



Finance Committee

Finance Committee Meeting Minutes
Thursday, February 18, 2010 @ 10:00 am
Larkin Hall at the Provincetown Center for Coastal Studies
Called to Order: 10:04

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 (10:11- 12:39)	
<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
David Gardner, Asst. Town Mgr.

Order of Business:

1. To conduct a joint meeting with the Insurance Advisory Committee to discuss Medicare for retirees.
2. To review budget 231 Ambulance Service.
3. To reconsider any budgets, as necessary.

4. To discuss possible budget balancing strategies, as time permits.
5. To discuss possible funding strategies for Capital Improvement Projects, as time permits.
6. To review the minutes of prior meetings as time permits.
7. To consider any other business that may legally come before the Committee.

Medicare for Retirees

Presented by – Insurance Advisory Committee (IAC) members: James Meads, chair & retiree representative; Pam Hudson, Benefits Administrator; Linda O'Brien, Treasurer; Paul Gavin, non-union employees representative; Joyce Matthews, AFSCME representative; Glenn Enos, IBOP representative; and Mary Beck, teachers union representative.

(Mr. Meads excused himself from the meeting after introductions).

Massachusetts General Law Ch. 32B, Section 18, if accepted by a municipality, transfers all eligible retirees to Medicare at the age of 65. The Town would have to offer supplemental insurance comparable to current plans. Penalties are also assessed on the Town for each retiree based on the years they have been eligible. The savings to the Town, before penalties, would be roughly \$525,000, before the penalties.

An alternative, Section 18A, would mandate that current employees shift to Medicare at 65 but allow current retirees, at their option, to stay with their existing plans.

Ms. Hudson presented various scenarios (*attached*) of what it would cost retirees and the town they were to shift to Medicare. One factor is whether or not the Town picks up part of the Medicare Part B premium. The IAC has previously recommended 80%.

After lengthy discussion on the merits of Section 18 vs. 18A, the IAC sticks with its original recommendation to go with Section 18 on the basis of fairness to both retirees and active employees. It was agreed to move forward

with an article for the fall town meeting. This would allow sufficient time to educate the retirees and the voters on the intricacies of the issue.

Balancing the Budget & Funding Capital Improvements

(This is a continuation of the Committee's discussion on February 11th.)

Mr. Coen walked the Committee through the updated versions of spreadsheets (*attached*). They show how the local option meals and rooms taxes could be used to balance the budget and fund capital improvements. Local businessman Rick Murray suggested that he adjust the numbers to bring the amount of debt exclusions required to fund capital improvements down to zero. All agreed that this was a good idea.

In order to dedicate the room tax increase to capital improvements, a home rule petition is needed to change the current allocation of receipts. Mr. Coen floated the idea of having a small percentage set aside for costs related to special events, e.g. state troopers and port-a-potties on the 4th of July.

Mr. Coen confirmed that there will be a joint meeting with the Board of Selectmen next Monday at 5:00 pm to discuss the Committee's recommendations. He will update the spreadsheets based on the discussion and distribute a discussion document for the joint meeting over the weekend.

(Mr. Hoort recused himself from the discussion of the room tax at 11:57 am.)

(The Committee recessed for lunch at 12:39 pm and resumed at 2:01 pm.)

Departmental Budget Reviews

231 – Ambulance Services - Presented by Steve Roderick, Lower Cape Ambulance Association

Lower Cape Ambulance provides medical transport services for the towns of Provincetown and Truro. This budget is the proportional assessment for Provincetown. The requested increase is \$27,091 (4.9%).

Also discussed:

- Collection of receivables is up to 93%, a big improvement.
- A new ambulance will be needed next year (FY12).
- Outer Cape Health is now handling some minor injuries during normal operating hours. This reduces the number of trips to Cape Cod Hospital.

Motion # 1: To recommend budget 231, Ambulance Services, in the amount of \$578,200.			
Motion By: Ann Maguire		Second By: Phil Gaudiano	
For: 5	Against: 0	Abstain: 0	Recuse:

176 – Board of Zoning Appeals - Presented by Alix Heilala & David Gardner

This budget is level funded.

Motion # 2: To recommend budget 176, Board of Zoning Appeals, in the amount of \$2,750.			
Motion By: Ann Maguire		Second By: Phillip Gaudiano	
For: 5	Against: 0	Abstain: 0	Recuse:

180 – Historic District Commission - Presented by David Gardner & Alix Heilala

This budget is level funded.

Motion # 3: To recommend budget 180, Historic District Commission, in the amount of \$2,500.			
Motion By: Ann Maguire		Second By: David McChesney	
For: 5	Against: 0	Abstain: 0	Recuse:

310 – Cape Cod Regional Technical High School - Presented by Alix Heilala

Ms. Heilala just received the FY11 assessment which is a little less than half the original estimate. As a result, the budget gap is now down to approximately \$475K. It is possible that the amount will decrease between now and town meeting.

Motion # 4: To recommend budget 310, Cape Cod Regional Technical High School, in the amount of \$75,000.			
Motion By: Ann Maguire		Second By: Daniel Hoort	
For: 5	Against: 0	Abstain: 0	Recuse:

Next Meeting:	Monday, February 22 nd @ 5:00 pm
Adjourn:	2:50 pm
Minutes by:	Thomas Coen

Approved by  on March 19, 2010
 Thomas Coen, Chair

Town Costs FY 2011

If a subscriber is on:	Town Pays:	
	Monthly:	Annually:
BCBS PPO Individual	576.00	6,912.00
BCBS PPO Family	1,444.00	17,328.00
BCBS HMO Individual	494.40	5,932.80
BCBS HMO Family	1,320.80	15,849.60
HPHC PPO Individual	503.20	6,038.40
HPHC PPO Family	1,262.40	15,148.80
HPHC HMO Individual	446.40	5,356.80
HPHC HMO Family	1,193.60	14,323.20

Supplemental Plans:	Town pays:	
	Monthly:	Annually:
Medex Enhanced	329.60	3,955.20
HPHC Medicare Enhance	297.60	3,571.20
Tufts Medicare Preferred	247.20	2,966.40

Excluding the Medicare Part B premium, you can see that, no matter which supplement plan the subscriber chooses, the cost to the Town will be less than any active plan the subscriber may be on now.

Subscriber Costs FY 2011

Cost of Medicare:	subscriber pays:	
	Monthly:	Annually:
	110.50	1,326.00

Plus

Supplemental Plans:	Subscriber pays:	
	Monthly:	Annually:
Medex Enhanced	82.40	988.80
HPHC Medicare Enhance	74.40	892.80
Tufts Medicare Preferred	61.80	741.60

For ONE person

Total Subscriber Cost for Medicare + a Supplement:	Monthly:	
	Monthly:	Annually:
Medex Enhanced	192.90	2,314.80
HPHC Medicare Enhance	184.90	2,218.80
Tufts Medicare Preferred	172.30	2,067.60

Employee costs for Active plans:

	Monthly:	Annually:
BCBS PPO Individual	144.00	1,728.00
BCBS PPO Family**	361.00	4,332.00
BCBS HMO Individual	123.60	1,483.20
BCBS HMO Family**	330.20	3,962.40
HPHC PPO Individual	125.80	1,509.60
HPHC PPO Family**	315.60	3,787.20
HPHC HMO Individual	111.60	1,339.20
HPHC HMO Family**	298.40	3,580.80

**Both spouses will require individual plans upon reaching age 65

Six Theoretical Scenarios

These people have recently retired:			They cost the Town Annually*:
A	MasterMedical	Individual	9,168.00
B	BCBS PPO	Family	17,328.00
C	BCBS PPO	Individual	6,912.00
D	BCBS PPO	Individual	6,912.00
E	HPHC HMO	Family	14,323.20
F	BCBS PPO	Family	17,328.00
G	MasterMedical	Individual	9,168.00
			81,139.20

*At FY2011 rates

No Town Contribution to Medicare

If they went on Medicare + Supplement at age 65 with no Town contribution to Medicare, and their spouse (if any) was also 65:			Cost to the Town Annually*:
A	Medex Enchanced	Individual	3,955.20
B	Medex Enchanced	x 2 (self and spouse)	7,910.40
C	Medex Enchanced	Individual	3,955.20
D	Medex Enchanced	Individual	3,955.20
E	HPHC Medicare En	x 2 (self and spouse)	7,142.40
F	Medex Enchanced	x 2 (self and spouse)	7,910.40
G	Medex Enchanced	Individual	3,955.20
			38,784.00

With 80% Town contribution to Medicare

If they went on Medicare + Supplement at age 65 with 80% Town contribution to Medicare, and their spouse (if any) was also 65:			Cost to the Town Annually*:
A	Medex Enchanced	Individual	5,016.00
B	Medex Enchanced	x 2 (self and spouse)	10,032.00
C	Medex Enchanced	Individual	5,016.00
D	Medex Enchanced	Individual	5,016.00
E	HPHC Medicare En	x 2 (self and spouse)	9,264.00
F	Medex Enchanced	x 2 (self and spouse)	10,032.00
G	Medex Enchanced	Individual	5,016.00
			49,392.00

Number of Retirees and Spouses covered by Town Health Insurance

***These two are self-pay because their retirement check is insufficient to cover their 20% of premium.

Number of Subscribers: 154 Number of retirees: 132 Number of spouses covered under Family plans: 44 Number of individuals covered: 198	R = Retiree Sp = Spouse SSp = Surviving Spouse
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GRP	PLAN	DED	TOWN_HEALTH	ACT	Retiree	
MM	F	County	\$1,728.00	TRUE	TRUE	R + Sp
MM	F	County	\$1,728.00	TRUE	TRUE	R + Sp
MM	F	County	\$1,728.00	TRUE	TRUE	R + Sp
MM	F	County	\$1,728.00	TRUE	TRUE	R + Sp
MM	F	County	\$1,728.00	TRUE	TRUE	R + Sp
MM	F	County	\$1,728.00	TRUE	TRUE	R + Sp
MM	F	MA Teacher	\$1,728.00	TRUE	TRUE	R + Sp
MM	F	MA Teacher	\$1,728.00	TRUE	TRUE	R + Sp
MM	F	MA Teacher	\$1,728.00	TRUE	TRUE	R + Sp
MM	F	MA Teacher	\$1,728.00	TRUE	TRUE	R + Sp
MM	F	MA Teacher	\$1,728.00	TRUE	TRUE	R + Sp
PPO	F	County	\$1,358.40	TRUE	TRUE	R + Sp
PPO	F	County	\$1,358.40	TRUE	TRUE	R + Sp
PPO	F	County	\$1,358.40	TRUE	TRUE	R + Sp
PPO	F	County	\$1,358.40	TRUE	TRUE	R + Sp
PPO	F	County	\$1,358.40	TRUE	TRUE	R + Sp
PPO	F	County	\$1,358.40	TRUE	TRUE	R + Sp
PPO	F	County	\$1,358.40	TRUE	TRUE	R + Sp
PPO	F	County	\$1,358.40	TRUE	TRUE	R + Sp
PPO	F	County	\$1,358.40	TRUE	TRUE	R + Sp
PPO	F	County	\$1,358.40	TRUE	TRUE	R + Sp
PPO	F	County	\$1,358.40	TRUE	TRUE	R + Sp
PPO	F	County	\$1,358.40	TRUE	TRUE	R + Sp
PPO	F	County	\$1,358.40	TRUE	TRUE	R + Sp
PPO	F	County	\$1,358.40	TRUE	TRUE	R + Sp
PPO	F	County	\$1,358.40	TRUE	TRUE	R + Sp
PPO	F	County	\$1,358.40	TRUE	TRUE	R + Sp
PPO	F	County	\$1,358.40	TRUE	TRUE	R + Sp
PPO	F	County	\$1,358.40	TRUE	TRUE	R + Sp
PPO	F	County	\$1,358.40	TRUE	TRUE	R + Sp
PPO	F	County	\$1,358.40	TRUE	TRUE	R + Sp
PPO	F	County	\$1,358.40	TRUE	FALSE	
PPO	F	MA Teacher	\$1,358.40	TRUE	TRUE	R + Sp
PPO	F	MA Teacher	\$1,358.40	TRUE	TRUE	R + Sp
PPO	F	MA Teacher	\$1,358.40	TRUE	TRUE	R + Sp
PPO	F	MA Teacher	\$1,358.40	TRUE	TRUE	R + Sp
HP PPO	F	Self***	\$1,262.40	TRUE	TRUE	R + Sp
HMO	F	County	\$1,185.60	TRUE	TRUE	R + Sp
HMO	F	MA Teacher	\$1,185.60	TRUE	TRUE	R + Sp
HP HMO	F	County	\$1,129.60	TRUE	TRUE	R + Sp
HP HMO	F	County	\$1,129.60	TRUE	TRUE	R + Sp
HP HMO	F	County	\$1,129.60	TRUE	TRUE	R + Sp
HP HMO	F	County	\$1,129.60	TRUE	TRUE	R + Sp
HP HMO	F	County	\$1,129.60	TRUE	TRUE	R + Sp
HP HMO	F	MA Teacher	\$1,129.60	TRUE	TRUE	R + Sp
HP HMO	F	MA Teacher	\$1,129.60	TRUE	TRUE	R + Sp
HP HMO	F	MA Teacher	\$1,129.60	TRUE	TRUE	R + Sp
Carve-out	I	County	\$976.00	TRUE	TRUE	R
Carve-out	I	County	\$976.00	TRUE	TRUE	R

HP HMO	I	County	\$422.40	TRUE	TRUE	R
HP HMO	I	MA Teacher	\$422.40	TRUE	TRUE	R
HP HMO	I	MA Teacher	\$422.40	TRUE	TRUE	R
HP HMO	I	MA Teacher	\$422.40	TRUE	TRUE	R
HP HMO	I	MA Teacher	\$422.40	TRUE	TRUE	R
HP HMO	I	MA Teacher	\$422.40	TRUE	TRUE	R
Managed Bl	I	County	\$358.37	TRUE	TRUE	R
Managed Bl	I	County	\$358.37	TRUE	FALSE	Sp
Medex	I	County	\$288.80	TRUE	TRUE	R
Medex	I	County	\$288.80	TRUE	TRUE	R
Medex	I	County	\$288.80	TRUE	TRUE	R
Medex	I	County	\$288.80	TRUE	TRUE	R
Medex	I	County	\$288.80	TRUE	TRUE	R
Medex	I	County	\$288.80	TRUE	TRUE	R
Medex	I	County	\$288.80	TRUE	TRUE	R
Medex	I	County	\$288.80	TRUE	TRUE	R
Medex	I	County	\$288.80	TRUE	TRUE	R
Medex	I	County	\$288.80	TRUE	TRUE	R
Medex	I	County	\$288.80	TRUE	TRUE	R
Medex	I	County	\$288.80	TRUE	TRUE	R
Medex	I	County	\$288.80	TRUE	TRUE	R
Medex	I	County	\$288.80	TRUE	TRUE	R
Medex	I	County	\$288.80	TRUE	TRUE	R
Medex	I	County	\$288.80	TRUE	TRUE	R
Medex	I	County	\$288.80	TRUE	TRUE	R
Medex	I	County	\$288.80	TRUE	TRUE	R
Medex	I	County	\$288.80	TRUE	TRUE	R
Medex	I	County	\$288.80	TRUE	TRUE	R
Medex	I	County	\$288.80	TRUE	TRUE	R
Medex	I	County	\$288.80	TRUE	TRUE	R
Medex	I	County	\$288.80	TRUE	FALSE	Sp
Medex	I	County	\$288.80	TRUE	FALSE	Sp
Medex	I	County	\$288.80	TRUE	FALSE	Sp
Medex	I	County	\$288.80	TRUE	FALSE	Sp
Medex	I	County	\$288.80	TRUE	FALSE	Sp
Medex	I	MA Teacher	\$288.80	TRUE	TRUE	Sp
Medex	I	MA Teacher	\$288.80	TRUE	TRUE	Sp
Medex	I	MA Teacher	\$288.80	TRUE	FALSE	Sp
Medex	I	County	\$0.00	TRUE	FALSE	SSp
Medex	I	County	\$0.00	TRUE	FALSE	SSp
MM	I	County	\$0.00	TRUE	FALSE	Divorced Sp
Medex	I	MA Teacher	\$0.00	TRUE	FALSE	SSp
Medex	I	Self	\$0.00	TRUE	FALSE	SSp
Medex	I	Self	\$0.00	TRUE	FALSE	SSp
Medex	I	Self	\$0.00	TRUE	FALSE	SSp
Medex	I	Self	\$0.00	TRUE	FALSE	SSp
Medex	I	Self	\$0.00	TRUE	FALSE	SSp
PPO	I	Self	\$0.00	TRUE	FALSE	SSp
PPO	I	Self	\$0.00	TRUE	FALSE	SSp
MM	I	County		TRUE	FALSE	SSp

\$109,424.74 per month

FY 2010 Total Cost to Town = \$1,313,096.88

FY 2011 Use of Free Cash and Funding Options for Capital Improvement Projects

Scenario 1: Free Cash Planned Uses (w/o Meals 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	\$150,000.00	1,066,501.00
ATM 2010 Pier	\$152,000.00	914,501.00
ATM 2010 Balance Operating Budget	\$550,000.00	364,501.00
Reserve for ATM		364,501.00
PTV?		
Available for CIP		\$364,501.00

Scenario 2: Free Cash Planned Uses (w/ Meals 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	\$150,000.00	866,501.00
ATM 2010 Balance Operating Budget	\$152,000.00	714,501.00
Reserve for ATM	\$50,000.00	664,501.00
PTV?		
Available for CIP		\$664,501.00

Scenario 3: 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 ATM	\$75,000.00	587,501.00
Available for CIP		\$587,501.00

Scenario 4: 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	\$300,000.00	916,501.00
ATM 2010 Pier	\$152,000.00	764,501.00
ATM 2010 Balance Operating Budget	\$152,000.00	612,501.00
Reserve for ATM	\$100,000.00	512,501.00
Available for CIP		\$512,501.00

FY 2011 Use of Free Cash and Funding Options for Capital Improvement Projects

Property Tax Increase Variables		Est. Tax Collection
Assumed Borrowing Interest Rate	4.50%	
Median Single Family Assessed Value	\$666,100	\$4,076.53
Median Condo Assessed Value	\$351,700	\$2,152.40
Assumed Tax Rate (FY10)	\$6.12	
Total Equalized Valuation	\$2,424,304,410	\$14,836,743

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			

Local Option Meals Tax Revenue	
.75% Meals Tax (full year)	\$400,000

FY 2011 Use of Free Cash and Funding Options for Capital Improvement Projects

Scenario 1: Capital Improvement Projects (w/o Meals Tax)					Funding Source								
					Free Cash		Capital Exclusion			Debt Exclusion			Total Interest Costs
					Amount	Remaining Balance	Amount	1 Year Tax Impact		Amount	1st Year Tax Impact		
Single Family Home	Condo	Single Family Home	Condo										
Priority	Dept.	Description	Useful Life (Years)	FY 11 Amount	Amount	Remaining Balance	Amount	Single Family Home	Condo	Amount	Single Family Home	Condo	Total Interest Costs
						\$364,501							
1	192 Buildings & Grounds	Building Assessment	1	\$300,000	\$300,000	\$64,501							
2	422 DPW Highway Department	Fueling Station Replacement	10	\$200,000		\$64,501				\$200,000	\$7.97	\$4.21	\$52,758
3	421 DPW Administration	Vehicle Rplacement Plan	5	\$270,100		\$64,501				\$270,100	\$18.18	\$9.60	\$37,533
4	196 Fire Department	Replace Rescue Ambulance	8	\$200,000		\$64,501				\$200,000	\$9.34	\$4.93	\$42,575
5	210 Police	Public Safety / Communications Sotware Upgrade	1	\$30,000	\$30,000	\$34,501							
6	210 Police	Fleet Upgrade Plan (1st year of 3 year lease)	1	\$19,835	\$19,835	\$14,666							
7	210 Police	Photocopier replacement	3	\$10,500	\$10,500	\$4,166							
8	422 DPW Highway Department	Towing Compound Start Up Costs	10	\$162,721		\$4,166				\$162,721	\$6.48	\$3.42	\$42,924
9	299 Parking Department	Resurface Johson Street Lot	10	\$200,200	\$0	\$4,166							
					\$0	\$4,166							
						\$4,166							
Totals:				\$1,393,356	\$360,335		\$0	\$0.00	\$0.00	\$832,821	\$41.97	\$22.16	\$175,790
Total Funded:				\$1,193,156						Total Tax Impact:	\$41.97	\$22.16	

Scenario 2: Capital Improvement Projects (w/ Meals Tax)					Funding Source								
					Free Cash		Capital Exclusion			Debt Exclusion			Total Interest Costs
					Amount	Remaining Balance	Amount	1 Year Tax Impact		Amount	1st Year Tax Impact		
Single Family Home	Condo	Single Family Home	Condo										
Priority	Dept.	Description	Useful Life (Years)	FY 11 Amount	Amount	Remaining Balance	Amount	Single Family Home	Condo	Amount	Single Family Home	Condo	Total Interest Costs
						\$664,501							
1	192 Buildings & Grounds	Building Assessment	1	\$300,000	\$300,000	\$364,501							
2	422 DPW Highway Department	Fueling Station Replacement	10	\$200,000		\$364,501				\$200,000	\$7.97	\$4.21	\$52,758
3	421 DPW Administration	Vehicle Rplacement Plan	5	\$270,100	\$270,100	\$94,401							
4	196 Fire Department	Replace Rescue Ambulance	8	\$200,000		\$94,401				\$200,000	\$9.34	\$4.93	\$42,575
5	210 Police	Public Safety / Communications Sotware Upgrade	1	\$30,000	\$30,000	\$64,401							
6	210 Police	Fleet Upgrade Plan (1st year of 3 year lease)	1	\$19,835	\$19,835	\$44,566							
7	210 Police	Photocopier replacement	3	\$10,500	\$10,500	\$34,066							
8	422 DPW Highway Department	Towing Compound Start Up Costs	10	\$162,721		\$1,345				\$130,000	\$5.18	\$2.73	\$34,292
9	299 Parking Department	Resurface Johson Street Lot	10	\$200,200	\$0	\$1,345							
0	0	0	0	\$0	\$0	\$1,345							
						\$1,345							
Totals:				\$1,393,356	\$663,156		\$0	\$0.00	\$0.00	\$530,000	\$22.49	\$11.87	\$129,626
Total Funded:				\$1,193,156						Total Tax Impact:	\$22.49	\$11.87	

FY 2011 Use of Free Cash and Funding Options for Capital Improvement Projects

Scenario 3: Capital Improvement Projects (w/ 1% Rooms Tax)					Funding Source										
					Free Cash		Rooms Tax		Capital Exclusion			Debt Exclusion			
Priority	Dept.	Description	Useful Life (Years)	FY 11 Amount	Amount	Remaining Balance	Amount	Remaining Balance	Amount	1st Year Tax Impact		Amount	1st Year Tax Impact		Total Interest Costs
										Single Family Home	Condo		Single Family Home	Condo	
1	192 Buildings & Grounds	Building Assessment	1	\$300,000	\$300,000	\$587,501		\$245,288							
2	422 DPW Highway Department	Fueling Station Replacement	10	\$200,000	\$25,000	\$262,501	\$12,000	\$233,288				\$163,000	\$6.49	\$3.43	\$42,997
3	421 DPW Administration	Vehicle Rplacement Plan	5	\$270,100	\$260,000	\$2,501	\$10,100	\$223,188							
4	196 Fire Department	Replace Rescue Ambulance	8	\$200,000		\$2,501		\$223,188				\$200,000	\$9.34	\$4.93	\$42,575
5	210 Police	Public Safety / Communications Sotware Upgrade	1	\$30,000		\$2,501	\$30,000	\$193,188							
6	210 Police	Fleet Upgrade Plan (1st year of 3 year lease)	1	\$19,835		\$2,501	\$19,835	\$173,353							
7	210 Police	Photocopier replacement	3	\$10,500		\$2,501	\$10,500	\$162,853							
8	422 DPW Highway Department	Towing Compound Start Up Costs	10	\$162,721		\$2,501	\$162,721	\$132							
9	299 Parking Department	Resurface Johson Street Lot	10	\$200,200		\$2,501		\$132							
0	0	0	0	\$0		\$2,501		\$132							
0	0	0	0	\$0		\$2,501		\$132							
Totals:				\$1,393,356	\$585,000	\$245,156	\$0	\$0.00	\$0.00	\$363,000	\$15.84	\$8.36	\$85,573		
Total Funded:				\$1,193,156	Total Cash Available:			\$832,789	Total Tax Impact:		\$15.84	\$8.36			

Scenario 4: Capital Improvement Projects (w/ 2% Rooms Tax)					Funding Source										
					Free Cash		Rooms Tax		Capital Exclusion			Debt Exclusion			
Priority	Dept.	Description	Useful Life (Years)	FY 11 Amount	Amount	Remaining Balance	Amount	Remaining Balance	Amount	1st Year Tax Impact		Amount	1st Year Tax Impact		Total Interest Costs
										Single Family Home	Condo		Single Family Home	Condo	
1	192 Buildings & Grounds	Building Assessment	1	\$300,000	\$300,000	\$512,501		\$490,576							
2	422 DPW Highway Department	Fueling Station Replacement	10	\$200,000	\$150,000	\$62,501	\$50,000	\$440,576							
3	421 DPW Administration	Vehicle Rplacement Plan	5	\$270,100		\$62,501	\$270,100	\$170,476							
4	196 Fire Department	Replace Rescue Ambulance	8	\$200,000		\$62,501		\$170,476				\$200,000	\$9.34	\$4.93	\$42,575
5	210 Police	Public Safety / Communications Sotware Upgrade	1	\$30,000	\$30,000	\$32,501		\$170,476							
6	210 Police	Fleet Upgrade Plan (1st year of 3 year lease)	1	\$19,835	\$19,835	\$12,666		\$170,476							
7	210 Police	Photocopier replacement	3	\$10,500	\$10,500	\$2,166		\$170,476							
8	422 DPW Highway Department	Towing Compound Start Up Costs	10	\$162,721		\$2,166	\$162,721	\$7,755							
9	299 Parking Department	Resurface Johson Street Lot	10	\$200,200	\$0	\$2,166		\$7,755							
0	0	0	0	\$0		\$2,166		\$7,755							
0	0	0	0	\$0		\$2,166		\$7,755							
Totals:				\$1,393,356	\$510,335	\$482,821	\$0	\$0.00	\$0.00	\$200,000	\$9.34	\$4.93	\$42,575		
Total Funded:				\$1,193,156	Total Cash Available:			\$1,003,077	Total Tax Impact:		\$9.34	\$4.93			

FY2011 Use of Free Cash and Funding Options for Capital Improvement Projects

Summary

Scenarios	Free Cash			Capital Improvement Projects				
	To Balance the Budget	Into the Stabilization Fund	Remaining Free Cash	Paid with Cash	Amount to be Borrowed	Cost of Borrowing (Interest)	Single Family Home Tax Impact	Condo Tax Impact
No Meals Tax	\$550,000	\$150,000	\$0	\$360,335	\$832,821	\$175,790	\$41.97	\$22.16
With .75% Meals Tax	\$152,000	\$200,000	\$50,000	\$663,156	\$530,000	\$129,626	\$22.49	\$11.87
With 1% Rooms Tax	\$152,000	\$250,000	\$75,000	\$830,156	\$363,000	\$85,573	\$15.84	\$8.36
With 2% Rooms Tax	\$152,000	\$300,000	\$100,000	\$993,156	\$200,000	\$42,575	\$9.34	\$4.93