

Provincetown Finance Committee

Judge Welsh Hearing Room

October 12, 2004

2:00 p.m.

Finance Committee: Sue Buerkel (excused absence), Matthew Clark, Gail Enos, Ruth Gilbert (Chair), Mark Leach, Ann Maguire, Virginia Ross (absent), Thomas Thurston, and Robert Vetrick.

Also in Attendance: Dennis Anderson (Cape End Manor CgQ), Keith Bergman Town Manager), Peter Bez (Article Proponent), Burt Wolfman (School Committee),

Agenda: Ruth Gilbert called the Finance Committee meeting to order at 2:07 p.m. She states that the CEM board will join the committee meeting at 3:00 p.m.

The meeting was turned over to Keith Bergman to recap the Cape End Manor, Semi Annual Tax Bill and Adult Zoning articles. He stated that the Cape End Manor has three articles for action, 1. Land Exchange, 2. Transfer of 0.09 Acres of 100 Alden Street, and 3. Zoning Amendment. He stated that for the Land Exchange to take place all approvals would have to be in place,

The Town Manager then reviewed Article 4 that would allow liens to be placed on properties with severely past-due sewer charges. He indicated that the article simply made the handling of sewer charges the same as that for water charges.

Robert Vetrick asked, "How many are outstanding?"

Keith Bergman states, "None are over one year-old. The delinquency that would allow a lien be placed on a property. The lien would allow the town to get paid eventually and would bear interest at 14%

Ann Maguire made a motion for it to be approved. It was seconded by Robert Vetrick. The vote was unanimous for approval of Article 4. Robert Vetrick will be speaker on this proposal, as noted by the chair, Ruth Gilbert.

Discussion next turned to **Article 5 that would grant a sewer hookup to the Provincetown Art Association and Museum**^ Ruth Gilbert /recused herself from the room because she is a member of the .Board of Trustees of the Art Association.

Mark Leach asked, 'Who would pay the bill for proposal?' Keith Bergman stated that the Art Association would pay the bill. Robert Vetrick asked, 'Why was the finance committee's permission needed?' Keith Bergman stated that the property can not comply on site. There is a special act for sewer hookup. Robert stated that he did not think this was an issue for the Finance Committee.

There will be no recommendation, 5 to 0.

Next on to **Article 6: Community Preservation Budget for FY 2005.** In order for the Community Preservation Committee (CPC) to start developing its strategy, it needs its budget approved so that it can retain consultants to support its deliberations. The CPC wants \$25,000 from the \$212.58 that will be raised in FY2005 to support planning, while placing the remainder in reserve

Ann Maguire asked, "Is the 25,000 collected now?" Keith Bergman answered, "Yes. one quarter of the total is collected."

Ruth Gilbert asked, "Why not set up as an enterprise fund?" Keith Bergman answered, that it functions the same way as an enterprise fund, but not called that under the Community Preservation Act statute The disbursement of the funds is subject to all procurement laws and is reviewed by the Town Manager.

Ann Maguire makes a motion to approve Article 6. Robert Vetrick seconded the motion. The vote is unanimously in favor of Article 6.

Then onto **Article 7: School Energy Rebate.** Burt Wolfman of the School Committee stated that ,NSTAR provided a rebate to the Schools because of their installation of energy-efficient lighting during the school renovations. The \$75,000 has been received by the Town and the School Committee wants it transferred to them.

Ann Maguire asked, 'Where would the money go?'

Mr. Wolfman responded that it would reimburse the school for the costs of renovation and would probably be used for the gym floor. Ann Maguire asked why that would be needed since we approved a budget item for the gym at last Town Meeting

There ensued a discussion and the Finance Committee asked for additional information from the Town Manager and the Schools to determine whether transferring this money to the schools would represent a \$75,000 budget increase for the schools—or whether it was a simple reimbursement.

Ann Maguire made a motion for Article 7 to be tabled until there is clarification Robert Vetrick .seconded the motion. The motion passed unanimously. _ _ _

Next on the agenda was **Article 9: Return to Semi Annual Tax Bills**. Petitioner Peter Bez explained that the Article was inspired by frustration with, the unpredictability of the Town's current efforts at quarterly billing.

Matthew Clark was concerned about the proximity of the bills. He questions that as it is written now, it does not mean the bills would be 6 months apart, May - November. Would such an approach be possible?

Keith Bergman indicated that the Department of Revenue guidelines would make such a move impossible. He further Indicated that the quarterly tax bill statute had been adopted to enable the Town to issue an estimated bill. This option was not available with semi-annual bills in the past, but it now is.

Ann Maguire asks, 'What does the town loose in interest if it went to semiannual?' Keith Bergman answered that he would have to get the number from John Fitzgerald. He would guess \$25,000 - 50,000,3 year, Peter Bez states that it would be better to ask, 'If quarterly how much would townspeople benefit?'

.A handout was given out to show dates the tax bills that have been mailed since the town went to a quarterly billing cycle for property taxes 2001 - 2004.

Ann Maguire makes a motion to approve Article 9. Robert Vetrickseconded the motion. The vote is unanimously in favor of Article 9.

Joint Meeting with Cape End Manor

3:00 p.m.

CEM Board: Robert Cabral, Marilyn Downey (Chairman), Patrick Patrick

Also in Attendance: Dennis Anderson, Keith Bergman, Brian Shays (CEM Shop Steward).

Marilyn Downey did a brief of their last meeting minutes,

Dennis Anderson stated that following the last meeting he had updated the financial projections.

Dennis Anderson stated, 'Trends for referrals have improved since June leading to a 35 census. They have two admissions pending. October did not decline. Mass Extended Care Federation reported that all 23 homes are trending the same. There is continuing concern that the Manor is not getting its fair share of referrals.

Ann Maguire asks, 'Is there any recourse/guarding Cape Cod Hospital's discharge pattern?'

Dennis Anderson states they can go to the Mass Dept of Health, but only patients complain, The Manor, tracks discharges and where they are going. In response to the current low census, the whole building is on a flex staffing from the union.

Regarding IGT funds the Town-Owned Nursing Homes are we asking together to strengthen negotiating position with the State.

Conversation turned to the Financial projections. Dennis Anderson explained some of the changes since the last meeting Exit and transfer costs have been adjusted to reflect the lower CEM staffing levels. These numbers do not include any incentive payments, the sewer betterment the sewer connection cost, or the cost to relocate the shed on the cemetery property as required by the land swap with the Bishop

Keith shared a memo from the DPW director that estimated the sewer-related charges at between \$763,250 and \$941,750. Matthew then asked, 'What is the cost to remove the shed?' Keith explained, '\$200,000-300,000,' Matthew then asked how parking and room tax revenues were coming in. Keith responded that they had been projected to increase 25%.

Matthew handed out a spreadsheet he prepared for the meeting. He plugged in Keith Bergman and Dennis Anderson's figures. It shows that in 2006 and 2007 the numbers will go over the levy limit.

Keith states that that would trigger a ballot question a Proposition 2 1/2 override as unacceptable. He and Dennis agreed to rework their numbers to see what can be done to avoid exceeding the levy limit

Matthew asks that Dennis look at the closure costs as well as those for the Care Campus that we can let voters know the incremental cost to keep the Manor in Town.

Marilyn stated, 'Don't forget the human factor. Take into consideration the people that have lived here their whole lives.'

Mr. Cabral opined that when you improve businesses you are more likely to get more business. It (the manor) used to be considered the poor house. This is housing for more people that need assisted living.

Thomas states that the finance committee is not a compassion board. It is their job to stand up in front of the town meeting and put the information in front of them to make the point,

Keith states there are two issues: The nature of service at the Cape End Manor Campus and what changes do we need to do to keep the financial house in order.

Robert asks, 'What should we say to the voters? Is this a fiscally sound thing to do? Though the current figures don't look good, we may have to ask the Town to give them a chance to see

whether the CareCampus can happen Take a chance for the people here and the jobs it can create.

The proposition 2 ½ override is explained to Thomas Thurston Keith. The tax levy can be increased for a specific reason. It could be a .5 million dollar increase for Cape End Manor if needed. The voters would decide during the town election.

Mr. Cabral states that everyone respects the finance Committee. It depends on how you present the idea that the voters may approve it. It can work and be profitable for the investors. This is a good and practical business. People do not want to leave Provincetown.

Mr. Shays states that he does not disagree. It's the Finance Committee's job to deal with the figures. There are many variables to deal with the future. He questions the number of residents. What they (new entities) offer is phenomenal. We can make a difference for generations to come. Keep the Manor open until the new entity is open.

Mark states that there are two issues the school committee and the manor. Town people know what they want to do. If we are looking at a prop 2 ½ for this, then over the next two years more may happen.

.Keith states that support for the Care Campus can be brought up in October, but staying alive until able to affect this change will have to be carefully monitored. 200.000\$ could be saved if shifted to the lowest cost health care. School enrollment is down again and the cost is going up. He asks for a recommendation that the board votes that it not go up.

.Robert makes a motion to recommend Articles 1,2, and 3. Gail Enos seconded the motion. It is also recommended that the booklet will also carefully state the pitfalls. 5 to recommend - 0 against - 1 abstains (Mark Leach states that he does not have enough information).

Next on to **Article 8: FY 2005 Tourism Fund Appropriation.**

Jveith indicates that this is a housekeeping Item related to last years ruling byjhe Department of Revenue that the Town could not appropriate more than the ending balance of the Tourism fund For the prior year to cover tourism promotion activities. This article provides the remaining fi.inds voted by lasLApriils Town Meeting.

Robert Vetrick makes a motion to approve Article 8. Matthew Clark seconded the motion. The vote is unanimously in favor of Article 8.

Pre-Interview: for a vacant alternate position on the Financial Committee Board. Mr. Martin Huey would tike to be voted in but it was brought to his attention that there may be a conflict of interest because of a part time assistant harbor master job he holds. He will contact Ruth Gilbert later in the following week to state if he is still interested.

Ruth asked if everyone has read over the final version of the Cape End Manor minutes of their last meeting.

Mark Leach makes a motion to approve the final version. Robert Vetrick seconded the motion. The vote is unanimously in favor of the final version of the minutes.

Ruth makes aware to everyone a memo from Betty Steele that ask for a change in seating arrangements for the board during the next town meeting. It is briefly discussed.

The meeting adjourned at 5:12 p.m.

Respectfully submitted,

Valerie Gholson

