



Finance Committee

Finance Committee Meeting Minutes
Tuesday, February 9, 2010 @ 10:00 am
Larkin Hall at the Provincetown Center for Coastal Studies
Called to Order: 10:09 am

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 (rejoined 2:03 pm)	
<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Philip Gaudiano	
<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Gabrielle Hanna	
<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Daniel Hoort	
<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	David McChesney	
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	(Open)	
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	(Open)	
<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Erik Yingling, Alternate	<input type="checkbox"/> Voting
<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Oliver Kamm, 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
Alix Heilala, Finance Director

Order of Business:

1. To review the budgets of Division VI, Public Schools.
2. To reconsider any budgets, as necessary.
3. To review the minutes of prior meetings as time permits.
4. To consider any other business that may legally come before the Committee.

Division VI, Public Schools

300 – Provincetown Public Schools – Presented by Dr. Beth Singer, Superintendent; Betty White, Administrative Assistant Business/Finance; and Debra Trovato, School Committee.

Dr. Singer outlined the school’s programmatic goals:

1. Implement a campus concept where facilities and other resources are shared across all grades. For example, the elementary school has a PC lab and the high school has a Mac lab. Cafeterias are also being combined. Mentoring and tutoring programs are also being put in place.
2. Build a strong middle school in grades 5 through 8 where the greatest loss of pupils has been taking place. This also involves working with the Center for Coastal Studies.

Dr. Singer provided an overview of the budget. It is in a new format that is meant to provide more clarity. In addition to the appropriation from the Town, it also shows grants, school choice and other sources of funding. MUNIS account codes are also included in preparation for the migration to the Town’s accounting system.

The overall budget is request is down \$201,690. Salaries are increasing across the board by 3% based on contracts. Staffing has been reduced by 8.75 full time equivalents (FTEs) from 61.70 to 52.95.

The Committee walked through each section of the budget in detail.

Motion # 1: To recommend 300, Provincetown Public Schools, in the amount of \$3,354,958.

Motion By: Ann Maguire	Second By: Thomas Thurston
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For: 6	Against: 0	Abstain: 0	Recuse:
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(The Committee went into recess for lunch at 11:45 am resumed at 1:03 pm).

440 – Wastewater Enterprise Fund - Presented by David Guertin, DPW Director; Sandra Turner, DPW Operations Director; and Dana Faris, DPW Project Coordinator

At its previous meeting on this budget, the Committee had a question about whether or not employee benefits are included for the administrative assistant position. The Finance Director confirmed that the expenses are included in the calculation of indirect costs.

Motion # 2: To recommend budget 440, Wastewater Enterprise Fund, in the amount of \$2,817,594.

Motion By: Ann Maguire	Second By: Daniel Hoort		
For: 5	Against: 0	Abstain: 0	Recuse:

450 – Water Enterprise Fund - Presented by David Guertin, DPW Director; Sandra Turner, DPW Operations Director; and Dana Faris, DPW Project Coordinator

The Committee had previously expressed concern about line item 524003, Energy/Heat. This is mainly electricity costs for running the water pumps. Year to date, 80% of the budget has already been spent.

Mr. Guertin distributed a chart (*attached*) showing a comparison of water pumped from 2007 to 2009. It clearly shows that the trend is up. The cause is water loss in the system due to faulty residential connection pipes. Water sold has decreased but water pumped has increased.

Mr. Guertin demonstrated the problem samples of faulty pipe that the water department has collected. He also described the department’s planned water loss detection program in detail. The town has received grant money from the USDA for a pilot program.

After lengthy discussion, the Committee decided to leave the Energy/Heat line item unchanged, given the remedial actions that are planned for this calendar year.

Motion # 3: To recommend budget 450, Water Enterprise Fund, in the amount of \$2,115,673.			
Motion By: Ann Maguire		Second By: Daniel Hoort	
For: 5	Against: 0	Abstain: 0	Recuse:

DPW Storm Drain Repairs/Street & Sidewalk Repairs – Presented by David Guertin, DPW Director; Sandra Turner, DPW Operations Director; and Dana Faris, DPW Project Coordinator

Following up on a previous discussion, Ms. Turner distributed updated spreadsheets of storm drain repairs; and streets and sidewalk repair projects. The list includes projects that are planned for the spring, in addition to those already completed. As of July 1st these projects will be paid for out of the general budget, rather than using money from capital articles.

192 Buildings & Grounds CIP – Facilities Needs Assessment – Presented by Sandra Turner, DPW Operations Director

This request has been revised to cover and assessment of all of the Town’s facilities. The new amount is \$300K. It was approved by the selectmen last night. This is now the only Buildings & Grounds CIP request for FY11.

422 Highway CIP – Fleet Replacement Plan – Presented by Sandra Turner, DPW Operations Director

Ms. Turner updated the request to show both lease and purchase pricing options based on the state contract. Pricing is subject to change and be lower. The vehicles are maintained on a regular basis by the Town’s mechanic.

Minutes

Motion # 4: To accept the minutes of February 1, 2010, as written.			
Motion By: David McChesney		Second By: Ann Maguire	
For: 3	Against: 0	Abstain: 3	Recuse:

Motion # 5: To accept the minutes February 2, 2010, as amended.			
Motion By:		Second By:	
For: 5	Against: 0	Abstain: 1	Recuse:

Other Business

Balancing the Budget and Funding Capital Improvements

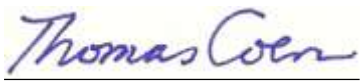
The Committee had a lengthy discussion about how to close the remaining budget gap (approximately \$550K) and how to fund CIPs. There is sufficient free cash available to balance the operating budget, but using one time revenues such as free cash is not a good practice.

The local option meals tax, if it were to pass, would generate approximately \$400K of new revenue for the general fund that could significantly narrow the budget gap. It would also allow more free cash for the stabilization fund and CIPs.

If it were dedicated to CIPs, the local option room tax would increase the number of CIPs that could be paid for in cash; and, reduce the need for Proposition 2 ½ debt exclusions.

Mr. Coen agreed to do some analysis of the various options and present it to the Committee next week.

Next Meeting:	Tuesday, February 16 @ 10:00 am
Adjourn:	4:00 pm
Minutes by:	Thomas Coen & David McChesney

Approved by  on March 9, 2010
 Thomas Coen, Chair

Comparison of Water Pumped 2007-2009

