

**Town of Oak Bluffs  
Finance and Advisory Committee  
Thursday, January 8, 2009 3:30 PM  
Oak Bluffs Library**

Present: Chair Thad Harshbarger, Joe Alosso\*,  
Doug Best, Mimi Davisson, Bill McGrath\*,  
Mike Perry\*, Peter Palches, Hans Von Steiger.

Others: BOS – Chair Ron Di Orio  
Town Administrator – Michael Dutton  
Tax Collector – Cheryl Sashin  
Recorder - Marni Lipke

Absent: Frank Case

\* Late arrivals or early departures  
noted solely to mark vote counts.

The meeting was called to order at 3:36PM.

**2. Announcements [a] Finance Assn meeting Jan 21 [b] status of Capital Planning Committee [c] Current status of web site [Bill, Mimi]**

- The All Island Finance Association was only meeting about four times a year (see below: Meetings). It was agreed that all OB FinCom members be encouraged to attend rather than electing a representative. There was a discussion on the need for a constructive focus particularly on regional entities such as the proposed new Waste District and/or on research of regional or comparative town information. A focus on the schools although important, was discouraged as unlikely to be uniting and successful.
- Three of the six members of the Capital Planning Committee have been appointed and met. The OB FinCom discussed: a capital inventory, bottom up and top down leadership on capital planning, and departmental input.
- The website was progressing. A software glitch would be resolved (see below: Actions).

**3. Review minutes of December 4 and 18 [all]**

- **BILL MCGRATH MOVED TO APPROVE THE DECEMBER 4, 2008 MINUTES AS AMENDED: MICHAEL PERRY SECONDED: MOTION PASSED UNANIMOUSLY: 8 AYES, 0 NAYS, 0 ABSTENTIONS.**
- **BILL MCGRATH MOVED TO APPROVE THE DECEMBER 18, 2008 MINUTES AS AMENDED: MICHAEL PERRY SECONDED: MOTION PASSED UNANIMOUSLY: 8 AYES, 0 NAYS, 0 ABSTENTIONS.**

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**4 Status of FY 2009 spending and budget [Michael]**

**5. Preparation for Selectmen's meeting next Tuesday [Michael]**

Board of Selectmen (BOS) Chair Ron Di Orio and Town Administrator Michael Dutton estimated the Fiscal Year 2009 (FY09) revenue shortfall as \$150-250,000. The matter was discussed at this point and towards the end of the meeting.

- The deficit would be reported and discussed at the next BOS meeting (see below: Actions/Meetings).
- How the Mass. State revenue cuts were configured would make a dramatic difference (although serious to Oak Bluffs, it was pointed out that the cuts were a disaster for other communities in Massachusetts).
- Other revenues such as local permits and fees or the car excise tax were also substantially reduced.
- A number of measures were considered – a spending freeze, early retirement incentives, personnel cuts, regionalizing services, FY09 free cash – which was not expected.
- Revenue reductions would accumulate moving into FY10 so that pro-active planning would be crucial. This might include municipal (and school) reorganization with less personnel.

**6. Status of Town departments re FY 2010 budget [Michael]. Which departments are holding or reducing their proposed spending, which are not and why. What needs to be done re department spending, overall changes in Town finances.**

The FY10 Budget was currently at 2.2% over FY09. (It was noted that some departments had only personnel expenses—now under contract raises—with no other lines to reduce.) Michael Dutton estimated there would be a draft budget in two weeks (see below: Actions/Agenda).

- Unknown factors included:
  - school budgets and assessments,
  - a health insurance rise of 6-7%,
  - possible pension reductions,
  - State and local revenue projections.
- The FinCom discussed:
  - police staffing versus overtime,
  - philosophical arguments on reductions in services (police, library, etc.) when people would need them more,
  - economically forced regionalization and elimination of duplicate positions.

**7. Any new information about the schools and their plans to participate in the belt-tightening?**

Peter Palches reported on the OB School Budget Public Hearing.

- He described all those present, their connections to the school community and their participation in the meeting.

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- Questions on School Choice were explained as being governed by State and policy regulations.
- Enrollment projections were projected to be fairly stable although the difficult economic times made the predictions less reliable.
- Overall spending was up 2.3% offset by the use of School Choice funding to about 1.75%.
- Cuts were presented as coming from the School Advisory Council which was not present.
- All teacher jobs were considered sacred. A claim of having cut two teacher positions over the last two years was not substantiated. The FY10 Budget apparently cut a .6 Spanish position and a paraprofessional position.
- Administrative salary increases were included.
- There did not seem to be a plan (other than re-evaluation) if further cuts became necessary.
- The highlight of the meeting was a discussion on finding and resolving an issue with the school grease trap.
- The FinCom discussed
  - the effect of School Choice admissions on the number of kindergarten sections (see below: Actions),
  - class size determination.

**8 Plan for budget presentation to Town Meeting [Thad, Michael] Ways to streamline the process, including getting the information out in detail ahead of time.**

The FinCom reconsidered the proposal for a public information meeting on the budget as an adjunct to the Annual Town Meeting both at this point and later in the meeting (see below: Actions).

- Although the initial year might not get great attendance the meeting might grow into a useful public information/education tool.
- It might serve to reduce the number of questions on Town Meeting floor and streamline the actual vote without losing any of the democratic authority.
- The budget would be presented in three forms: 1) as a summary, 2) as on the warrant, and 3) in detail.
- The FinCom discussed:
  - the meetings and budget publication timeline,
  - the presence of the Town Administrator, Finance Director, Selectmen and FinCom at the public information meeting,
  - special invitations to the public meeting,
  - Town Meeting procedure on budget questions and vote,
  - publication of the summary and detailed FY10 Budget by radio, TV, newspaper, website and hard copy at the Town Hall and Library,
- Instead the FinCom could hold a Public Hearing for public education and input on the larger issues of Town Budgets including the best information available on the FY10 budget (see below: Actions).
- Finally the FinCom discussed the delayed FY10 budget process.

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**12. Adjourn [Joe]**

**MIMI DAVISSON MOVED TO ADJOURN AT 5:52PM; MOTION SECONDED; MOTION PASSED; 5 AYES, 0 NAYS, 0 ABSTENTIONS.**

**Action List:**

- [Marni](#) – call and re-send Bill FY09 minutes in MSWord for website.
- [FinCom](#) – focus on regional spending and research at AI Finance Assoc.
- [FinCom](#) – attend BOS meeting on FY09 shortfall.
  - [Michael D./Paul M.](#) – Prepare FY09 Revenue chart:  
FY08 Revenues, FY09 projected revenues, FY09 actual revenues, reason why.
  - [Bill McG](#) – letter to Editor on Town FY09 shortfall
- [Michael D./Paul M.](#) – Present Draft #1 of FY10 budget at 1/22 FinCom meeting.
- [Hans](#) – request OBS enrollment with school choice numbers for each grade (inc. K).
- [Michael D./Paul M.](#) – Publish warrant and detail forms of FY10 Budget on all possible venues (website, papers, library, etc. )
- [Hans / Peter](#) – draft agenda for public hearing.
  - email to all FinCom members.
- [Mimi](#) – participate in presentation of charts, materials, etc. for public hearing.
- [Thad](#) – contact Ron DiOrio re: Public Budget Hearing.

**Meetings**

- [Board of Selectmen](#) - 5:00PM Tuesday, January 13, 2009 at the Library.
- [AIFA](#) - 4:00PM, Wednesday, January 21st, at the Tisbury Council on Aging
- [FinCom](#) - 3:30PM Thursday, January 22, 2008 at the Library

**Ongoing Action List from previous meetings.**

- [FinCom](#) – Continue to emphasize \$2,000,000 Stabilization Fund goal.
- [Thad](#) - Inform the Selectmen in writing of all significant FinCom decisions
- Inform Depts. - any item not in dept. budgets will not be recommended for free cash.
  - update Capital Improvement Plan regularly.
- Regular meetings with Bd. of Selectmen and Personnel Board re: Financial Team.
- Ask about end-of-year transfers in the FY09 budget season.

**1/22/09 Agendas:**

- Minutes [5/15/08](#), [6/19/08](#), 1/8/09
- FY10 Budget Draft #1
- Public Information/Public Hearing proposal.
- Report on Audit - Bill
- Report on Stipends – Mimi
- Report on MVC Statements – Doug

**Future Agendas:**

- Report on Wireless - Travis Larsen
- Ambulance Fund Report.
- Dukes County Charter Commission Report
- CDC - Cost of Services Survey Results.
- Reconsider Finance Dept. Reorganization

**Documents on file:**

- Agenda 1/8/09
- MVPS School October 1 Enrollment Census (2 p.)

**• These Minutes approved as amended by the Oak Bluffs FinCom 1/22/09.**