

Provincetown Finance Committee Minutes
February 14, 2013, 1:00 a.m.
Judge Welsh Room, Provincetown Town Hall

Members Present: Tom Donegan, Mike Canizales, Doug Cliggott, Catherine Russo (arrived 1:25pm), Gordon Siegel, Duane Steele, and Tim Grobleski (remote)

Excused Absent: Clarence Walker

Others Present: Town Manager Sharon Lynn (partial), Finance Director Dan Hoort

Meeting called to order at 1:10 p.m.

Public Statement:

Paul Kelly made a statement and asked questions regarding the proposed police station. He had questions regarding the size of the building and the location of the building. He feels the currently proposed Race Point Road site is not the right location, but feels the VFW site on Jerome Smith Road is a better location.

Member Statement:

- Mike Canizales attended the Building Committee presentation on February 13th at the Council of Aging. He feels it is important that the Finance Committee needs to be involved in the financial planning for a new police station and that the Building Committee needs to be mindful of the financial limitations that exist. If we don't pay attention to our debt service we are in danger of harming our S&P rating.
- Duane Steele expressed his concern on the development of the Capital Improvement Program (CIP). The Town needs to prioritize its CIP and do only that which it can afford.
- Tom Donegan also attended the Building Committee presentation and was concerned that the police call service numbers are being used to compare the staffing needs of Provincetown with other towns.

The Committee is concerned that CIPs for the police station, the highway garage and the Pier are not included in the Town's CIP program. At a very minimum these projects should be listed on an auxiliary report of possible CIPs. The Chair said he would write a letter to the Board of Selectmen Chair.

512 Public Health and Human Services

Presented by Chris Hottle

This budget provides for contract for Visiting Nurses Association. Budget is basically level funded. The Committee asked if the Town is providing the proper resources to the department to help them service our residents. The Committee encouraged the department to seek the funds they need to best serve our community.

The Finance Committee recommends FY 2014 Department 512, Public Health & Human Services in the amount of \$47,660 by unanimous consent (7-0-0).

541 Council on Aging

Presented by Chris Hottle

The department continues to grow and provided 150 programs in the last year to enrich the quality of life for Provincetown's seniors. Most programs are available to all residents, not just seniors. The department is looking forward to the impending move to the VMCC and the expanded services it can provide to our residents.

The Finance Committee recommends FY 2014 Department 541, Council on Aging in the amount of \$212,348 by unanimous consent (7-0-0).

Human Services Grants presented by Chris Hottle and Kristin Hatch, Human Services Committee Chair. The Human Services grants are not part of the general operating budget, but will be a separate agenda item at town meeting. One additional applicant is included this year, otherwise grants are level funded from previous year. The Finance Committee expressed its appreciation for the work and services provided by the grant recipients. Human Services Grants will be voted on by the Committee when they vote to recommend or not recommend warrant articles.

610 Library

Presented by Library Director Cheryl Napsha

The 'A' budget has been increased to upgrade the Programming and Marketing position from 30 hours a week to full-time. The 'B' budget has a slight decrease. Ms. Napsha discussed the premise of the 'e-book' software program as presented to and approved by the Board of Selectmen the night before. In response to a question Ms. Napsha explained that approximately 19% of the budget is spent on books.

A member of the Committee had a question regarding payroll and where salaries fell in the grade range so the Committee continued this discussion until the Town Manager could answer the questions.

630 Recreation

Presented by Recreation Director Brandon Motta

The 'A' budget has been increased to increase line A-3 which includes the after school program staff. The 'B' budget is slightly increased primarily for the increased costs associated with bus travel. Mr. Motta pointed out the department uses busses to transport participants on road trips. The budget was increased last year to make the Assistant Director a full-time position in anticipation of the move to the larger facility at the VMCC. Due to circumstances beyond the department's control the move has not yet occurred, but is expected to happen in late spring of this year. The programs have expanded since FY 2011 including the addition of more adult sports programs which are free to the community. Marketing of the programs is done through e-mail, Banner articles and the town's web site.

The Committee requested more detail. Is the increase from FY 2011 to FY 2014 justified? Certain members of the Committee felt the budget should be somewhere between FY 2012 (\$116,214 actual) and FY 2013 (\$158,905 budget) levels. The Committee requested the department return with a reduced budget or more information on the growth of the programs that would justify the budget increases.

Department 710 – Debt Service

Presented by Finance Director, Dan Hoort

The Finance Director provided a list of projected outstanding debt at 06/30/13

General Fund Debt	\$14,342,090
Comm. Preservation Fund Debt	\$ 3,877,000
LandBank Fund Debt	\$ 400,000
WaterWater Enterprise Fund Debt	\$21,368,369
Water Enterprise Fund Debt	<u>\$ 2,401,105</u>
Total Debt	\$42,388,564

The Committee had a lengthy discussion of the Town's debt, its impact on the taxpayer and its impact on our credit rating. The Finance Director pointed out the town is preparing to re-finance a portion of the current debt. Approximately \$2,500,000 will be re-financed and will result in a savings of approximately \$250,000. The Committee feels every decision and deliberation by the town should start with the town's ability to borrow funds to pay for the program, product or service. Other Committees and Boards are operating in a vacuum if they are not aware of the limitations of the town's debt capacity. The Committee feels it is important to be involved early in the process rather than coming in late and trying to make the project fit the town's financial capacity.

The Finance Committee recommends FY 2014 Department 710, Debt Service in the amount of \$2,085,977 by unanimous consent (7-0-0).

Department 181 – Building Committee

The Finance Committee recommends FY 2014 Department 181, Building Committee in the amount of \$5,500 by unanimous consent (7-0-0).

The Finance Committee began a public joint meeting with the Provincetown Public Pier Corporation (PPPC). PPPC Treasurer Scott presented the PPPC Financial Management Update which describes the financial progress made by the PPPC.

Harbormaster Rex McKinsey presented a report on the MacMillan Pier damage from the storms of the weekend of February 8th and 9th. The evaluation of the repairs needed is ongoing. The PPPC report on repairs gives options:

Option 1	Concrete Floats	estimate of \$1,540,000
Option 2	Steel Barges	estimate of \$2,250,000
Option 3	Timber Floats	estimate of \$900,000
Option 4	Aluminum Floats	not a viable option for this site

Mr. McKinsey also discussed the need for a wave attenuator. The original design during the reconstruction of the Pier included a wave attenuator, but it was dropped due to protests by residents. Repairing the floats without providing for a wave attenuator will mean the floats will again be damaged by storms and will not last their normal useful life. Quoting from the report: Based on the estimated lengths of 590' on each side shown on Exhibit 2, the order of cost for each wave attenuator would be \$1.5 million to \$3 million. For size comparison, the original project design included a fixed barrier of 302 feet with an add alternate of 300' to the east only. Staff is pursuing additional information and quotes for floating options.

Note:

Tim Grobleski left the call 5:00 p.m.

Doug Cliggott left the meeting 5:30 p.m.

Department 295 – Harbormaster Support

The Harbormaster explained that the Harbormaster Support budget was the contractual agreement between the Town and the PPPC to manage the Pier. FY 2014 is the last year of the contract.

The Finance Committee recommends FY 2014 Department 295, Harbormaster Support in the amount of \$118,263 by a roll call vote of 3-2-0 (Steele and Russo opposed).

Meeting was adjourned at 6:05 p.m.

Meeting Documents:

- Public Forum – Provincetown Police Station
- Human Services Committee grant recommendations
- Provincetown Public Pier Corporation Financial Management Update
- Provincetown Public Pier Corporation MacMillan Pier Damage Report