

Town of Oak Bluffs
Finance and Advisory Committee
Thursday, February 12, 2009 3:30PM
Oak Bluffs Library

Present: Chair Thad Harshbarger, Joe Alosso,
Doug Best, Frank Case Mimi Davisson,
Bill McGrath, Peter Palches, Hans Von Steiger.

Others: Town Administrator – Michael Dutton
Tax Collector – Cheryl Sashin
Recorder - Marni Lipke

Absent: Mike Perry

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

The meeting was called to order at 3:41PM.

There was a brief salute to commemorate Abraham Lincoln and Charles Darwin whose centennials were being celebrated.

1. Revise this Agenda again [all]

A miscellaneous item was added to the end of the meeting.

2. Review Minutes of meeting 2-5-09

The minutes were postponed to the next meeting.

3. Status of FY 2009 spending and budget [Michael] Impact of reduced Town revenues and ways to deal with it. (See documents on file.)

Town Administrator Michael Dutton reviewed the list with the Finance Committee.

- A number of line items had been reduced or frozen for the remainder of the year: Professional fees (Town Counsel), staff and committee trainings, unemployment insurance, Planning Board Consulting Engineer, street lighting, utilities (cost and conservation), advertising, postage, Animal Control Assistant (to as needed), office supplies, police assistant and attendant uniform and equipment costs, building inspectors in line with reduced permit requests, delay of Marina summer hires, tipping fees, restricted shellfish contract hires, emergency management, Farm Pond maintenance, deferral of road resurfacing. Mr. Dutton emphasized throughout the discussion the very fluid nature of expenses and revenues.
- The OB FinCom Public Hearing on the Fiscal Year 2010(FY10) Budget would incur advertising costs.
- The Community Preservation Act (CPA) had been subsidizing the mailing of the Annual Town Warrant to all residents.
- Vehicle costs would be lowered by the enforcement of the new Vehicle Use Policy. Other measures such as reducing the number of town vehicles would incur mileage costs and/or Steamship Authority charges, thus limiting savings.
- The MV Regional High School (MVRHS) residuals (if any) were returned after the fiscal year end. Oak Bluffs School (OBS) had a number of medical and family leaves incurring extra substitute costs and was not likely to have a residual.

Oak Bluffs Finance and Advisory Committee
February 12, 2009

2

- There was a discussion on accurate tracking of the Ambulance Fund to reflect true costs of patient transfers. This might show that the enterprise was less profitable than previously perceived. All appropriate costs were being shifted from the Ambulance operating budget to the Fund.
 - The Town Administration was keeping a sharp eye on expenditure by need (not desire) for the remainder of FY09. All departments were aware of the situation and had been informed they might have to resubmit budgets.
 - The Town was also looking to increase revenues in a number of ways. An increasing trend to charge for business use of Town land was evident as the only policy shift manifesting in the situation. For example, tour bus, taxi and commercial parking slots would be charged and/or put out to bid. Overnight parking stickers were already in place.
 - PETER PALCHES VOTED TO COMMEND / ENDORSE THE TOWN ADMINISTRATOR AND FINANCE DIRECTOR FOR THEIR EXCELLENT WORK; FRANK CASE SECONDED.
 - Michael Dutton thanked the FinCom for their endorsement but suggested a formal motion was not necessary.
- PETER PALCHES RELUCTANTLY WITHDREW THE MOTION.

4. Current Projected 2010 budget. [Michael] (See documents on file.)

The Administration was still committed to the new budget process but acknowledged the changed economic situation. The Selectmen had directed that lay-offs and overrides be avoided if possible – the completed first draft should be ready next week (see below: Actions).

- The sale of Town owned properties was a continuation of the normal 4-6 year cycle of selling tax foreclosure lots. Auction expenses were taken out of the revenues. The FinCom questioned the timing in light of the real estate slump and requested such properties be included in Capital Planning (see below: Actions).
- Parking meters, although probably remunerative, were a political decision impacting local businesses, and town residents. Current parking enforcement was comparable with other Island towns.
- Sailing Camp revenues have been trailed operating expenses. The Selectmen would advertise a Request for Proposal (RFP) for a marketing/booking firm to reverse this history. In addition the cottage on the property (previously part of the camp manager compensation) would be separated and rented.
- The FinCom discussed the Town organization and service in terms of the Selectmen's request to avoid lay-offs. With the exception of highly specialized positions Town staff might be reduced by attrition (a shared tax/wastewater clerk had remained unfilled).
- Re-organization and technological upgrades could improve service and save money but could cause severe financial hardship for some workers in the current situation.
- No one had stepped forward to take early retirement.
- Further loss of revenue for either FY09 or FY10 might force staff reductions.
- The recent pay raises had resulted in better morale, more productivity and less complaints on salary inequities.
- The All Island Finance Association had requested that government entities and unions consider suspending Cost Of Living Adjustments (COLA) and steps to avoid lay-offs.

**Oak Bluffs Finance and Advisory Committee
February 12, 2009**

3

- A more comprehensive solid waste (garbage) management plan was discussed and tabled for another meeting. There were two issues:
 - the new Islandwide Refuse District initiative, and
 - the Oak Bluffs solid waste disposal which operated at a loss. An attempt to increase revenues (garbage sticker price) had been defeated. Hans Von Steiger suggested an annual household charge instead of stickers.
- Michael Dutton felt both schools had made a good faith effort with some dramatic cuts. Issues discussed included:
 - projected enrollments and the Oak Bluffs proportional share of the MVRHS,
 - MVRHS assessment public relations and other Vineyard towns' actions,
 - FinCom objections to different control of and protocol for school budgets.
- It was suggested the Town might have some control by limiting its funding of benefits for school staff.
- The FinCom debated individual overrides for all Departments coming in over level funding, including: MVRHS, Police, OBS, Fixed Costs (health insurance), etc.
- Actual FY09 spending would not be reflected in the Munis report but would be available at the Public Hearing in for comparisons with the proposed FY10 Budget.
- It was suggested existing services be further squeezed and if necessary cut.

Miscellaneous

- The FinCom felt issues with the Martha's Vineyard Commission (MVC) had been settled (see below: Actions).
- There was a place holder in the draft warrant for the FinCom By-Laws revision.

5. Plans for public hearing on the 2010 budget [Thad] (See documents on file and below: Actions.)

The meeting was tentatively set for March 12th at the Council on Aging.

- Finance Director Paul Manzi and Michael Dutton would present the Budget (see below: Actions). The presentation would include both the philosophical bigger picture and a detailed Budget in a layman's format.
- The FinCom discussed committee member participation and public notification.

Miscellaneous

Joe Alosso expressed his pleasure in serving with the FinCom and wished everyone well. The FinCom thanked Joe for his service and expressed their regret at his resignation.

6. Adjourn [Joe]

**• JOE ALOSSO MOVED TO ADJOURN 5:47PM; SECONDED BY ALL;
MOTION PASSED UNANIMOUSLY: 8 AYES, 0 NAYS, 0 ABSTENTIONS.**

continued

**Oak Bluffs Finance and Advisory Committee
February 12, 2009**

4

Action List:

- All – consider reduced/alternative advertising costs for Public Hearing
- Thad/Doug – send letter of thanks and apology to MVC – not necessary to re-schedule.
- Michael D./Paul M. – present FY2010 Munis first on 2/19/08 FinCom agenda
- Michael D./Paul M. – send annotated town property list to Capital Planning Com.
- Michael D./Paul M. – Publish warrant & FY10 Budget on all possible venues.

Public Hearing

- Michael D./Paul M. – prepare the FY10 Budget and FY09 Actuals in layman's form
- Thad/Peter/Doug – prepare FinCom Agenda and graphics.
- Thad/Frank/Doug/Bill – speak at meeting.

Meetings

- FinCom – 3:30PM Thursdays, February 19, March 5, 2009 at the Library
- Capital Planning – March 4th.
- Public Hearing – 5:00PM, March 12 (19), 2009, Senior Center
- Special & Annual Town Meeting – April 14, 2009

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.

2/19/09 Agenda:

- Minutes 2/5/09, 2/12/09
- FY 2010 Draft Budget
- OBS, MVRHS, Supt. Of.
- MVC Report
- Assessors re: proposed changes in tax assessments
- Public Information / Public Hearing planning

Future Agendas:

- OB FinCom By-Laws revision
- Solid Waste Report – Board of Health
- Ambulance Fund Report.
- Dukes County Charter Commission Report
- CDC - Cost of Services Survey Results.
- Reconsider Finance Dept. Reorganization

Documents on file:

- Agenda 2/12/09
- FY 2009 Shortfall
- Ways to Balance FY2010 Budget (2 p.)
- The Sun excerpt: Budget Ax Falls in Chelmsford 1/31/09
- Next Year / Current Year Budget Analysis Fiscal 2010 Budget (11 p.) 2/4/09
- OB FinCom Public Hearing on FY2010 Budget March 12, 2009 Draft Agenda (2 p.)
- *FinCom Calendar* 2/12-4/14/09
- Harshbarger email re: FinCom meeting Feb 12, 2/7/09

• These Minutes approved as amended by the Oak Bluffs FinCom 3/5/09.