

Provincetown Finance Committee Minutes
March 2, 2016, 10 am
Judge Welsh Room, Provincetown Town Hall

Members Present: Mark Hatch, Louise Venden, Mark Bjorstrom, Duane Steele, Mark Del Franco, Stan Sikorski, and Scott Valentino

Excused Absent: none

Others Present: Town Manager David Panagore, Finance Director Dan Hoort

Meeting called to order at 10:01 a.m.

Mark H recapped his understanding of the Winslow Farms land swap article proposed for town meeting. If one believes the Town owning the Winslow Farms property is better than owner the Community Center then this is a good deal.

Tony pointed out that if we don't own the Winslow Farms property we are limited in the development of the VFW property. Any building such as the Community Center loses value the longer it sits empty.

Louise mentioned we need to study what our needs are.

Duane felt the Community Center would make a good housing project, but as a community we aren't going to do it. He hasn't decided if it's a good idea.

Mark expressed concern about the Town's asset management of its properties.

Louise mentioned that she has a long history as an asset manager. She doesn't believe the appraisals are correct. She questions the marketing effort for the Community Center. We don't have many parcels, we don't have a plan, lots of studies, but no plan.

Mark B was curious as to the Finance Committee's role in this process

Mark H said the Committee will vote to recommend or not recommend town meeting warrant articles. He also pointed out that no developers felt it was in their economic best interest to go forward with the Community Center. He also pointed out that this deal includes a significant amount of gallons committed.

Tony said the Winslow Farms access road will give us more housing. The Community Center will drop in value because it is a vacant building. He questioned whether there was going to be market rate vs affordable housing.

The Committee continued to discuss housing with the Town Manager and Assistant Town Manager.

Tony moved to reconsider the budget for Department 253, the Health Department. 2nd by Stan. Motion approved 7-0-0

Tony moved to recommend department 253, the Health Department budget in the amount of \$233,159. 2nd by Duane. Motion approved 6-0-1. (Louise abstained due to a conflict of interest)

Dan gave a brief background on the Capital Improvement Program (CIP) which is included in the Finance Committee budget books. The Committee will vote their recommendation on the CIP articles for town meeting as recommended by the Board of Selectmen. The Selectmen will present the CIP to town meeting. He mentioned that he believed all items in the CIP would be able to be funded through available funds

Mark H asked Dan to explain the term free cash.

Dan explained that free cash is generated when the Town spends less than what was budgeted in a fiscal year and when it takes in more in local revenues (not taxes) than budgeted. The Department of Revenue (DOR) certifies each town's free cash every year. They recommend a free cash amount of 10% of the operating budget, the Town's policy is a target of 5%.

Mark B asked if we were approving all five years of the CIP.

Dan stated that while we should look at all five years, we are actually only voting on the upcoming year, FY 17.

Mark H mentioned that he had done a little research on the CIP radio requests. He has heard that the State does not know when they are going to do this and when they do it the State would most likely provide some of the funding rather than giving an unfunded mandate.

Town Manager Panagore informed the Committee that the Board of Selectmen directed the Pier Corp. to bring forward capital improvement requests if they had outstanding capital items.

The Committee discussed which items might be controversial.

Town Moderator Avellar gave her opinion that the Shank Painter Road article would be controversial.

Duane wasn't sure why anyone would think it needed to be improved. He doesn't see the need to step in and spend a lot of money. There are other areas that are a higher priority.

The Committee had a general discussion regarding the CIP requests. They will vote their recommendations on March 16th.

Mark suggested the Committee vote to insert the following article onto the town meeting warrant:

"To see if the Town will vote to raise and appropriate an additional sum of \$500,000 for the purpose of creating and maintaining year-round rental housing in the Town, provided that such appropriation shall be contingent on the passage of a Proposition 2½ capital outlay exclusion ballot question or to take any other action relative thereto;"

Louise moved to insert the article into the warrant on behalf of the Finance Committee. 2nd by Mark B. Motion approved 6-0-0 (Stan left the meeting at 12 noon)

The Committee discussed the status of the Housing Trust legislation. This article will reinforce the Town's commitment to the Trust.

Duane mentioned that we really need to know what the need is. We need to know the numbers.

Louise stated we are only setting the money aside for housing, we aren't yet spending it.

Mark B asked how we will respond when if we are asked 'you haven't spent the money we've already set aside, why do you need more?'. We need to be prepared to respond to that question.

Mark H stated it's a strong message that is being sent to the legislature.

Meeting was adjourned at 12:07 p.m.

Approved by Committee on March 16, 2016