

Town of Oak Bluffs
Finance and Advisory Committee
Thursday, February 19, 2009 3:30PM
Oak Bluffs Library

Present: Acting Chair Doug Best,
Frank Case Mimi Davisson,
Bill McGrath, Peter Palches,

Others: Town Administrator – Michael Dutton
Chair Board of Selectmen – Ron Di Orio,
Supt. Shared Services – Supt. Jim Weiss,
Business Administrator – Amy Tierney
Asst. Supt. – Laurie Halt
OBS – Princ. Laury Binney, Asst. Prin. Gina Patti
OBSC – Lisa Reagan, Priscilla Sylvia
MVRHS – Steve Nixon
MVRHSC – Susan Mercier*
Recorder - Marni Lipke

Absent: Thad Harshbarger, Mike Perry, Hans Von Steiger.

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

The meeting was called to order at 3:35PM. Acting Chair Doug Best thanked the school representatives for coming and introductions were made all around.

I. More on Proposed FY2010 Budget (See documents on file.)

Town Administrator Michael Dutton reviewed the current status of the Fiscal Year 2010 (FY10) Budget. He hoped to have the final version by March 5, 2009. Revenues had been revised downward – for the third time – by about \$540,000.

- *OB FinCom comments from the end of the meeting are included here.*

- Some retirements would be difficult to leave vacant as per the hiring freeze.
- Town Hall reorganization could considerably reduce staff hours.
- Union and non-union raises would be reduced and re-negotiated.
- Departmental training costs – often under-spent – would be consolidated into one line for all municipal staff and monitored for savings.
- Considerable savings were anticipated from putting insurance out to bid.
- Trash pick up could be either eliminated or required to meet costs.
- Resurfacing of roads could be postponed. Although the FinCom felt substantial savings were in order they were not in favor of the 100% cut.
- The FinCom was solidly against exempting the Town from Wastewater fees as this broke faith with and over-burdened the other rate payers.
- Town Vehicle use was being curtailed in accordance with the new Vehicle Use policy.

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4. Meet with OB School (See documents on file.)

2. Meet with Superintendent

- The budget process was explained. Cuts had been made in staffing, programs and community use of the school.
- School Choice Fund moneys had been dedicated to reducing the budget however such action required that the same amounts continue into the future. The remainder of the School Choice Fund was spent on facility maintenance -- which was not included in the operating budget.
- Enrollment projections showed a stable or slightly increased population.
- The FinCom explored cuts in community use of the school facility: cost savings, loss to the community in hard times, coordination with other Town Departments.
- Current class sizes were argued as crucial in keeping academic standards and MCAS results.
- Consistency among departments in payment of benefits, power/fuel, and possibility of overrides was advocated.

3. Meet with High School

The MV Regional High School (MVRHS) budget process was also reviewed.

- The FY10 budget made significant reductions in positions and staff in keeping with continuing enrollment reductions.
- Major cuts had been made in all core subjects except science—which had teacher certification complications and federal safety issues. Cuts had already been made in art, music, drama, guidance, etc.
- Further cuts might jeopardize student safety and academic standards.
- There was a debate on union reaction to, and various consequences of the requests to re-open union negotiations re: foregoing Cost of Living Adjustments (COLA's).
 - This was the third year of the current school staff contracts; the next negotiations were likely to be different.
 - Voluntary give backs could possibly forestall lay-offs.
 - It was suggested that part time positions be reduced to below 20 hours to save on health insurance costs.
- There was some anticipation of revenue from the Federal Stimulus package for remedial reading and special education. Schools were invited to refer appropriate families to the Board of Selectmen for energy grants.
- There was general agreement by everyone that Special Education percentages were too high on the Island although the cause was not clear.
- Cuts and learning diversity were noted in comparison with such indicators as: low drop out rates, students going on to further education and career advancement.
- State frameworks had a tendency to limit school flexibility. The FinCom advocated more creative programming, multi-grade learning, etc.
- Even if the MVRHS FY10 Budget were at 0% the Oak Bluffs assessment would rise due to enrollment proportion shifts.

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- It was agreed that there be another discussion after the FinCom made its final decision so that last year's Town Meeting situation would not be repeated.
- It was agreed that the Superintendent would inform the FinCom of any Federal Stimulus grants.
- It was suggested that the Schools look into an insurance policy to lock in the price of fuel.

- Board of Selectmen Chair Ron DiOrio asked FinCom support for revenue programs including parking fees for taxicabs, tour buses, etc. as well as a new program on mandating Leonardo lot parking for all large commercial vehicles now in residential neighborhoods.
- The FinCom critiqued the FY10 Budget proposal (see above #1) and the school presentations.
- Override proposals and FinCom advocacy/effectiveness was discussed.
- The FinCom noted election vacancies and candidates. There would be four vacancies on the FinCom.
- **BILL MCGRATH MOVED TO ADJOURN; MOTION SECONDED;**
FinCom members had been slipping away and the meeting lost quorum at 5:35PM when Bill McGrath left.
- There would be no Public Hearing/Information Meeting as the FinCom did not have sufficient resources to organize it. There was a brief discussion on Town Meeting protocol.
- **MOTION TO ADJOURN PASSED BY CONSENSUS AT 5:43PM.**

Action List:

- FinCom - talk about Federal Stimulus money at Town Meeting.
- Thad - invite School representatives to meeting after FinCom school budgets decision.
- Jim Weiss - inform FinCom of Federal Stimulus grants
- Jim Weiss. - consider fuel price insurance.

Meetings

- FinCom - 3:30PM Thursdays, March 5 & 19, 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:

- Revise this Agenda
- Minutes 2/5/09, 2/12/09 as amended by HVS, 2/19/09
- Final Draft FY10 Budget.

continued

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Future Agendas:

- Discussion with School Representatives on school budgets / override decision.
- Ambulance Fund Report.
- Dukes County Charter Commission Report
- CDC - Cost of Services Survey Results.
- Reconsider Finance Dept. Reorganization

Documents on file:

- Agenda 2/19/09
- Balance Budget Options
- Oak Bluffs School FY'10 Budget Analysis Draft #2a 2/19/09
- Next Year / Current Year Budget Analysis Fiscal 2010 Budget (11 p.) 2/19/09

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