservation purposed: (1) open space (excluding land for recreations use); (2) historic resources; and (3) community housing.”

Committee Discussion-

- Article passage would result in 70% of the 3% surtax unallocated.
- Per legal counsel, this would not be retroactive but current year forward.
- Allocation of funds is still at the discretion of the CPC.
- Article 1 is not about town hall renovations.
- Any excess 2009 CPC funds would follow the new allocation percentages.

Public Comments/Questions-

- Barbara Rushmore...70% unallocated should be further defined considering the fact that the town is trying to define its borrowing requirements regarding town hall renovations.
- Astrid Berg... The proposed article 30 from last falls town meeting dealt with this same subject.
- Michael Rogovsky...Frustration with the current process involved with the CPC.
- Clarence Walker...CPC would have to bring their requested allocation to town meeting floor...making their recommendations subject to town voters approval.

**Article 2. Accept Town Collector Local Option Statute.** To see if the Town will vote, pursuant to M.G.L. ch.41, §38A, to authorize the Tax Collector to collect, under the name of the Town and under the title of the Town Collector, all accounts due to the Town, or to take any other action relative thereto.

No Committee Discussion

No Public Comments/Questions

**Article 3. Collection Costs Imposed on Delinquent Local Taxpayers.** To see if the Town will vote, pursuant to M.G.L. ch. 60, § 15, as amended, for each written demand issued by the Town Collector a fee of \$15.00 to be added to and collected as part of the tax, or to take any other action relative thereto.

No Committee Discussion

Public Comments/Questions-

- M. Rogovsky questioned why, if someone is already having difficulty paying their tax bill, make it more difficult for that individual by adding fees ?

**Article 4. Capital Projects Fund Transfer.** To see if the Town will vote to transfer from the appropriation under Article 71 of the 1999 Annual Town Meeting, or any other available fund, the sum of \$492,955, more or less, to fund Phase I construction costs to repair the structural integrity of the Town Hall, including structural repair of the roof and comprehensive exterior damage at Town Hall; or to take any other action thereto.

Committee Discussion-

- The funds referred to in this article are a result of excess borrowings involving two grants pertaining to Capital Projects voted on in the 1999 Annual Town Meeting.
- The article as written would reduce the borrowing referred to in article 5 by \$492,955.

Public Comments/Questions-

- B. Rushmore spoke in support of the article.

**Article 5. Town Hall Renovations.** To see if the Town will vote to raise and appropriate, or transfer from available funds, or borrow the sum of \$2,000,000.00, more or less, for Phase I construction costs to repair the structural integrity of the Town Hall, including structural repair of the roof and comprehensive exterior damage at Town Hall, and including all costs incidental and related thereto; or to take any other action relative thereto.

Committee Discussion-

- November 13<sup>th</sup> bid cut-off date.
- The borrowing amount in this article would be reduced by the amount of article 4, if article 4 passes on special town meeting floor.
- Impact on taxpayer, assuming a 20 yr borrowing @ 5% interest...on average S/F home in first year = \$42., in year twenty = approx \$20.
- Borrowing is a debt exclusion.

Public Comments/Questions-

- M. Rogovsky...Since the bid process is not yet complete, how can we state the amount as written in the article. (Clarification made...the amount as written in the article can be amended on town meeting floor as a result of a completed bidding process.)
- C. Walker...Clarification on borrowing requested. (Clarification made...20 yrs @ 5% interest, 1.5 million plus interest would equal approximately 2.3 million)
- C. Walker...Any bids received above the original amount should be considered "beyond the scope of the bid", with bids being put out again.

**Article 6. Town Hall Renovations.** To see if the Town will vote to raise and appropriate, or transfer from available funds, or borrow the sum of \$500,000.00, more or less, for Phase II design costs for the comprehensive restoration and renovation of Town Hall, which phase includes the interior and mechanical systems at Town Hall, including costs of architectural design development and preparation of construction documents and including all costs incidental and related thereto; or to take any other action relative thereto.

Committee Discussion-

- Amount written in the article will be modified to approximately \$350,000.
- Five year borrowing will be a Prop 2 ½ override debit exclusion at the ballot box.

No Public Comments/Questions.

**Article 7. Relocate and Alteration of Layouts of Alden St., Cemetery Road, and Standish St.** To see if the Town will vote to accept the altered and relocated layouts as public ways of Alden Street, Cemetery Road, and Standish Street to include within the layouts of Cemetery Road and Standish Street the parcel of land located at the intersection of Cemetery Road and Standish Street and shown as "Alteration A=113 Sq.Ft.± To Become a Portion of Cemetery Road" on a plan of land entitled "Plan of Land in Provincetown Showing Alterations to the Layouts of Cemetery Road, Standish Street and Alden Road," dated June 30, 2008, prepared by Slade Associates, Inc., and on file with the Town Clerk, and to exclude from the layouts of Alden Street and Cemetery Road the parcel of land located at the intersection of Alden Street and Cemetery Road and shown as "Area to be Abandoned" on the aforesaid plan; and to authorize the Board of Selectmen to acquire on behalf of the Town, by gift or eminent domain, easements to use the land within said ways as so relocated and altered, and in particular an easement to use the parcel of land shown as "Alteration A=113 Sq.Ft.± To Become a Portion of Cemetery Road" on the aforesaid plan for all purposes for which public ways are used in the Town of Provincetown; and further to authorize the Board of Selectmen to convey all of the Town's right, title and interest in the parcel of land shown on the aforesaid plan as "Area to be Abandoned" on such terms and conditions, and for such consideration, which may be nominal consideration, as the Selectmen deem appropriate; or take any other action relative thereto.

No Committee Discussion

No Public Comments/Questions

**Article 8. Town Acceptance of Mortgage at Private Property Location.** To see if the Town will vote to authorize the Board of Selectmen to accept on behalf of the Town a mortgage upon property located at 467 Commercial Street, Provincetown, Massachusetts, which the Selectmen may amend and subordinate from time to time, and to enforce said mortgage, including the statutory power of sale there under, to secure the payment to the Town of an amount of money due to the Town and the performance of other obligations of M. L. Bryant, LLC, and Eugene A. Bryant (separately or together "Bryant") under a certain agreement between the Town and Bryant dated November 14, 2007 and of the obligations of Bryant under any promissory note or notes given to the Town pursuant to said agreement to evidence said monetary obligation, and to authorize the Treasurer of the Town to accept and hold said note or notes until paid in full, or take any action relative thereto.

Committee Discussion-

- Nature of the article is unclear, asking Town Manager for clarification.

No Public Comments/Questions

**Article 9. Acceptance of M.G.L. ch.90, §20A ½ -Schedule of Fines for Parking Violations.** To see if the Town will vote to rescind its acceptance of M.G.L. ch.90, §20A and to accept M.G.L. ch.90, §20A1/2, effective January 1, 2009, which authorizes the Board of Selectmen to establish by regulation a schedule of fines for parking violations, or take any action relative thereto.

No Committee Discussion-

Public Comments/Questions-

- David Gardner, Asst. Town Mgr, clarifies that this article will allow Provincetown to be consistent with other towns on the Cape regarding the appeals process involved with parking violations.

**Article 10. Use of Free Cash to Fund FY2009 Budget.** To see if the Town will vote to transfer from free cash the sum or sums to fund the operating budget of the Town for the fiscal year beginning July first, two thousand and eight, or take any other action relative thereto.

Committee Discussion-

- A. Heilala explains the concept of “free cash”, that this amount was 1.6 million as of 6/30/08 and that it can be used for one time occurrences, stabilization accounts or deficiencies in capital projects.
- A. Heilala also explains that the sum of \$292,000 is necessary to balance the operating budget & that this is necessary so we can go forward and set a tax rate.
- It is felt that some detail might be necessary of what makes up this budget deficient.

No Public Comments/Questions-

**Article 11. Use of Free Cash for Capital Projects.** To see if the Town will vote to transfer from free cash the sum or sums to the various capital projects as listed below or any other capital project, or to take any other action relative thereto. (note; items not presented in these minutes, refer to printed warrant for complete listing)

Committee Discussion-

- T. Coen clarifies that these items cannot come out of cutting budgets.
- Clarification of these items is necessary on town meeting floor, confusing on how they are being presented in the warrant and that it must be emphasized that these are correcting accounting entries in stale dated borrowing articles.

Public Comments/Questions-

- B. Rushmore...regarding the Winthrop Street Cemetery item, confusion on how this could have happened and that the Cemetery Committee should handle clearing it up.
- A. Berg...raised concern on origin of the Land Bank items, Police Station Dispatch item, Wetland Management item & the Winthrop Street Cemetery item and why these stale dated items still exist.

**Article 12. Use of Free Cash for Special Revenue Funds.** To see if the Town will vote to transfer from free cash the sum or sums to the various special revenue funds as listed below or any other special revenue fund or to take any other action relative thereto. (note; items not presented in these minutes, refer to printed warrant for complete listing)

Committee Discussion-

- A. Heilala explained the nature of these items, that they represent grant overspending, are stale dated going back to 1999 with little or no history. Checks and balances are now in place to prevent this type of overspending from occurring in the future.

No Public Comments/Questions-

**Article 13. Stabilization Fund.** To see if the Town will vote to transfer from free cash the sum of \$250,000 to the stabilization fund or to take any other action relative thereto.

Committee Discussion-

- A. Heilala noted that if all Special Town Meeting warrant articles relating to “free cash” pass, there would be approximately \$350,000 left that could be available for transfer into the Stabilization Account in the spring if not used during Annual Town Meeting.

No Public Comments/Questions-

**Article 14. Room Occupancy Tax.** To see if the Town will vote to authorize the Board of Selectmen to petition the General Court for special legislation authorizing the Town to impose a room occupancy tax on vacation rentals not currently subject to such tax; provided, however, that the General Court may make clerical or editorial changes of form only to said bill, unless the Board of Selectmen approves amendments thereto prior to enactment by the General Court, and provided

further that Board of Selectmen is hereby authorized to approve amendments which shall be within the scope of the general public objectives of this petition, or take any other action relative thereto.

Committee Discussion-

(note; members of the committee that felt a “conflict of interest” regarding this article, left the room during discussion...R. Gilbert, T. Thurston, G. Hanna)

- This article relates to short term rentals less than 90 days on properties not currently being taxed.
- It was noted that passage of this article would show support on the part of the town for the eventual passage of such legislation on the state level.

No Public Comments/Questions-

**Article 15. *Purchase of Front End Loader.*** To see if the Town will vote to raise and appropriate or transfer from available funds the sum, more or less, of \$138,848.00 for the purchase of a John Deere 544J loader to be used by the Department of Public Works, or to take any other action relative thereto.

Committee Discussion-

- Currently this is a budget item with its cost being handled as Lease & Maintenance line items.
- Rather than continuing to lease, it is more prudent to buy it outright.

No Public Comments/Questions-

**Article 16. *1% Real Estate Transfer Fee – A Home Rule Petition.***

*[Requested by Barbara Rushmore and others]*

(note; due to the length of this article it is not presented within these minutes, refer to the printed warrant for complete detail.)

Article presented by B. Rushmore

Committee Discussion-

- Section I-A, “all residential property held by the owner(s) who have lived in Provincetown for 20 years or more are exempt from this fee”. On this section alone, the article proves to be poorly crafted.
- There was consensus that the article requires a lot of work.

No Public Comments/Questions-

**Article 17. *Community Preservation Act Money for Town Hall Repairs.***

**Whereas:** The Town has need of money to rebuild our historic Town Hall;

**Whereas:** A fee of 3% of our Real Estate Taxes has been given, under the Community Preservation Act (CPA) which allots, by law, 10% to historical preservation, 10% to affordable housing and 10% to open space, and the remaining 70% as the Community Preservation Committee votes with the approval of Town Meeting;

**Whereas:** The uncommitted CPA funds now amount to over 1.8 million dollars;

**Therefore:** I move to see if the Town will vote to change the percent for historical preservation from 10% to 80% and the percent for affordable housing from 80% to 10%, letting open space remain at 10%, and to release CPA funds for the renovation of Town Hall after all indebtedness, such as the affordable housing projects at Seashore Point, Sandy Hill Lane and Shank Painter Road, and any open space projects already voted are paid or put in reserve before the dollars are released for rebuilding our historic Town Hall or take any other action relative thereto.

*[Requested by Barbara Rushmore and others]*

Article presented by B. Rushmore

Committee Discussion-

- It was noted that the original by-law written regarding CPA funds allocations contained obvious inequities.
- In principal, the committee seemed very supportive of this article.

Public Comments/Questions-

- A. Berg...Speaking in support of the article, clarification on the CPA funds allocations as adopted in 2002 (10% historical preservation, 10% to affordable housing, 10% to open space & 70 % as the CPC votes with the approval of Town Meeting) and as amended in 2004 (10% historical preservation, 10% open space & 80% affordable housing).
- M. Rogovsky...spoke in support of the article.

Committee Discussion- (not related to specific articles)

T. Coen brought into discussion the direct and indirect implications if Ballot Question I regarding the repeal of the State Income Tax on the upcoming general election where to pass. The passage of this ballot question has major implications on state monies for schools & roads, loss of indirect services and numerous other issues.

**Article 18. *Open Space Purchase*** To see if the Town will vote to use the Open Space funds to purchase lot 31 and 30 to make a “greenway” and preserve blueberries for a town garden of wild edible blueberries in perpetuity part of the Provincetown Conservation Trust, or take any other action relative thereto. *[Requested by Olga Opsahl and others]*

Author of the article not present.

Committee Discussion-

- It was felt that since this article dealt with “open space” and that CPA funds would be used, that the request should be made by CPC.

No Public Comments/Questions-

***THE PUBLIC HEARING PORTION OF THE MEETING WAS CLOSED AT 6:18 PM.***

**TOPIC: Article 1. *General By-law Amendment: Community Preservation Committee By-law.***

Motion # 1: To recommend STM-1 as written in the warrant. Town Meeting Article Presenter: T. Coen			
Motion By: R. Gilbert		Second By: A. Maguire	
For: 9	Against: 0	Abstain: 0	Recuse:0

**TOPIC: Article 2. *Accept Town Collector Local Option Statute.* (Finance Committee has no recommendation)**

**TOPIC: Article 3. *Collection Costs Imposed on Delinquent Local Taxpayers.***

Motion # 2: To recommend STM-3 as written in the warrant. Town Meeting Article Presenter: G. Hanna			
Motion By: T. Thurston		Second By: V. Ross	
For: 9	Against: 0	Abstain: 0	Recuse:0

**TOPIC: Article 4. *Capital Projects Fund Transfer.***

Motion # 3: To recommend STM-4 as written in the warrant in the amount of \$492,955. Town Meeting Article Presenter: R. Gilbert			
Motion By: T. Thurston		Second By: Ann Maguire	
For: 9	Against: 0	Abstain: 0	Recuse:0

**TOPIC: Article 5. Town Hall Renovations.-Phase I & Article 6. Town Hall Renovations-Phase II**

Motion # 4: To reserve recommendation on STM-5 & STM-6 Town Meeting Article 5 Presenter: A. Maguire Town Meeting Article 6 Presenter: R. Vetrick			
Motion By: A. Maguire		Second By: F. Biddle	
For: 9	Against: 0	Abstain: 0	Recuse:0

**TOPIC: Article 7. Relocate and Alteration of Layouts of Alden St., Cemetery Road, and Standish St. (Finance Committee has no recommendation)****TOPIC: Article 8. Town Acceptance of Mortgage at Private Property Location. Committee Discussion-**

- The article as written contains unclear issues and requires some clarification.

Motion # 5: To reserve recommendation on STM-8 as written in the warrant pending clarification by Town Manager. (see Motion #14)			
Motion By: R. Gilbert		Second By: A. Maguire	
For: 9	Against: 0	Abstain: 0	Recuse:0

**TOPIC: Article 9. Acceptance of M.G.L. ch.90, §20A ½ -Schedule of Fines for Parking Violations. (Finance Committee has no recommendation)****TOPIC: Article 10. Use of Free Cash to Fund FY2009 Budget.**

Motion # 6: To recommend STM-10 in the amount of \$592,089. Town Meeting Article Presenter: T. Coen			
Motion By: A. Maguire		Second By: G. Hanna	
For: 9	Against: 0	Abstain: 0	Recuse:0

**TOPIC: Article 11. Use of Free Cash for Capital Projects.**

Motion # 7: To recommend STM-11 in the amount of \$285,604. Town Meeting Article Presenter: T. Thurston			
Motion By: R. Gilbert		Second By: T. Thurston	
For: 9	Against: 0	Abstain: 0	Recuse:0

**TOPIC: Article 12. Use of Free Cash for Special Revenue Funds.**

Motion # 8: To recommend STM-12 in the amount of \$99,584. Town Meeting Article Presenter: T. Thurston			
Motion By: T. Thurston		Second By: V. Ross	
For: 9	Against: 0	Abstain: 0	Recuse:0

**TOPIC: Article 13. Stabilization Fund.**

Motion # 9: To recommend STM-13 in the amount of \$250,000. Town Meeting Article Presenter: V. Ross			
Motion By: V. Ross		Second By: W. Winnowski	

For: 9	Against: 0	Abstain: 0	Recuse:0
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**TOPIC: Article 14. Room Occupancy Tax.**

Motion #10: To recommend STM-14 as written in the warrant. Town Meeting Article Presenter: F. Biddle			
Motion By: V. Ross		Second By: T. Coen	
For: 6	Against: 0	Abstain: 3	Recuse: 0

**TOPIC: Article 15. Purchase of Front End Loader.**

Motion # 11: To reserve recommendation on STM-15. Town Meeting Article Presenter: P. Gaudio			
Motion By: T. Thurston		Second By: V. Ross	
For: 9	Against: 0	Abstain: 0	Recuse:0

**TOPIC: Article 16. 1% Real Estate Transfer Fee – A Home Rule Petition.**

Motion # 12: To reserve recommendation on STM-16. Town Meeting Article Presenter: T. Coen			
Motion By: A. Maguire		Second By: W. Winnowski	
For: 7	Against: 0	Abstain: 2	Recuse:0

**TOPIC: Article 17. Community Preservation Act Money for Town Hall Repairs.****Committee Discussion-**

- Article, as written, has certain legal questions unanswered.
- Advisory options should be given from DOR & Town Counsel.
- Presents a flawed article if presented as written.

Motion # 13: To not recommend STM-17 as written in the warrant. Town Meeting Article Presenter: R. Gilbert			
Motion By: R. Gilbert		Second By: T. Coen	
For: 8	Against: 1	Abstain: 0	Recuse:0

**TOPIC: Article 18. Open Space Purchase (Finance Committee has no recommendation)****TOPIC: Article 8. Town Acceptance of Mortgage at Private Property Location.****Committee Discussion-**

- Town Manager clarifies that this article relates to the unpaid and future expenses involved in clearing the property located at 467 Commercial St.

Motion #14: To recommend STM-8 as written in the warrant. Town Meeting Article Presenter: A. Maguire			
Motion By: V. Ross		Second By: T. Thurston	
For: 9	Against: 0	Abstain: 0	Recuse:0

Next Meeting: STM November 17, 2008	
Adjourn: 7:15 pm	
Minutes by: W. Winnowski	

Approved by \_\_\_\_\_ on \_\_\_\_\_, 2008

Thomas Coen, Chair