



Meeting Minutes

PROVINCETOWN FINANCE COMMITTEE

Judge Welsh Meeting Room - 1:00 p.m.

September 2, 2014

Members Present: Mark Hatch, Doug Cliggott, Duane Steele, Clarence Walker, Mike Canizales

Others Present: Dan Hoort, Finance Director

The meeting started with the Louise Venden interview. Louise is requesting to join the Finance Committee. Louise discussed her concerns regarding the lack of housing, and that Provincetown should be a community more than a resort. She responded to questions from the audience on the resident tax proposal. She stated that she understands the constraints and how it operates, but did not comment on whether she agrees or disagrees with the proposal. She will contact the Committee when she completes her other commitments.

Beth O'Rourke stated that she feels that Clarence Walker, on his MYPACC site, of accepting a bribe. She stated that although it is anonymous, Clarence Walker selects what gets published on his blog, and she holds Mr. Walker responsible. She stated she has concerns regarding her reputation, has talked with her attorney, and that legal action is probable. Mike Canizales thanked her for her comments.

Mike discussed documents on the table. He commented on the Residential Exemption Summary by Dan Hoort, Finance Director. Mike stated that it was a baseline discussion with two scenarios – range of residents eligible and how would taxes increase or decrease. He discussed the model of a 2 million dollar override and impact of the override. The first submitted by Peter Petas which incorporated the 2 million override into Dan's comments and also percentage changes. Mike also discussed a 4 million dollar override plus a 2% increase for operating expenses which he stated is probably closest to economic reality. Discussed attending the Board of Selectmen meeting and need to look at "what if's". He discussed they also looked at Capital Improvements and variables, and possible 16 million over 5 years for Capital Improvements in addition to the operating budget. Two other possible

scenarios would be a) 2 million which would include cutting expenses by 2 million to help raise capital and have a 2 million override, or b) 4 million with a fund aimed at community housing. Mike stated that the Board of Selectmen is in charge of creating the Capital Improvement Plan, and the Board of Selectmen has the 16 million number which does not include the pier or the DPW building. Mike went on to state that he feels it would be difficult to cut expenses by 2 million. Dan stated that he has tried to get together the correct info, and that he attended the Board of Selectmen meeting. He feels the largest issue is Capital Improvements. He stated that when looking at the numbers, it appears closer to 20 million.

Public Comments:

M Boswell stated she feels the Residential Exemption does not seem to raise money, but it shifts money, and it would not help with affordable housing. The Committee agreed.

Rick Murray does not feel the tax would be fair. He stated that in the past, the Board of Selectmen did not have the foresight to plan ahead of time. He commented that homeowners need to see and understand the plan, and that he would not support the Residential Exemption. Mike asked "if we get rid of the residential exemption, what would your reaction be to 20 million". Rick stated he feels the community should be used in the planning, and that the exemption would strangle property and business owners.

Paul Kelly stated that if you look at the Residential Exemption over a 5 year period, it would cost more in staff dollars. The Committee agreed. Mike stated that the Finance Committee and Dan Hoort have their own opinion, but that the Board of Selectmen could vote the Exemption in.

Member Comments:

Clarence Walker stated it is important to take into consideration what the job of the Finance Committee is, that it is an advisory board to help with decision making. He went on to say that all elements have to be considered, and the importance of knowing what the projected costs will be, and what we are willing to accept.

Duane Steele stated that he was in favor of the residential exemption, but now would like more information after listening to the discussion. He agreed with Clarence Walker's comments.

Stan Sikorski stated that his views were expressed by other committee members.

Mark Hatch commented that he looked at the Capital Improvement Plan and the Residential Exemption and feels they are misaligned. His first impression is that the Residential Exemption doesn't really do anything and questions whether it serves any purpose for the town. He feels that adopting the Residential Exemption is the wrong discussion, and he agrees with a prior comment that it will strangle everyone in town. He went on to state that he feels the Town is not in dire need of a new police station, but there should be a five year plan to save to have a new police station.

Doug Cliggott asked do we need a new DPW garage or police station or could we share it. He asked if we needed our own Town Manager and Assistant, a Police Chief and Lieutenant, or a DPW Director and Assistant or could those positions also be shared. He commented that all these positions raise retirement benefits. Doug feels that we need to look at how we do business. He does feel that a new pier would be an asset and would bring monies into the town. He again stated that we need to look at sharing.

Kathleen Cote stated that she appreciates the Committee's comment. She feels that the Community knows that difficult decisions must be made, but that the Community and Boards must work together to solve problems so that there is no divide in the town.

M Boswell stated that the town would benefit from sharing, and of the need to think out of the box to be creative with solutions. She commented that part-time homeowners could be helpful in offering suggestions and participating.

Mike Canizales asked for a motion that the Finance Committee recommend to the Board of Selectmen that for the next fiscal year they not adopt a residential exemption. The motion was made by Mark Hatch and seconded by Clarence Walker. Motion passed 5.0.

Mike addressed the next issue which is the need to look at what will increase profits for the Town. He stated the need to look at sharing a DPW garage and possibly putting more money into a parking garage or another investment. He also discussed saving by sharing, stating that we need to be in investment mode, not spend mode. Mike commented on other options including affordable housing, and possibly cutting the payroll (over 5 – 10 years), possibly through retirement. He addressed the audience by saying the Community should ask for 5% including capital. Mark Hatch encouraged the Community to write their thoughts and suggestions to the Board, and Mike Canizales stated that 2nd homeowners should speak to the Finance Committee about getting things on the warrant.

Dan Hoort shared that the CIP request will go to the Board of Selectmen meeting next week on September 8th, and it will go into the 10 year plan. The Board of Selectmen will review and issue their recommendations. He stated that the month of September is critical for future planning, and Mike encouraged the audience to write their suggestions to the Board of Selectmen. Mike shared that the warrant closes on September 26th, there will be a joint meeting with the Board of Selectmen on September 22nd (usually at 5 p.m.), and the Public Hearing on the articles will be at 1:00 p.m. on October 14th.

Mike Canizales discussed that we should know what our budget should be for the next 5 to 10 years, the need to consider fiscal reality, and the importance of Community input and participation. Paul Kelly shared in the discussion.

Kevin Rich asked if there is or was a study or research on existing exemptions. He stated that under Chapter 59, there are exemptions for over 65, veterans, or people with disabilities. Dan said about 40 people qualify for these exemptions. Mike suggested gathering information and letting the Community know of these exemptions.

Mike announced that Louise Venden's application as a Financial Committee Board Member was approved and is effective on September 22nd.

The meeting was adjourned at 2:47 p.m.

Respectfully submitted,

Maghi Geary