

**Town of Oak Bluffs
Finance and Advisory Committee
Thursday, January 22, 2009 3:30 pm
Oak Bluffs Library**

Present: Chair Thad Harshbarger, Doug Best,
Frank Case Mimi Davisson, Bill McGrath,
Mike Perry, Hans Von Steiger.

Others: Finance Director – Paul Manzi
Capital Planning – Steve Auerbach,
Town IT Director – Travis Larsen
Tax Collector – Cheryl Sashin
Recorder - Marni Lipke

Absent: Joe Alosso, Peter Palches

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

The meeting was called to order at 3:34PM.

1. Revise this Agenda [all]

- Doug Best would report on the All Island Finance Association meeting.
- The FY09 and FY10 Budgets would continue to be discussed at the next meetings.

2. Review minutes of January 8, [all]

• MIMI DAVISSON MOVED TO APPROVE THE JANUARY 8, 2009 MINUTES AS AMENDED: MICHAEL PERRY SECONDED: MOTION PASSED: 6 AYES, 0 NAYS, 1 ABSTENTION – FRANK CASE due to absence.
There were two sets of 2008 back minutes still in draft form. (see below: Actions).

3. Town Wireless plan. Travis will explain the issues, expenses and savings.

- The first phase (\$5,000 from the Information and Technology (IT) Budget) was essentially a feasibility study for a small area around the Police Station.
- The second phase (\$18,500 from Selectmen Unclassified Budget) to further test feasibility as well as seasonal use, included all of Ocean Park and some other areas (including an antenna on the Oak Bluffs Inn).
- In addition wireless service for Wastewater (\$20,000 from Wastewater Fund) had been voted at the Special Town Meeting (see 11/20/08 Minutes p.3), although it was unclear if this would cover costs.
- The service was instituted:
 - for immediate savings on recurring municipal communication bills by reducing, telephone, internet T1 and DSL fees; and
 - to explore the possibility of service and/or revenue for seasonal visitors and businesses.
- The Oak Bluffs FinCom considered:
 - lack of a proper business plan,
 - uncoordinated technology systems in various town departments,

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- compliance with internet access law,
- initial costs, ongoing costs (rent, maintenance, service contracts, etc.) and budget sources,
- free privatized installation with free municipal use for revenue from private customers,
- equality of service,
- project priority and capital planning,
- Town IT Director Travis Larsen's role.

• DOUG BEST MOVED TO RECOMMEND IN WRITING TO THE BOARD OF SELECTMEN THAT A BUSINESS PLAN FOR THE CURRENT WIRELESS PROJECT BE CREATED FOR FINCOM REVIEW INCLUDING ALL ASSOCIATED AND PROJECTED COSTS AND BENEFITS; BILL MCGRATH SECONDED; MOTION PASSED UNANIMOUSLY: 7 AYES, 0 NAYS, 0 ABSTENTIONS.

• MIMI DAVISSON MOVED THAT THE FINCOM RECOMMEND IN WRITING TO THE BOARD OF SELECTMEN THAT AN ONGOING INFORMATION TECHNOLOGY ADVISORY BOARD BE APPOINTED FOR ALL OAK BLUFFS TECHNOLOGY NEEDS INCLUDING, CABLE, COMMUNICATIONS, WIRELESS, SOFTWARE APPLICATIONS, ETC. - AND THAT A PRIMARY IMMEDIATE ACTIVITY OF THAT BOARD BE TO OVERSEE AND ASSIST IN DRAFTING A COMPREHENSIVE INFORMATION TECHNOLOGY PLAN FOR THE ENTIRE TOWN INCLUDING THE POSSIBILITY OF WORKING WITH OTHER TOWNS; BILL MCGRATH SECONDED; MOTION PASSED UNANIMOUSLY: 7 AYES, 0 NAYS, 0 ABSTENTIONS. (See below: Actions.).

The FinCom thanked Mr. Larsen who left the meeting.

4. Status of FY 2009 spending and budget [Paul] Impact of reduced Town revenues and ways to deal with it. Report on Falmouth. Plans to lay off people?

- The Fiscal Year 2009 (FY09) revenue shortfall was now estimated at \$336,000. Town Administration proposed:
 - a May 2009 property auction of some of the Town's 22 parcels, and
 - municipal staff reduction -- hopefully by attrition,
- The FinCom disagreed noting these measures ought to be part of, or as a last resort to, a number of proposed and debated alternatives (see below: Actions).
 - requiring departments to give back the same amount they turned in as surplus in FY08;
 - reducing such services and surpluses as: street lights, library hours, Town Hall service two Friday's a month, parking 20% of town vehicles, etc;
 - requesting COLA give backs, re-opening union negotiations, foregoing stipends;
 - renegotiating vendor contracts, (noting Mr. Packer's generous reduction of fuel costs),
 - municipal re-organization and cross training,
 - requesting citizen input.

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- Later in the meeting after looking at the FY09 and FY10 budget comparisons the FinCom revisited the shortfall re:

- clearly reported total police (or any other dept.) spending,
- better more transparent capital planning priorities,
- savings from Selectmen and Selectmen Unclassified - although not originally intended as a motion:

- **MIMI DAVISSON MOVED TO RECOMMEND THAT UNLESS VIABLE DECREASES IN EXPENDITURE WERE PROPOSED THAT AS A STARTING POINT, THE ENTIRE FY09 SHORTFALL BE TAKEN FROM SELECTMEN BUDGET DEPT. 122 AND SELECTMEN UNCLASSIFIED BUDGET DEPT. 199; BILL MCGRATH SECONDED; MOTION PASSED: 6 AYES, 1 NAY – FRANK CASE, 0 ABSTENTIONS.**

- See also below: #11.

6. Presenting the budget to Town Meeting [Thad] Ways to streamline the process, including getting the information out in detail ahead of time. Calendar for the process up to Town Meeting.

The FY10 Budget Summary would be posted on the Town Meeting website and the public could click on lines to get a detail of the department budget. An Open forum/public meeting would be held no later than Mid-March with specific questions available at Town Meeting. The meeting would also allow the citizens to have some input before Town Meeting.

5. Current Projected 2010 budget. [Paul] Include full budget and MUNIS. Look for email from Paul prior to meeting

- The Oak Bluffs School had proposed a FY10 Budget at 1.85% and the MV Regional High School had certified at 2.4%.
- It was noted that except for the revenue reductions the proposed 2.2% increase for the FY10 would be considered a good budget,
- The FinCom discussed: police staffing and unfunded liabilities (see below: Actions), insurance costs, and Town Hall reorganization.
- Members were encouraged to attend the Department interviews and the next Bd. of Selectmen meeting (see below: Meetings).
- The FinCom thanked Paul Manzi who left the meeting.

10. Comments on MVC Annual Report [Doug]

- The Martha's Vineyard Commission (MVC) Annual Report/Budget had been turned down by the All Island Finance Assoc. and by Edgartown because of issues with the inclusion of the extension of the Island Plan in the operating budget rather as a separate article. The Plan had overrun it's three year timeline and projected costs.
- The FinCom also noted audit findings over fiduciary oversight and controls.
- **DOUG BEST MOVED NOT TO APPROVE THE MARTHA'S VINEYARD COMMISSION FISCAL YEAR 2010 BUDGET AS IS WITH THE CONTINUED INCLUSION OF THE ISLAND PLAN; BILL MCGRATH SECONDED;**

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- **MOTION AMENDED AND SECONDED AS TO FURTHER REASONS BEING BECAUSE OF THE REFUSAL TO RECOGNIZE THE VOLUNTARY FOREGOING OF EMPLOYEES COLA INCREASE FOR FY10;**
- **MOTION PASSED: 6 AYES, 0 NAYS, 1 ABSTENTION – MIMI DAVISSON** due to not having seen the budget proposal (see below: Actions).

11. Current status of Stipends [Mimi]

- It was suggested that it would be timely to suspend all stipends to help compensate for the revenue shortfall as well as to allow a clean start for restructuring stipends.
- The FinCom debated the politics, value and ethics of excluding the Selectmen as well as Town reimbursement for out of pocket expenses.
- **MIMI DAVISSON MOVED THAT THE FINCOM RECOMMEND THAT ALL OFFICIAL VOLUNTEER BOARD MEMBERS, ELECTED AND APPOINTED FOREGO THEIR STIPENDS FOR FY 2009 AND FY 2010; BILL MCGRATH SECONDED; MOTION PASSED: 6 AYES, 1 NAY – FRANK CASE, 0 ABSTENTIONS.**
- The Capital Planning Committee, had a new member, Steve Auerbach, and had sent new forms to all Town Departments (see below: Meetings).

12. Adjourn [Joe]

ON A MOTION DULY MADE AND SECONDED THE FINCOM ADJOURNED AT 5:50PM; MOTION PASSED BY CONSENSUS IN THAT MEMBERS LEFT THE MEETING DURING THE LAST REPORT.

Action List:

- Marni –re-send 5/15/08 & 6/19/08 minutes.
- Thad – inform Selectmen in writing of:
 - vote to request: Wireless Business Plan, formation of IT Advisory Board, and comprehensive Town IT plan,
 - vote to reduce FY09 Selectmen and Selectmen Unclassified budgets, and alternate suggestions (services/surpluses reductions, town reorganization/cross training, etc.),
 - vote not to approve MVC budget.
 - vote to request all board / committee members forego FY09 and FY10 stipends.
- Paul M. – send inventory of all Town capital assets.
- Paul M. – ask why Quinn Bill up 700%.
- Michael D./Paul M. – Tiered plan for FY09 shortfall.
- Michael D./Paul M. – Publish warrant and detail forms of FY10 Budget on all possible venues (website, papers, library, etc.) by Mid-March.

continued

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Meetings

- Board of Selectmen - 5:00PM Tuesday, January 27, 2009 at the Library.
- Dept. Interviews: Monday January 26th 1-3PM, Tuesday January 27th 8AM – 9:30AM
- FinCom - 3:30PM Thursday, February 5, 2009 at the Library
- Capital Planning – March 4th.

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.

2/5/09 Agenda:

- Minutes 5/15/08, 6/19/08, 1/22/09
- FY10 Budget (by 2/19)
- FY09 Shortfall plan – Paul M./ Michael D.
- Public Information/Public Hearing planning.
- Assessors re: proposed changes in tax assessments
- Report on Audit - Bill
- Report on Beacon

Future Agendas:

- Report on Stipends – Mimi
- Ambulance Fund Report.
- Dukes County Charter Commission Report
- CDC - Cost of Services Survey Results.
- Reconsider Finance Dept. Reorganization

Documents on file:

- Agenda 1/22/09
- FinCom Calendar Spring 2009
- Local Receipts Town of Oak Bluffs – Revenue 2009
- Town of Oak Bluffs Operating Budget Fiscal 2010 (6 p.)
- OB Estimated Budget for FY2010 1/16/09
- Next Year / Current Year Budget Analysis Fiscal 2010 Budget (11 p.) 1/21/09
- Boston Herald excerpt Mass. Debt Will Do Us In 1/19/09
- Wall Street Journal excerpt California: Shortfall Forces State Offices To Close Two Fridays a Month (1/12/09)

- **These Minutes approved by the Oak Bluffs FinCom 2/5/09.**