



Finance Committee

Finance Committee Meeting Minutes
Thursday, February 11, 2010 @ 10:00 am
Larkin Hall at the Provincetown Center for Coastal Studies
Called to Order: 10:05 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 type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Thomas Thurston	
<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 checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Erik Yingling, Alternate	<input checked="" type="checkbox"/> Voting (arr. 11:32 am)
<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
David Gardner, Asst. Town Mgr.

Order of Business:

1. To review the budgets of Division I, General Government.
2. To review the Community Development budgets (included in Divisions I, III and V).
3. To reconsider any budgets, as necessary.

- 4. To review the minutes of prior meetings as time permits.
- 5. To consider any other business that may legally come before the Committee.

Departmental Budgets

General note: The Town Manager and the Board of Selectmen have recommended merit based increases for non-union administrative positions. Unlike union members, these individuals have not received a salary increase in three years.

113 – Elections & Town Meetings – Presented by: Doug Johnstone, Town Clerk

This budget will cover the costs of three elections and six nights of town meetings. The state may reimburse municipalities for the two special elections held this year, amounting to \$5,000 for the Town.

Motion # 1: To recommend budget 113, Elections & Town Meetings, in the amount of \$12,516.

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

161 – Town Clerk - Presented by: Doug Johnstone, Town Clerk

The personal services budget is up \$6,843 due to salary increases. The expense budget is level funded. Fee income was up this Fall.

Mr. Johnstone announced that, starting May 17th through Women’s Week, the Town Clerk’s office will be open on Friday’s at the Freeman St. building to handle marriage license requests and other business.

The history project is proceeding well, using volunteers and donations from the public. Donations to the Town Report Gift Fund will also allow us to publish a limited number of paper copies of the annual town report.

Motion # 2: To recommend budget 161, Town Clerk, in the amount of \$102,871.			
Motion By: Ann Maguire		Second By: Phil Gaudiano	
For: 5	Against: 0	Abstain: 0	Recuse:

179 – Historical Commission - Presented by Doug Johnstone, Town Clerk

This budget will cover the cost of printing historical walking tour brochures. Mr. Johnstone also noted that the chair of commission, Eric Dray, wrote the proposal that resulted in Provincetown being named as one of a dozen distinctive destinations for 2010 by the National Trust for Historic Preservation.

Motion # 3: To recommend budget 179, Historical Commission, in the amount of \$500.			
Motion By: Ann Maguire		Second By: Philip Gaudiano	
For: 5	Against: 0	Abstain: 0	Recuse:

122 – Board of Selectmen - Presented by Alix Heilala

The largest item in the budget is the salary of the Secretary to the Board of Selectmen. Also included are the Board’s stipends.

Motion # 4: To recommend budget 122, Board of Selectmen, in the amount of \$54,704.			
Motion By: Ann Maguire		Second By: Daniel Hoort	
For: 5	Against: 0	Abstain: 0	Recuse:

123 – Town Manager - Presented by David Gardner & Alix Heilala

This budget includes non-union salary adjustments (\$10,829) and a small increase for training and related travel.

Motion # 5: To recommend budget 123, Town Manager, in the amount of \$257,602.			
Motion By: David McChesney		Second By: Daniel Hoort	
For: 5	Against: 0	Abstain: 0	Recuse:

482 – Airport Commission - Presented by Steve Tait (Airport Commission) & Butch Lizenby (Airport Manager)

This budget is level funded. Passenger traffic continues to hover around 10,000 per year. \$53,500 of the budget is funded by Cape Air’s rent, monthly rental payments from TSA, and annual US Naval Maneuvers rent.

The Commission is currently revising its 10 year plan. There are new environmental impact requirements that have to be taken into consideration. Two new projects are being proposed to reconfigure the taxiway and to renovate the parking lot.

Motion # 6: To recommend budget 482, Airport Commission, in the amount of \$85,850.			
Motion By: Ann Maguire		Second By: Philip Gaudiano	
For: 5	Against: 0	Abstain: 0	Recuse:

151 – Legal Services - Presented by Alix Heilala

This budget is level funded. The Town Manager is trying minimizing the use of Town Counsel, as compared to past practice. The School District and the Public Pier Corporation have separate legal budgets

Motion # 7: To recommend budget 151, Legal Services in the amount of \$200,000.			
Motion By: Ann Maguire		Second By: Daniel Hoort	
For: 5	Against: 0	Abstain: 0	Recuse:

156 – General Government – Presented by Sharon Lynn & Alix Heilala

Last year all office supply costs were consolidated into this budget. Most of the line items have been level funded, except for telephone expenses which will increase by \$13,500. Last year the antiquated system failed and had to be replaced. The new system will be moved from the temporary trailers to Town Hall later in the year.

Motion # 8: To recommend budget 156, General Government, in the amount of \$70,610.
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Motion By: Ann Maguire	Second By: Philip Gaudiano
For: 5	Against: 0
Abstain: 0	Recuse:

Other Business

Use of Free Cash & Funding of Capital Improvement Projects – Presented by Tom Coen

Mr. Coen distributed a two page spreadsheet (*attached*) that he put together as a result of a discussion at the Committee’s previous meeting. The first page has three possible scenarios for the use of free cash at the April town meeting and total remaining that could be used for Capital Improvement Projects (CIP).

The second page also has three scenarios for funding the CIPs. The first assumes no additional local option rooms tax, the second a 1% tax, and the third a 2% tax. All scenarios include Proposition 2 ½ capital and debt exclusions as options for funding the projects, along with the potential tax impact on median priced single family homes and condos.

The Committee agreed that this would be useful for its discussion on balancing the budget and funding CIPs at its meeting on the 18th. Mr. Coen will continue to refine the spreadsheet in preparation for the meeting.

(The Committee went into recess for lunch at 11:37 am, and came out of recess at 1:05 pm).

Departmental Budgets (cont'd)

240 – Inspections – Presented by Russell Braun, Building Commissioner

Non-union salary increases amount to \$8,690. Expenses are level funded.

Building fees are significantly down from their peak. Renovation of Town Hall and the library takes up a lot of the department’s time. Fees are waived for the Town.

Motion # 9: To recommend budget 240, Inspections, in the amount of \$167,002.
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Motion By: Ann Maguire	Second By: Daniel Hoort
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Second By: Daniel Hoort

For: 6	Against: 0	Abstain: 0	Recuse:
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Against: 0

Abstain: 0

Recuse:

499 – Cable Advisory Commission – Presented by Beth O’Rourke, Provincetown Television Station (PTV) Manager

(Ms. Maguire recused herself from the discussion as she has been named president of the new PTV 501(c)3 corporation).

The Town recently signed a new 10 year contract with Comcast that will fund two local channels for government and public access. The Town will receive 4.85% of Comcast’s revenue derived from its contract. In the first year, the estimated revenue is \$101,850.

PTV is in the process of applying for tax exempt status as a non-profit corporation which will operate under contract with the Town. Ms. O’Rourke will become a full-time employee.

A significant funding change for PTV takes effect with this budget. Instead of funding PTV’s operations based on anticipated revenue from Comcast, it will be funded based on actual cash in hand as of the April town meeting.

Motion # 10: To recommend budget 499, Cable Advisory Commission, in the amount of \$75,000.			
Motion By: Daniel Hoort		Second By: Philip Gaudiano	
For: 5	Against: 0	Abstain: 0	Recuse: 1

241 – Community Development – Presented by Russell Braun, Building Commissioner

Salary increases for the non-union department head and one union staff position amount to \$3,089. Expenses are level funded. The department one position short of what it used to be.

The permitting process is very labor intensive and the files are mostly in paper form. The department is slowly working to automate the process. It could be very costly to fully convert all of the archives to electronic records.

Motion # 11: To recommend budget 241, Community Development, in the amount of \$98,149.			
Motion By: Ann Maguire		Second By: Philip Gaudiano	
For: 6	Against: 0	Abstain: 0	Recuse:

175 – Planning Board – Presented by Russell Braun, Building Commissioner

This budget is level funded.

Motion # 12: To recommend budget 175, Planning Board, in the amount of \$1,510.			
Motion By: Ann Maguire		Second By: Daniel Hoort	
For: 6	Against: 0	Abstain: 0	Recuse:

169 – Licensing – Presented by Darlene Van Alstyne, Licensing Agent

Ms. Alstyne distributed spreadsheets with a detailed breakdown of license fees which was very helpful to the Committee. Renters Certificates fees have been growing steadily indicating higher awareness and compliance.

The only change in the budget is a \$1,143 salary increase.

Motion # 13: To recommend budget 169, Licensing, in the amount of \$39,236.
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Motion By: Ann Maguire	Second By: David McChesney
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For: 6	Against: 0	Abstain: 0	Recuse:
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180 – Historic District Commission

Consideration of this budget was postponed because the Committee does not have the paperwork.

176 – Zoning Board of Appeals

Consideration of this budget was postponed because the Committee does not have the paperwork.

171 – Conservation Commission – Presented by Brian Carlson, Health and Environmental Affairs Manager

This budget is level funded. It includes \$6,000 in funding for the Health and Environmental Affairs Manager’s salary, paid for through the Wetlands Protection Act Fund.

Motion # 14: To recommend budget 171, Conservation Commission, in the amount of \$7,696.

Motion By: Ann Maguire	Second By: Erik Yingling
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For: 6	Against: 0	Abstain: 0	Recuse:
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511 – Health Inspector/Agent – Presented by Brian Carlson, Health & Environmental Affairs Manager

This budget includes \$2,486 for non-union salary increases. The expense budget is up by \$100. Wastewater covers \$12,709 of the Health Inspector’s salary. The Conservation Commission provides \$6,000 of the Health and Environmental Affairs Manager’s salary.

Motion # 15: To recommend budget 511, Health Inspector/Agent, in the amount of \$109,804.			
Motion By: Ann Maguire		Second By: Daniel Hoort	
For: 6	Against: 0	Abstain: 0	Recuse:

513 – Board of Health – Presented by Brian Carlson, Health & Environmental Affairs Manager

This budget is level funded.

Motion # 16: To recommend budget 513, Board of Health, in the amount of \$1,135.			
Motion By: Ann Maguire		Second By: Daniel Hoort	
For: 5	Against: 0	Abstain: 1	Recuse:

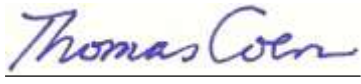
192 – Buildings & Grounds

The Committee reconsidered this budget because it had mistakenly voted on the wrong amount at its February 2nd meeting.

Motion # 16: To reconsider budget 192, Buildings & Grounds.			
Motion By: Daniel Hoort		Second By: Ann Maguire	
For: 6	Against: 0	Abstain: 0	Recuse:

Motion # 17: To recommend budget 192, Buildings & Grounds, in the amount of \$979,879.			
Motion By: Daniel Hoort		Second By: Ann Maguire	
For: 6	Against: 0	Abstain: 0	Recuse:

Next Meeting:	Tuesday, February 16 th @ 10:00 am
Adjourn:	2:22 pm
Minutes by:	David McChesney & Thomas Coen

Approved by  on February 16, 2010
 Thomas Coen, Chair

Free Cash Planned Uses (w/o Rooms Tax)		
Free Cash Certified 2010	Amount	Available Balance
		1,336,501.00
STM Article Nov. 2009	\$120,000.00	1,216,501.00
ATM 2010 Stabilization Fund	\$200,000.00	1,016,501.00
ATM 2010 Pier	\$152,000.00	864,501.00
ATM 2010 Balance Operating Budget	\$152,000.00	712,501.00
Reserve for FY10	\$50,000.00	662,501.00
Available for CIP		\$662,501.00

Local Option Rooms Tax Revenue	DOR Estimated	Seasonal Adjustment	Total
1 % Rooms Tax	\$184,347	\$60,941	\$245,288
2% Rooms Tax	\$368,694	\$121,882	\$490,576
Assumes 100% of taxes collected are dedicated to Capital Improvements			

Free Cash Planned Uses (w/ 1 % Rooms Tax)		
Free Cash Certified 2010	Amount	Available Balance
		1,336,501.00
STM Article Nov. 2009	\$120,000.00	1,216,501.00
ATM 2010 Stabilization Fund	\$250,000.00	966,501.00
ATM 2010 Pier	\$152,000.00	814,501.00
ATM 2010 Balance Operating Budget	\$152,000.00	662,501.00
Reserve for FY10	\$150,000.00	512,501.00
Available for CIP		\$512,501.00

Free Cash Planned Uses (w/ 2 % Rooms Tax)		
Free Cash Certified 2010	Amount	Available Balance
		1,336,501.00
STM Article Nov. 2009	\$120,000.00	1,216,501.00
ATM 2010 Stabilization Fund	\$350,000.00	866,501.00
ATM 2010 Pier	\$152,000.00	714,501.00
ATM 2010 Balance Operating Budget	\$152,000.00	562,501.00
Reserve for FY10	\$150,000.00	412,501.00
Available for CIP		\$412,501.00

Meeting Date: February 11, 2010

Capital Improvement Projects (w/o Rooms Tax)					Funding Source								
Priority	Dept.	Description	Useful Life (Years)	FY 11 Amount	Free Cash		Capital Exclusion			Debt Exclusion			
					Amount	Remaining Balance	Amount	Single Family Home	Condo	Amount	Single Family Home	Condo	Total Cost
						\$662,501							
1	192 Buildings & Grounds	Building Assessment		\$300,000	\$300,000	\$362,501							
2	422 DPW Highway Department	Fueling Station Replacement	10	\$200,000	\$200,000	\$162,501							
3	196 Fire Department	Replace Rescue Ambulance	8	\$200,000	\$100,000	\$62,501				\$100,000	\$4.75	\$2.57	\$120,250
4	421 DPW Administration	Vehicle Rplacement Plan	5	\$270,100		\$62,501				\$270,100	\$18.49	\$10.02	\$306,564
5	210 Police	Public Safety / Communications Sotware Upgrade		\$30,000	\$30,000	\$32,501							
6	210 Police	Fleet Upgrade Plan (1st year of 3 year lease)		\$19,835	\$19,835	\$12,666							
7	210 Police	Photocopier replacement		\$10,500	\$10,500	\$2,166							
	299 Parking Department	Resurface Johson Street Lot		\$200,200	\$0	\$2,166	\$0			\$0			
	422 DPW Highway Department	Towing Compound Start Up Costs		\$162,721	\$0		\$0			\$0			
Totals:				\$1,393,356	\$660,335		\$0	\$0.00	\$0.00	\$370,100	\$23.24	\$12.59	

Capital Improvement Projects (w/ 1% Rooms Tax)					Funding Source									
Priority	Dept.	Description	Useful Life (Years)	FY 11 Amount	Free Cash		Rooms Tax		Capital Exclusion			Debt Exclusion		
					Amount	Remaining Balance	Amount	Remaining Balance	Amount	Single Family Home	Condo	Amount	Single Family Home	Condo
						\$512,501								
1	192 Buildings & Grounds	Building Assessment	0	\$300,000	\$300,000	\$212,501								
2	422 DPW Highway Department	Fueling Station Replacement	10	\$200,000	\$200,000	\$12,501								
3	196 Fire Department	Replace Rescue Ambulance	8	\$200,000		\$12,501	\$200,000							
4	421 DPW Administration	Vehicle Rplacement Plan	5	\$270,100		\$12,501								
5	210 Police	Public Safety / Communications Sotware Upgrade	0	\$30,000		\$12,501								
6	210 Police	Fleet Upgrade Plan (1st year of 3 year lease)	0	\$19,835		\$12,501	\$19,835		\$30,000.00	\$8.38	\$4.54			
7	210 Police	Photocopier replacement	0	\$10,500		\$12,501	\$10,500							
	299 Parking Department	Resurface Johson Street Lot	0	\$200,200		\$12,501								
0	422 DPW Highway Department	Towing Compound Start Up Costs	0	\$162,721		\$12,501								
Totals:				\$1,393,356	\$500,000		\$230,335		\$30,000.00	\$8.38	\$4.54	\$270,100	\$18.49	\$10.02

Capital Improvement Projects (w/ 2% Rooms Tax)					Funding Source									
Priority	Dept.	Description	Useful Life (Years)	FY 11 Amount	Free Cash		Rooms Tax		Capital Exclusion			Debt Exclusion		
					Amount	Remaining Balance	Amount	Remaining Balance	Amount	Single Family Home	Condo	Amount	Single Family Home	Condo
						\$412,501								
1	192 Buildings & Grounds	Building Assessment	1	\$300,000	\$300,000	\$112,501								
2	422 DPW Highway Department	Fueling Station Replacement	10	\$200,000		\$112,501	\$200,000							
3	196 Fire Department	Replace Rescue Ambulance	8	\$200,000		\$112,501	\$200,000							
4	421 DPW Administration	Vehicle Rplacement Plan	5	\$270,100		\$112,501								
5	210 Police	Public Safety / Communications Sotware Upgrade	0	\$30,000		\$112,501								
6	210 Police	Fleet Upgrade Plan (1st year of 3 year lease)	0	\$19,835	\$19,825	\$92,676	\$19,835		\$30,000.00	\$8.38	\$4.54			
7	210 Police	Photocopier replacement	0	\$10,500	\$10,500	\$82,176	\$10,500							
0	299 Parking Department	Resurface Johson Street Lot	10	\$200,200		\$82,176								
0	422 DPW Highway Department	Towing Compound Start Up Costs	1	\$162,721	\$0	\$82,176						\$200,200		
	Fireworks & other events	Fireworks % Other Events	1	\$50,000		\$82,176	\$50,000							
Totals:				\$1,443,356	\$330,325		\$480,335		\$30,000.00	\$8.38	\$4.54	\$470,300	\$18.49	\$10.02