

FINANCE COMMITTEE
PUBLIC MEETING
Judge Welsh Room, Town Hall
Provincetown MA

FRIDAY, MAY 11, 2018

Members Present: Mark Hatch (MH), Chairman; Scott Valentino (SV), Vice Chair; Duane Steele (DS); Kathleen Goodwin (KG); Mark Bjorstrom (MB); Mark Del Franco (MDF).

Absent: Stan Sirkorski; Jody O'Neil, Recording Secretary.

Others Present: David Panagore (DP), Town Manager; Josee Young (JY), Finance Director; Mary-Jo Avellar (MJA), Town Moderator.

MH opened the meeting at 10:00am.

DP remarked on his recent three-week vacation abroad, concluding that two weeks away is not enough time to connect to who you are as a person and how his absence gave him time to test the organization back home whereupon he found the work done by the staff and those who stepped up to be pretty spectacular; a silver lining in a procedural rain-cloud.

1. Vote on new member Chip Capelli

MB made a motion to accept Chip Capelli (CC) to the FINCOM; SV seconded the motion, and it passed, 6-0-0. MB, SV, MH, DS, KG, MDF. CC was then instructed to leave the meeting and introduce himself to the Town Clerk for swearing in; he complied did and returned shortly.

The FINCOM discussed the various member expiration dates. SV remarked that he's never been able to sign into his Town e-mail and gave a shout-out to IT for help. KG said she is having the same issue. JY said she is using SV's initial e-mail with no problem.

2. Leadership 2018

MH asked the FINCOM if anyone wished to nominate Chair and Vice Chair for Leadership 2018. MDF nominated MH for Chair; SV seconded the motion and it passed, 7-0-0. MDF, SV, DS, KG, MB, CC, MH.

MH nominated SV for Vice-Chair; MB seconded the motion and it passed, 7-0-0. MH, MB, DS, KG, MDF, CC, SV.

MH announced that SS had initially requested to retire from the FINCOM but MH asked if he would step back to an alternate position and then CC would be elevated to the regular board position, which CC accepted upon hearing it. MH conformed for CC that there is traditionally seven regular board members and two alternates and announced that he had been speaking to someone locally about coming on board as an alternate.

3. Discussion on Goals for 2018

DP said he would send out a report on the FY18 goals progress which would be addressed in meeting the following Monday with the Board of Select (BOS), the result of a couple of two-hour sessions with staff since November. At Tuesday's round-table meeting with the BOS, starting at 6:30pm, DP said a strategic plan with six goals and accompanying objectives, including an operational plan involving 60 to-do items, would be presented.

DP announced that Nina McCormick, Assistant Tourism Director, would be facilitating the Tuesday BOS meeting owing to her background in strategic planning and that she has worked turning the Town's pile of stuff into a more professional, traditional plan. DP encouraged the FINCOM to look at the findings following next Tuesday's meeting to make its own assessment and recommendations and said he would be looking to task the staff with implementing one, three and five year goals with all this information coming back to the BOS by June 24th or so for a final run-thru for them to formalize a strategic plan and town-wide goals by July.

MB suggested reviewing the Town's goals report before determining the FINCOM's goals. MH said at the top of his mind is for the FINCOM to consider what options it could derive for something like the marijuana tax.

DP responded that it's key to look at the follow-through of study; what we do and do not do with it; referenced how the State mandates the room-rental tax and the need to moderate the expenditure of those revenue sources. DP advised that the Town seek to strengthen its reserves.

MH agreed, recommended approaching this tax money in a prudent way, said there are procedural acts to consider. DP said the goals and objectives guidelines are currently on the Town website in the BOS agenda for Monday's meeting. MH said the goals would be addressed at the FINCOM's June meeting.

MDF referenced the chart presented at the joint-meeting with BOS where the numbers were in decline and asked when that gets addressed; DP replied now. MH added that the CIP is also part of that discussion, bond ratings and other factors. JY remarked that FINCOM had been sent the information on the bond reserve increase while DP was away.

4. Other business that may legally come before the Committee.

Next Meeting

MH recommended June 12th for the next meeting at 1:00 am, which the FINCOM agreed on. MH said the homework would be to start thinking about new revenue and what to do with it through intelligent approach. JY suggested the FINCOM consult the distribution paperwork of the 18 goals and 19 goal ideas, which MH concurred.

BOS Name Change

DP clarified that the BOS had voted for a name change to the Board of Select until the Charter of changed; said that, according to KP Law, other Cape towns have done this and it is within the BOS purview. FINCOM members commented on the new designation.

Town Hall Balcony Fire Escape

DP spoke of the balcony fire escape of Town Hall having failed inspection on January 17th, and a negotiated contract for 95k for repair. DP noted there were no repairs done on the fire escape during the last renovation of Town Hall, but that the situation is paramount as it is the 2nd means of egress from the balcony and various events are booked for the forthcoming season.

JY reported that 30k would be sought from the FINCOM Reserve Fund; 35k from the Town Hall Auditorium Revolving Fund, and 30k from the Building and Grounds budget for repairs to buildings.

SV made a motion to accept the request of \$30,000 from the FINCOM Reserve Fund for the repair of the Town Hall balcony fire escape. MB seconded the motion and it passed, 7-0-0. SV, MB, MH, DS, KG, MDF, CC. JY stated there was now 4k left in the Reserve following this expenditure, and gave a run-down of the allocations for the past year starting at 94k.

5. Update on any Town Finance

Budget to Actuals

JY highlighted revenue items such as Tax Titles Redeemed, which is an unbudgeted revenue source and to which \$328,000 had been collected, translating as Free Cash to the Town; Real Estate still had six weeks of collection and traditionally reports in the upper 90 percentile of anticipated revenue year-to-year; Earnings of Investment, which was budgeted as 6k but is now 175k, owing, she said, to having a fantastic treasurer in Alex Williams.

JY reported expenditures were in really good shape. CC remarked that is easier to plan for the future better when one is not in crisis mode. JY said Jared Curtis (sp), the rep from DOR, would be in Town right after Town Meeting to work on getting the tax rate set for the fall.

DP asked JY how she felt the Town would look to fare this year compared to last years 3.5 million in free cash. JY responded that that situation was a one-off and a correction or a catch-up and contained two fiscal years not one, and that this year would see more of a normally charged budget.

DP left the meeting for another appointment at 10:33am.

FINCOM's role in setting tax rate

MH referenced that, in a lot of towns, the FINCOM weighs in on the tax rate and makes a recommendation to the BOS; asked the FINCOM to think about that as a potential recommendation for a possible fall Town Meeting, or to consider putting it into the Charter.

MDF asked if there were other items the FINCOM might address in aligning with other towns' policies, to which MH remarked was a wonderful homework assignment. MH said he's gotten feedback from the public asking why the FINCOM does not have a hand in setting the tax rate.

MH adjourned the meeting at 10:39am.

Respectfully Submitted,
Jody O'Neil