

Finance Committee Meeting Minutes
 Tuesday, November 22, 2011 @ 4:00 pm
 Judge Welsh Room at the Provincetown Town Hall
 Called to Order: 4:08 pm

Membership:

P	E	U	Name	
<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Thomas Coen, Chair	
<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Ann Maguire, Vice Chair	
<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Thomas Thurston	
<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Dan Jackson	
<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Erik Yingling	
<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Tom Donegan	
<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Glen Dombrow	
<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Frederic Biddle	
<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Michael Canizales	
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	(Open), Alternate	<input type="checkbox"/> Voting
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	(Open), 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	
Dan Hoort, Finance Director	

<p>Order of Business:</p> <ol style="list-style-type: none"> 1. First review of the Finance Director's 5-year financial forecast. 2. Review analysis of reimbursing retirees for a portion of their Medicare Part B premiums. 3. Review of the proposed Capital Improvements Policy. 4. Review and recommendation of the Finance Committee's FY13 budget request. 5. Minutes of prior meetings.

Topic: First review of Finance Director's Five Year Forecast.

Presenter: Dan Hoort

- Dan noted that this is the first time we have reviewed a 5 year forecast.
- School projections were not included at this point, so he went with level funding.
- Most all other items are level funded or 1% or so increases per year. Most increases are due to payroll costs going up, including negotiated salaries.
- Much discussion around salary negotiation process. Ms. Lynn explained her interpretation of the negotiation process.
- Health insurance costs are a high impact item. Mr. Hoort has made the assumption of 10% increases per year. Another item that will impact costs is the movement of retirees to Medicare on a primary basis, which will lower the overall age of the insured population.
- Mr. Coen requested that Mr. Hoort revise the spreadsheet to show percentage changes in health insurance contributions.
- Mr. Coen also asked to separate active employees from retirees going forward as we should expect to see different cost growth rates for these two populations.
- Mr. Coen brought up that an audit revealed that a very high amount of potential revenue is gone as a result of extended local parking in the Municipal lot. We need to take a closer look in the near future.
- Mr. Coen also mentioned that the contract for Solid Waste Removal will be up for renewal in 2015. We are expecting at least a doubling of the current costs when negotiations are finalized.
- Mr. Donegan talked about our need for a plan regarding the ongoing maintenance of streets and buildings.
- A future workshop with Mr. Hoort was suggested.

Topic: Review Analysis of Reimbursing Retirees for a portion of their Medicare Part B premiums.

- The committee reviewed a spreadsheet prepared by Mr. Coen which outlined several scenarios which could be adopted regarding the transfer of retirees to Medicare coverage.

- Four scenarios were discussed – 1. Town contributes none of the cost. 2. Town contributes the actual difference in cost (for those with increased premiums). 3. Town contributes 57% of the cost. 4. Town contributes 80% of the cost. These scenarios outlined the actual dollar costs for the town as well as the retirees.
- Consideration was made to providing some funding only for those whose premiums will actually increase, not all retirees.
- Discussion regarding length of time for this funding was also discussed, including time periods of one or two years. It was concluded that our recommendation did not need to include a time period as the BOS would be the party deciding this.
- Mr. Coen will write a report to be presented to the BOS.
- Next step includes a joint public meeting with the BOS.

Motion # 1: To recommend that the BOS adopt a policy to reimburse the actual difference in retiree Medicare Part B premium for current retirees as of July 1, 2011 who are affected by the change in premiums.			
Motion By: Michael Canizales		Second By: Erik Yingling	
For: 6	Against: 0	Abstain: 0	Recuse:

Topic: Review of proposed Capital Improvement Policy.

- Postponed to a later date.

Topic: Review and Recommendation of the Finance Committee FY13 Budget Request.

- Still a work in progress.
- Discussion around some possible deep dive subjects for the future: Parking fees and Building reviews.

Topic: Review of Minutes from meeting on October 24, 2011.

Motion # 2: To recommend approval of minutes from October 24, 2011 meeting.			
Motion By: Michael Canizales		Second By: Thomas Donegan	
For: 5	Against: 0	Abstain: 1	Recuse:

Next Meeting:	Thursday, December 8th @ 4:00 pm
Adjourn:	6:20 pm
Minutes by:	Glen Dombrow

Approved by  on April 16, 2012
Thomas Coen, Chair