

**Town of Oak Bluffs**  
**Finance and Advisory Committee**  
**Thursday, March 4, 2010, 3:30 PM**  
**Oak Bluffs Library Conference Room**

Present: Chair Mimi Davisson, Doug Best, Frank Case,  
Thad Harshbarger, Bill McGrath, Mike Perry\*,  
Mac Starks,

Others: Steve Auerbach†,

Selectmen Greg Coogan, Kathy Burton, Ron DiOrio  
Kerry Scott

Town Staff Administrator – Michael Dutton  
Police Chief Blake,  
Fire Dept. – Peter Forends, Anita Billings  
Tax Collector – Cheryl Sashin  
Personnel Bd. – John Lolley  
Bd. of Assessors - Jesse “Jack” Law,  
Bd. of Health – Tricia Bergeron, Shirley Fauteux  
Highways – Richie Combra, Jr.  
CDC – Terry Appenzellar  
Library – Danguole Budris  
School - Chair Priscilla Sylvia, Lisa Reagan,  
Laury Binney, Jim Weiss, Amy Tierney,  
Kathy Flynn, Deborah Hammet, Gina Patti,  
Kathy Perrotta,

Public Karen Achille, Kenny Alley, Patricia Alley,  
Gail Barmakian, John Boardman, Deb Brown,  
Beverly, Burke, Kris Chvatal, Steve Conley,  
Richard Coutino, Sara Crafts, Kenneth Daly,  
Catherine Deese, Robyn Gurney, Donald Hill,  
Mary Ellen Hill, Barbara Hoyle, Michael Hoyt,  
Maura McGroarty, Pamela Melrose,  
Ann Merritt, Stephanie Michalczyk, Marilyn Miller,  
Suzanne Warren, Ron Zentner,

Press: MVTV - Tom Mayhew  
Recorder - Marni Lipke

Absent: Hans Von Steiger

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

† Steve Auerbach suspended his membership during his work as an Oak Bluffs census taker.

The Oak Bluffs Finance Committee (FinCom) was called to order at 3:30PM.  
There was a brief overview of changes and additions to the Oak Bluffs Fiscal Year 2011  
(FY11) Budget issues (see documents on file).  
- Additional income (if approved at Town Meeting) would not start until July 1, 2010 and so  
was hypothetical.

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- As approved by the Town Administrator and Treasurer the Town Accountant increase had been placed in the balanced budget (see 2/18/10 Minutes p. 5 & 2/25/10 Minutes p.3).
- The Public Hearing agenda and procedure were reviewed

**Introduction**

- The Public Hearing on the Oak Bluffs Fiscal Year 2011 Budget was called to order at 4:07PM.
- The FinCom members were introduced; and the meeting procedure explained. All were invited to voice comments, opinions or questions.
- The Budget had been drafted in a number of meetings with the FinCom, public, town administration and Selectmen. All figures had been rounded to the nearest \$1,000.

**Explanation of Proposed Balanced Budget** (See documents on file.)

Most required spending increases had been included in the FY11 balanced budget:

- \$311,000 MV Regional High School assessment would have to be paid unless three towns failed to pass it – an unlikely occurrence at this time.
- \$290,000 Personnel Benefits was mostly from a rise in health insurance rates.
- \$95,000 (later corrected to \$115,000) was mandated for the standard three year cycle re-evaluation scheduled for FY11 (see 2/8/07 Minutes p. 6).
- \$90,000 Residential Placement was a Special Education expense for students requiring more extraordinary support than public schools could supply.
- \$38,000 Workmen's Compensation self-insurance would cover all commitments as currently trended.
- \$32,000 was made up of \$27,000 in other insurance increases (liability, buildings, etc.) and a \$5,000 increase in debt.
- \$25,000 was for an updated Town Master Plan, required in some grant and funding applications.
- \$14,000 would cover Fire Dept. safety equipment mandates.
- \$13,000 raised legal and professional fees for: 1) the increased cost of audits, and 2) legal fees to clear several major titles and events. It was noted that Town Administrator Michael Dutton was diligent in minimizing legal costs.
- \$11,000 for landfill testing was an ongoing expense. (This cost was also included in the Board of Health override, which could now be reduced - see below: p. 4.)
- \$6,000 would cover Board of Registrars extra election expenses.
- -\$10,000 was cut as estimated savings from updating municipal stipends for appointed or elected officials – currently inconsistent and outdated.

Revenue enhancements were estimated from a number of measures.

- \$156,000 The Wastewater Enterprise fund would pay for the Leonardo Lots debt and some other wastewater related expenses.
- \$195,000 in ferry fees had been conservatively estimated.
- \$200,000 could be realized from a tax increase of 0.75% on all meals sold in the Town bringing restaurant, bar taxes to 7%.
- Trash sticker prices were likely to be raised to make trash collection self-sustaining by covering a \$140,000 budget gap.
- \$40,000 could be realized from updating municipal fees which had not been raised for some time.

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- \$10,000 in special parking fees would apply to tour bus slots, taxi slots, and business employee parking accommodations.
- Given the above, added to the final FY10 Budget (from the October 2009 Special Meeting) spending totaled \$24,540,000 and revenue \$24,591,000.

**Questions and Comments**

- Oak Bluffs was a member of the Dukes County Contributory Retirement Board which was considered the best option at this time (see below: Actions).
- The raise in trash sticker prices would not cover a new truck. Most of the deficit was from trash runs (sometime 2 or 3 a day) to empty town receptacles during tourist season.

**Presentation of Proposed Overrides**

Other departmental and town increases would be placed on separate overrides. Overrides permanently raised the tax base. If all the overrides passed the tax base would rise \$847,000 or 4.5% or a rise from the current \$6.30 tax rate per \$1,000 assessed value to \$6.59 per \$1,000 or about \$140 for an average (\$580,000) house.

**Time for questions and comments will be interspersed between groups of presentations)**

**Drug Task Force \$7,000** (\$2.04 additional taxes for an average house.)

This was the annual cash match for a State grant, which had to be appropriated outside the operating budget.

**Shellfish Motor \$10,000** (\$2.90 additional taxes for an average house.)

A month ago the current boat engine was declared un-repairable.

**Assessor \$18,000** (\$3.50 additional taxes for average \$580,000 house.)

The October 2009 Budget cut the Assessor to 22 hours (most of it in the field). The executive secretary had then been re-assigned to the Accountant's office. The Board of Assessors felt this should not be on an override as a full time Assessor was a necessity.

**Shellfish (Dept.) \$29,000** (\$5.96 additional taxes for an average house.)

This would reinstate the second warden to full (from part) time, however it still maintained some of the October 2009 cuts. Two full time positions were needed to maintain the department and enforce regulations. If the override failed Oak Bluffs would be forced to withdraw from the MV Shellfish Group probably eliminating the aquaculture program and drastically reducing shellfish stock (see documents on file).

**Public Bldg. Maintenance \$30,000** (\$5.60 additional taxes for an average house.)

Maintenance on municipal buildings was habitually postponed, leading to increased future costs. This raise would establish a regular plan for painting, reshingling, roof repair, etc. For example there was currently no money to clean the carpets in the new library.

**Public comment:**

- Half the revenue from shellfish fees went into the General Fund and the other half went for seed propagation. The Shellfish budget was so tight the replacement of the boat motor could not be covered.

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- The Oak Bluffs School (OBS) was the only public building not included in the public building maintenance plan.
- Estimates for maintenance work had been solicited.
- Some Selectmen were actively pursuing collaboration with other towns (Tisbury in particular) however progress was slow and not likely to affect FY11.

**Board of Health \$31,000**

(\$6.68 additional taxes for an average house.)

Money for the Administrative Assistant had been cut in October 2009 (although the position was maintained temporarily with other funding). The Dept. responsibilities were substantial: septic / construction inspections, restaurant regulation, mandated state reporting requirements, (see documents on file). If the office were reduced to one employee who was usually in the field there would be a significant wide-reaching reduction in service. (\$11,000 for landfill testing placed in the balanced budget (see above: p. 2) would reduce this override.)

**Fire Dept. Compensation \$68,000**

(\$13.80 additional taxes for an average house.)

In 13 years firefighters had asked for only four increases making them one of the lowest paid on the Island. The raises would apply to all firefighters.

**Lifeguards \$75,000**

(\$14.89 additional taxes for average house.)

Lifeguards had been a part of Oak Bluffs since the 1800's and were an extension of the public safety program. Certification requirements and duties had been updated including beach rules and litter control (see documents on file). In addition to this being a strong request of seniors and summer residents, liability due to lack of lifeguards could be expensive. Funding was proposed through ferry fees and hotel/restaurant tax increases.

**Public Comment**

- The proposed Lifeguard Budget was bare bones. Lifeguards would be paid at an hourly rate as a summer work force with no benefits. The old lifeguard stations were found to be rotten and would have to be replaced. Funding to reinstate comfort stations was in place. Most municipal lifeguard programs were paid for by concessions and parking. The eight proposed locations were noted. Signage was hard to maintain but could alleviate some liability issues.
- The Bd. of Health office was slated to become the processing center for all town permits and licenses. All revenue from Board of Health fees went into the General Fund.
- Tax collection was reasonably on track, but there was a steep rise in Island foreclosures.
- The Fire Department was classified as a "call" (rather than a "volunteer") department and firefighters received stipends – other call departments usually added per call pay. A raise for the Fire Chief was included to bring the position to a median of comparable towns. It was noted that the previous Chief had insisted on a \$10,000 salary leaving the position seriously under funded.

**Police \$109,000**

(\$21.54 additional taxes for an average house.)

This increase restored the \$68,500 cut at the October town meeting and covered all contractual raises (see documents on file). 15 officers covered 48 shifts per week as well as filling in for authorized, military, family and training leaves, injuries, etc. Cuts in staff would result in overtime charges as well as out of control accrued time – i.e. postponed or denied leaves and holidays stored in banks of accrued comp time having to be paid out at some point such as when an officer left the department (see 2/1/07 Minutes p. 5). Officers had taken large cuts in salaries to retain the number of officers on the force and compensate for Quinn bill cuts.

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The number of liquor licenses, ferry terminals, and Island institutions (High School, Hospital, Elderly Housing, etc.) in the Town made Oak Bluffs unique. Failure of the override would result in reduced coverage for special events.

**Compensation Step Changes \$123,000** (\$24.32 additional taxes for an average house.) In 2008 the Town commissioned a compensation/classification study and negotiated to put all positions (both union and Personnel Board employees) at median comparable grade, pay and steps. The contract ran through FY11.

Public Comment

- Police coverage of Town special events (Illumination Night, Fireworks, Tivoli Day, Summer Solstice) was differentiated from privately sponsored special events such as the Shark Tournament – which might be charged fees to cover police costs. Leaves and comp time were explained in more detail.

- Compensation for Step Changes was questioned re:

- the Personnel Board should eliminate steps, or
- as a mandated expense negotiated in good faith it should be included in the balanced budget.

At the time of the negotiations the Selectmen, FinCom, and Personnel Board deemed these to be reasonable contracts. There had been no Cost of Living Raises (COLAs) for three years. If the override failed the steps would still be paid however one or two personnel would be laid off to cover the shortfall.

- The police union was commended for their cooperation in agreeing to pay cuts to retain all positions and held up as a model for Town Hall employees.

**Oak Bluffs School \$127,000** (\$25.22 additional taxes for an average house.)

This raise constituted no new or different programs or staff being \$83,000 for contractual salary steps, lane changes, and longevity with no COLAs, and a \$40,000 increase to the Superintendent's Shared Services Office budget due to OB paying a larger proportion of that assessment. Some Mass. State revenues had been cut and the shortfall had been covered. In the last three years with a stable enrollment the School had cut 7 full-time and 5 part-time positions as well as using the School Choice fund to maintain the building and reduce the operating budget (see documents on file). If the override failed reductions would include: technology teacher to part time, instrumental music, library assistant, classroom supplies (already very low) and one office secretary.

Public Comment

- Class size (ranging from 14 to 21) would be maintained. Sizes was dictated by numbers and by class constitution (such as the number and severity of special needs students).

- School Choice issues were explored.

- Sending towns paid \$5,000 for school choice students and more for Special Education (SpEd) students. Parents were responsible for transportation. Oak Bluffs brought in 60 students and sent out 28.

- The fund was tabulated monthly and information was available to the public.

- A regular per pupil cost of \$14,000 was disputed. No teachers or extra sections could be added to accommodate school choice students who could only fill empty slots in established classes.

- There was a dispute over kindergarten enrollment (35) of which 29 were residents: class constitution, difficulty of projecting future numbers and feelings of over staffing.

- As an assessment the Supt. Shared Services Of. cost could be included in the balanced budget.

- Budget cuts from October 2009 had not been restored.

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**Street Paving \$220,000** (\$43.67 additional taxes for an average house.)

This would restore the funding level before the October 2009 cut, in order to continue the paving plan to upgrade roads (see documents on file). Further delays would increase the cost of future repairs for example: Dukes County Ave, needed new drainage, grading and repaving,

**Final Questions and Comments**

- Although the increase in meals tax was recommended, an increase in the lodgings tax was not very popular as it would mean hotel taxes of over 11%. In lieu of this residents at the January 14th Public Hearing had advocated for a tax on vacation rentals.
- The FinCom only had authority to make recommendations to the Selectmen. Residents were urged to take their arguments to Town Meeting floor.
- Chair Mimi Davisson was identified as responsible for this year's budget process and public hearings.
- The FinCom was proud that this was the third year of Oak Bluffs Town Budget cuts.
- The 4.5% tax rise resulting from the passage of all the overrides would be added to the 2.5% allowed by law resulting in a 7% increase.

**Wrap-Up**

- The FinCom recommendations would be sent to the Selectmen.
- A detailed copy of the FY11 Budget draft could be obtained from Town Administrator Michael Dutton.
- There would be another Public Hearing at 10:00AM, Saturday, March 13th at the Oak Bluffs Senior Center.

- THE MEETING ADJOURNED AMID APPLAUSE AT 5:50PM.

**Action List:**

- Michael Dutton/Selectmen – research State pension system

**Ongoing Action List from previous meetings.**

- All – please inform the Chair if you are unable to attend a meeting.
- Chair and Vice Chair
  - keep up timely communications with FinCom members and Town Government.
  - Inform the Selectmen in writing of all significant FinCom decisions.
- FinCom – Continue to emphasize \$2,000,000 Stabilization Fund goal.
- 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.

**March 11th Agenda:**

- Minutes: 2/4/10, 2/11/10, 2/18/10, 2/25/10, 3/4/10
- Consider Ferry Fee or Meals Tax Revenue Earmark for Information Booth.
- Override Votes (Decision)

**continued >**

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**Future Agendas:**

- Capital Program Com. Report (quarterly)
- Capital Program Com. Roles and Responsibilities
- New Website Report
- Ambulance Fund Report.
- Finance Dept. Reorganization

**Documents on file:**

- Sign In Sheet – 3/4/10
- Davisson email re: OB FinCom – FYI re: Budget Hearing Material
- Agenda (3 p.) 3/4/10
- OB FY2011 Budget Preliminary 3/4/10
- OB Shellfish 3/3/10
- OB Board of Health *memo* re: budgeting for public health
  - ° *Fiscal Year 2008 Monthly Activity Report*
  - ° *Fiscal Year 2009 Monthly Activity Report*
  - ° Mass. Commission of Health and Human Services letter Memo re: Municipal Public Health Stability (2 p.) 2/20/09
- OB Park Commission Lifeguard Justification (2 p.) 3/4/10
  - ° OB Beach Policies Draft 1 2.1.19
- OB Police Dept. *memo re: Proposed FY11 Budget for Police Dept.* (3 p.)
- OBSC letter re: information about OBS budget.
  - ° Budget Cuts Since 2007
- OB Paving Projects 2008-2012

- **These Minutes approved as written by the Oak Bluffs FinCom 3/18/10.**

**Town of Oak Bluffs  
Finance and Advisory Committee  
Thursday, March 11, 2010, 3:30 PM  
Oak Bluffs Library Conference Room**

Present: Chair Mimi Davisson, Doug Best,  
Thad Harshbarger, Bill McGrath,  
Mike Perry, Mac Starks, Hans Von Steiger  
Others: Steve Auerbach†,  
Selectmen Kerry Scott,  
Town Staff Administrator – Michael Dutton  
Tax Collector – Cheryl Sashin  
Schools: Chair Priscilla Sylvia,  
Public Gail Barmakian Maura McGroarty,  
Recorder - Marni Lipke  
Absent: Frank Case,

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

Call to order 3:31PM. There would be

• Thad Harshbarger would not be running for Finance Committee this election and Doug Best was moving out of Oak Bluffs. Steve Auerbach and Bill McGrath were running as incumbents.

**• Adjust Agenda as Needed**

• Hans Von Steiger asked to speak to additional revenue sources (see below: p. 3).

**OLD BUSINESS**

**• Approve Feb. 18, Feb 25, Mar 4, Minutes (DECIDE)**

The Minutes were deferred.

**• Discuss Selectmen's Changes to FY2011 Budget (INFO SHARE)**

The Selectmen had discussed and modified the proposed FinCom budget.

- The \$110,000 re-evaluation was postponed in expectation of a legislative delay (see 2/18/10 Minutes p. 3), and/or would be put on a fall Special Town Meeting warrant.
  - Step Changes for both Town Hall (\$123,000) and the Oak Bluffs School (OBS) (\$90,000) were placed in the balanced budget as contractual obligations.
  - There was some confusion as to the amount of the Assessor override between \$18-28,000.
  - A \$35,000 loader lease for an all purpose Highway Dept. truck was put on override.
  - Hotel/lodging tax was added as a revenue source.
  - The current proposal for the Fiscal Year 2011 (FY11) Budget included a \$33,000 surplus.
- Other changes follow. If all the Budget and Overrides passed in their current configuration The tax rate would rise 3.68% on top of the 2.5% tax levy limit.

**• Finish FY2011 Budget "Loose Ends" (DECIDE)**



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**- Islandwide Reverse 911 System –OB share ~\$3,500** (See 2/4/10 Minutes p.2)

The issues were:

- emergency preparedness or a hasty reaction,
- alternative cable notification at less cost,
- the need for a public hearing.

**• DOUG BEST MOVED TO PUT THE REVERSE 911 INTO SEPARATE WARRANT ARTICLE; BILL MCGRATH SECONDED; MOTION PASSED: 6 AYES, 1 NAY – HANS VON STEIGER, 0 ABSTENTIONS.**

**- Info Kiosk** (See 1/14/10 Minutes p. 4 & 8/2/07 Minutes p. 1-2.)

The issues were:

- raising taxes for new projects while cutting services,
  - the need for a Town Tourism Department,
  - Kiosk importance to businesses and town facilities,
  - Oak Bluffs Association (OBA) resources,
  - summer police as unfamiliar with the town,
  - responsibility/authorization re: private business collaboration with Town land/funds,
  - alternative funding, diminishing grants for tourism, Chamber of Commerce, etc.
- IT WAS THE CONSENSUS OF THE OAK BLUFFS FINANCE COMMITTEE NOT TO RECOMMEND FUNDING THE INFORMATION KIOSK WITHOUT A PUBLIC DISCUSSION ON A TOURISM DEPARTMENT AND TO NOTE THE REQUEST AS A LOW PRIORITY PROJECT.**

**- Unfunded Liabilities** (See 2/11/10 Minutes p. 3)

The issues were:

- moral obligation to employees already contributing 12% of their Health benefits,
  - size of the future debt and methods used to reduce it (see below: Actions),
  - pending legislation for an all Island OPEB trust fund and its configuration,
  - politically easy target for postponement.
- BILL MCGRATH MOVED TO INCLUDE \$25,000 FOR THE OTHER POST EMPLOYEE BENEFITS (OBEB) UNFUNDED LIABILITY INTO THE OAK BLUFFS FY11 BALANCED BUDGET; THAD HARSHBARGER SECONDED; MOTION PASSED UNANIMOUSLY: 7 AYES, 0 NAYS, 0 ABSTENTIONS.**
- BILL MCGRATH MOVED TO INCLUDE AN ADDITIONAL \$5,000 FOR THE OTHER POST EMPLOYEE BENEFITS (OBEB) UNFUNDED LIABILITY INTO THE OAK BLUFFS FY11 BALANCED BUDGET; THAD HARSHBARGER SECONDED; MOTION PASSED UNANIMOUSLY: 7 AYES, 0 NAYS, 0 ABSTENTIONS.**

**- Stipend Reductions** (See 2/25/10 Minutes p. 2)

The issues were:

- warrant procedure and Board of Health status,
- set hours worked versus policy setting,

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**• DOUG BEST MOVED TO ADD A WARRANT ARTICLE TO ELIMINATE STIPENDS FOR THE FOLLOWING POSITIONS:**

- ALL CEMETERY COMMISSIONERS,
- ALL BOARD OF HEALTH MEMBERS,
- THE TREE WARDEN,
- THE MODERATOR,

**THAD HARSBARGER AND HANS VON STEIGER SECONDED; MOTION PASSED UNANIMOUSLY: 7 AYES, 0 NAYS, 0 ABSTENTIONS.**

**- Other?**

Payment In Lieu Of Taxes (PILOT) was discussed as another revenue source. The US Dept. of Housing and Urban Development (HUD) allowed for PILOTs and senior housing paid such a fee (see below: Actions).

**• HANS VON STEIGER MOVED TO DIRECT THE BOARD OF SELECTMEN TO FORM A TASK FORCE TO IMMEDIATELY LOOK INTO PAYMENT IN LIEU OF TAXES FOR NON-PROFIT PROPERTIES IN OAK BLUFFS, ESPECIALLY IN REGARDS TO HUD HOUSING; DOUG BEST SECONDED; MOTION PASSED UNANIMOUSLY: 7 AYES, 0 NAYS, 0 ABSTENTIONS.**

**• Determine FinCom Positions on Warrant Articles (DECIDE)**

Selectman Kerry Scott clarified her positions and apologized for any misunderstandings that may have arisen at the recent Board of Selectmen meeting; she was ill and not herself.

Special Town Meeting (FY2010) Articles

**• DOUG BEST MOVED THAT THE OAK BLUFFS FINANCE COMMITTEE RECOMMEND APPROVAL OF THE WARRANT ARTICLE ON A PRIOR YEAR TELEPHONE BILL; MIKE PERRY SECONDED; MOTION PASSED UNANIMOUSLY: 7 AYES, 0 NAYS, 0 ABSTENTIONS.**

**• DOUG BEST MOVED THAT THE OAK BLUFFS FINANCE COMMITTEE RECOMMEND APPROVAL OF THE WARRANT ARTICLE TO INSTITUTE A 0.75% RISE IN THE MEALS TAX; MIKE PERRY SECONDED; MOTION PASSED UNANIMOUSLY: 7 AYES, 0 NAYS, 0 ABSTENTIONS.**

**• DOUG BEST MOVED THAT THE OAK BLUFFS FINANCE COMMITTEE RECOMMEND APPROVAL OF THE WARRANT ARTICLE TO INSTITUTE A 2% RISE IN THE LODGINGS TAX; MIKE PERRY SECONDED; MOTION PASSED: 5 AYES, 2 NAYS – MIMI DAVISSON, BILL MCGRATH, 0 ABSTENTIONS.**

• The issue was previous objections (see 2/11/10 Minutes p. 3) versus balancing the currently proposed budget.

• A place holder article on budget transfers was not voted.

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**• DOUG BEST MOVED THAT THE OAK BLUFFS FINANCE COMMITTEE RECOMMEND APPROVAL OF THE WARRANT ARTICLE TO WITHDRAW \$70,000 FROM STABILIZATION TO PAY FOR A RESIDENTIAL PLACEMENT; MIKE PERRY SECONDED; MOTION PASSED: 6 AYES, 1 NAY-HANS VON STEIGER, 0 ABSTENTIONS.**

• The issue were:

- preserving the \$1.3 million Stabilization Fund which had a goal of \$2 million
- possible future inclusion in the budget,
- unfunded Mass. State mandates.

**• DOUG BEST MOVED THAT THE OAK BLUFFS FINANCE COMMITTEE RECOMMEND APPROVAL OF THE WARRANT ARTICLE TO TRANSFER \$10,000 FROM THE SALE OF CEMETERY LOTS TO PAY FOR MAINTENANCE; MIKE PERRY SECONDED; MOTION PASSED UNANIMOUSLY: 7 AYES, 0 NAYS, 0 ABSTENTIONS.**

**• DOUG BEST MOVED THAT THE OAK BLUFFS FINANCE COMMITTEE RECOMMEND APPROVAL OF THE WARRANT ARTICLE TO AUTHORIZE THE TOWN CLERK TO SET PERMIT RATES; MIKE PERRY SECONDED; MOTION PASSED UNANIMOUSLY: 7 AYES, 0 NAYS, 0 ABSTENTIONS.**

• This codified current practice.

**• DOUG BEST MOVED THAT THE OAK BLUFFS FINANCE COMMITTEE RECOMMEND APPROVAL OF THE WARRANT ARTICLE TO AMEND THE TOWN GENERAL BYLAWS BY ADDING MASS. GENERAL LAW CHAPTER XV SECTION L CONFLICT OF INTEREST LAW; MIKE PERRY SECONDED; MOTION WITHDRAWN.**

• Discussion clarified that this was a restoration of a previous by-law.

• The FinCom suggested the language be amended to: no committee or board member shall hold a position within the town that is directly or indirectly answerable to the board for which it is elected (see below: Actions).

**• DOUG BEST MOVED THAT THE OAK BLUFFS FINANCE COMMITTEE RECOMMEND APPROVAL OF THE WARRANT ARTICLE TO APPROPRIATE BASE PERCENTAGES AND ADMINISTRATIVE COMMUNITY PRESERVATION FUNDS FOR FISCAL YEAR 2011; MIKE PERRY SECONDED; MOTION PASSED UNANIMOUSLY: 7 AYES, 0 NAYS, 0 ABSTENTIONS.**

Annual Town Meeting Warrant Articles

**• DOUG BEST MOVED THAT THE OAK BLUFFS FINANCE COMMITTEE RECOMMEND APPROVAL OF THE WARRANT ARTICLE TO ADOPT SCHEDULE A AND B OF THE CLASSIFICATION SCHEDULE OF THE PERSONNEL BYLAWS; MIKE PERRY SECONDED; MOTION PASSED UNANIMOUSLY: 7 AYES, 0 NAYS, 0 ABSTENTIONS.**

• The Re-assessment article was deferred by the Selectmen.

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**• DOUG BEST MOVED THAT THE OAK BLUFFS FINANCE COMMITTEE RECOMMEND APPROVAL OF THE WARRANT ARTICLE TO AUTHORIZE THE RE-ESTABLISHMENT OF THE MARINA/HARBOR REVOLVING FUND; MIKE PERRY SECONDED; MOTION PASSED UNANIMOUSLY: 7 AYES, 0 NAYS, 0 ABSTENTIONS.**

• The warrant article on the Town Budget was deferred to the next meeting.

• The warrant article on stipends was deferred to the next meeting.

**• DOUG BEST MOVED THAT THE OAK BLUFFS FINANCE COMMITTEE RECOMMEND APPROVAL OF THE WARRANT ARTICLE TO AUTHORIZE THE APPROPRIATION OF \$27,286 TO RESTORE ASSESSOR'S OFFICE STAFF; MIKE PERRY SECONDED; MOTION PASSED: 5 AYES, 2 NAYS –MIMI DAVISSON, BILL MCGRATH, 0 ABSTENTIONS.**

**• DOUG BEST MOVED THAT THE OAK BLUFFS FINANCE COMMITTEE RECOMMEND APPROVAL OF THE WARRANT ARTICLE TO AUTHORIZE THE APPROPRIATION OF \$96,980 TO RESTORE POLICE DEPARTMENT STAFF; MIKE PERRY SECONDED; MOTION PASSED: 4 AYES, 3 NAYS –MIMI DAVISSON, BILL MCGRATH, HANS VON STEIGER, 0 ABSTENTIONS.**

**• DOUG BEST MOVED THAT THE OAK BLUFFS FINANCE COMMITTEE RECOMMEND APPROVAL OF THE WARRANT ARTICLE TO AUTHORIZE THE APPROPRIATION OF \$7,000 IN MATCHING FUNDS FOR THE DRUG TASK FORCE GRANT; MIKE PERRY SECONDED; MOTION PASSED: 4 AYES, 3 NAYS –MIMI DAVISSON, BILL MCGRATH, MAC STARKS, 0 ABSTENTIONS.**

**• DOUG BEST MOVED THAT THE OAK BLUFFS FINANCE COMMITTEE RECOMMEND APPROVAL OF THE WARRANT ARTICLE TO AUTHORIZE THE APPROPRIATION OF \$67,546 IN SALARY INCREASES FOR FIRE DEPARTMENT STAFF; MIKE PERRY SECONDED; MOTION FAILED: 3 AYES – DOUG BEST, THAD HARSHBARGER, MIKE PERRY, 4 NAYS, 0 ABSTENTIONS.**

The issues were:

- lack of clear classification/compensation information,
- procedure: to appropriate funds for salaries to be set by the Personnel Board or for the Personnel Board to set salaries and then appropriate funds (see below: Actions),
- size of the increases and amendments on Town Meeting floor,
- definitions of part time/full time.

**• DOUG BEST MOVED THAT THE OAK BLUFFS FINANCE COMMITTEE RECOMMEND APPROVAL OF THE WARRANT ARTICLE TO AUTHORIZE THE APPROPRIATION OF \$19,436 TO RESTORE A SHELLFISH DEPARTMENT PART TIME STAFF TO FULL TIME; MIKE PERRY SECONDED; MOTION FAILED: 2 AYES – THAD HARSHBARGER, MAC STARKS; 5 NAYS, 0 ABSTENTIONS.**

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**• DOUG BEST MOVED THAT THE OAK BLUFFS FINANCE COMMITTEE RECOMMEND APPROVAL OF THE WARRANT ARTICLE TO AUTHORIZE THE APPROPRIATION OF \$10,000 TO PURCHASE A NEW BOAT MOTOR FOR THE SHELLFISH DEPARTMENT; MIKE PERRY SECONDED; MOTION PASSED UNANIMOUSLY: 7 AYES, 0 NAYS, 0 ABSTENTIONS.**

**• DOUG BEST MOVED THAT THE OAK BLUFFS FINANCE COMMITTEE RECOMMEND APPROVAL OF THE WARRANT ARTICLE TO AUTHORIZE THE APPROPRIATION OF \$35,000 TO LEASE A LOADER FOR THE HIGHWAY DEPARTMENT; MIKE PERRY SECONDED; MOTION FAILED: 1 AYE-HANS VON STEIGER, 5 NAYS, 1 ABSTENTION –MAC STARKS for conflict of interest.**

**• There was a brief discussion:**

- high maintenance costs on the current truck,
- all purpose use,
- not included in the Capital Plan

**• DOUG BEST MOVED THAT THE OAK BLUFFS FINANCE COMMITTEE RECOMMEND APPROVAL OF THE WARRANT ARTICLE TO AUTHORIZE THE APPROPRIATION OF \$30,000 FOR MUNICIPAL BUILDING MAINTENANCE; MIKE PERRY SECONDED; MOTION PASSED: 5 AYES, 1 NAY –BILL MCGRATH, 1 ABSTENTION-MIMI DAVISSON. (See below: Actions.)**

**• DOUG BEST MOVED THAT THE OAK BLUFFS FINANCE COMMITTEE RECOMMEND APPROVAL OF THE WARRANT ARTICLE TO AUTHORIZE THE APPROPRIATION OF \$220,000 TO RESTORE THE YEARLY PAVING MAINTENANCE PROGRAM; MIKE PERRY SECONDED; MOTION PASSED: 4 AYES, 2 NAYS –MIMI DAVISSON, HANS VON STEIGER, 1 ABSTENTION –MAC STARKS for conflict of interest.**

**• DOUG BEST MOVED THAT THE OAK BLUFFS FINANCE COMMITTEE RECOMMEND APPROVAL OF THE WARRANT ARTICLE TO AUTHORIZE THE APPROPRIATION OF \$37,500 FOR THE OAK BLUFFS SCHOOL PORTION OF THE SUPERINTENDENTS SHARED SERVICES OFFICE ASSESSMENT; MIKE PERRY SECONDED; MOTION PASSED: 4 AYES, 1 NAY – MIMI DAVISSON, 2 ABSTENTIONS- BILL MCGRATH for conflict of interest, HANS VON STEIGER.**

**• DOUG BEST MOVED THAT THE OAK BLUFFS FINANCE COMMITTEE RECOMMEND APPROVAL OF THE WARRANT ARTICLE TO AUTHORIZE THE APPROPRIATION OF \$30,743 TO RESTORE STAFF TO THE BOARD OF HEALTH; MIKE PERRY SECONDED; MOTION FAILED: 2 AYES – THAD HARSBARGER, MAC STARKS; 5 NAYS, 0 ABSTENTIONS.**

**• The Landfill fees had been placed in the FY11 Budget.**

**• DOUG BEST MOVED THAT THE OAK BLUFFS FINANCE COMMITTEE RECOMMEND APPROVAL OF THE WARRANT ARTICLE TO AUTHORIZE THE APPROPRIATION OF \$75,000 TO RESTORE THE LIFEGUARD PROGRAM; MIKE PERRY SECONDED; MOTION FAILED UNANIMOUSLY: 0 AYES, 7 NAYS, 0 ABSTENTIONS.**

**Oak Bluffs Finance and Advisory Committee**  
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- The warrant article on Community Preservation Act recommendations was deferred to the next meeting.
- There was a discussion on the Town Clerk 3% salary increase request:
  - a position at the top step and subject to being capped,
  - equitable treatment for all Town employees (see below: Actions).
- THE MEETING ADJOURNED AT 5:58PM.

**Documents on file:**

- Agenda 3/11/10
- Davisson email re: OB FY2011 Budget – Selectmen’s Changes 3/10/10
- Preliminary Data OB FY2011 Budget 3/11/20
- Warrant for Special Town Meeting (4 p.)
- Warrant for Annual Town Meeting (34 p.)
- Draft FY2011 Budget OB Next Year / Current Year Budget Analysis FY 2011 Budget Worksheets (11 p.) 3/11/10

**Action List:**

- Michael Dutton/Selectmen
  - Break out retiree costs.
  - Research Island Elderly Housing PILOT.
  - Appoint Task Force on PILOT revenue.
  - Modify conflict of interest language re: no committee or board member shall hold a position within the town that is directly or indirectly answerable to the board for which it is elected.
  - Footnote Fire Dept. Article and copy to Chief Forends: “as subject to ballot and personnel board approval, including a possible classification/compensation study.”
  - Reword Building Maintenance article to eliminate Highway Dept.
  - Modify p. 29 on Town Meeting floor in regards to stipend vote,
- Fin Com – propose amendment on Town Meeting floor re: Fire Dept. increases.
- Fin Com – propose amendment on Town Meeting floor re: Town Clerk increase.

**March 18th Agenda:**

- Minutes: 2/18/10, 2/25/10, 3/4/10, 3/11/10, 3/13/10
- Warrant Article Recommendations (Decision)
  - Budget Transfers
  - FY11 Budget
  - Stipends
  - CPA recommendations,
  - Affordable Housing Trust Fund,
  - all Island OPEB Trust Fund legislation.

**Oak Bluffs Finance and Advisory Committee  
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**Ongoing Action List from previous meetings.**

- All – please inform the Chair if you are unable to attend a meeting.
- Chair and Vice Chair
  - keep up timely communications with FinCom members and Town Government.
  - Inform the Selectmen in writing of all significant FinCom decisions.
- FinCom – Continue to emphasize \$2,000,000 Stabilization Fund goal.
- 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.

**Future Agendas:**

- Capital Program Com. Report (quarterly)
- Capital Program Com. Roles and Responsibilities
- New Website Report
- Ambulance Fund Report.
- Finance Dept. Reorganization

• **These Minutes approved as amended by the Oak Bluffs FinCom 3/18/10.**

**Town of Oak Bluffs  
Finance and Advisory Committee  
Saturday, March 13, 2010, 10:00 AM  
Oak Bluffs Senior Center**

Present: Chair Mimi Davisson,  
Thad Harshbarger, Bill McGrath,  
Mac Starks, Hans Von Steiger

Others: Steve Auerbach†,  
Selectmen Chair Greg Coogan, Kathy Burton, Ron DiOrio  
Kerry Scott, Roger Wey

Town Staff  
Administrator – Michael Dutton  
Bd. of Assessors – Marie Allen, Jesse “Jack” Law,  
Parks – Nancy Phillips  
Shellfish – Dave Grunden  
Highways – Richie Combria, Jr.

Schools: Chair Priscilla Sylvia, Lisa Reagan,  
Jim Weiss, Laury Binney, Jennifer Arnold,

OBA Dennis DaRosas,  
Public Karen Achille, Gail Barmakian, Donald Billings,  
Bob Blythe, Jr., Sandy Blythe, Kris Chvatal,  
John Cummings, Irene Cummings, Cathy Gurey  
Barbara Hoyle, Maura McGroarty, Ann McManus,  
Recorder - Marni Lipke

Press: MVTV - Tom Mayhew

Absent: Doug Best, Frank Case, Mike Perry,

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

**Introduction**

- The Public Hearing on the Oak Bluffs Fiscal Year 2011 (FY11) Budget was called to order at 10:04AM.
- The FinCom members were introduced; and the meeting procedure explained. All were invited to voice comments, opinions or questions.
- The Budget had been drafted from the top down in a number of meetings with the FinCom, public, town administration and Selectmen. All figures had been rounded to the nearest \$1,000.

**Explanation of Proposed Balanced Budget** (See documents on file.)

- The FY11 Budget was still in preliminary draft.
- All figures were rounded off but would appear more precisely on the ballot.
- FY11 basic spending was set at the October modified FY10 Budget levels (\$23,635,000) and as far as possible only legally mandated or safety increases were added. Throughout the meeting it was explained that due to reduced revenues hard choices had to be made and even some mandated or assessed increases were put on overrides.



**Oak Bluffs Finance and Advisory Committee**  
**March 13, 2010**

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- \$311,000 MV Regional High School (MVRHS) assessment rise was due primarily to a proportional rise in OB student enrollment and would have to be paid unless three towns failed to pass it – an unlikely occurrence at this time.
- \$290,000 Personnel Benefits was mostly from a rise in health insurance rates.
- \$123,000 contractual step compensation obligations was placed in the budget by the Selectmen.
- (\$95,000 to \$110,000) for the mandated re-evaluation (on a three year cycle) was tabled by the Selectmen in hopes of a one year legislative deferment (see 2/8/07 Minutes p. 6). If the legislation failed the matter would be taken up at a Fall 2010 Special Town Meeting.
- \$90,000 Residential Placement was a Special Education expense for students requiring more extraordinary support than public schools could supply.
- \$90,000 in Oak Bluffs School (OBS) staff contractual step compensation obligations was placed in the budget by the Selectmen.
- \$38,000 Workmen's Compensation self-insurance would cover all commitments as currently trended.
- \$32,000 was made up of \$27,000 in other insurance increases (liability, buildings, etc.) and a \$5,000 increase in debt.
- \$30,000 was earmarked for the Unfunded Liabilities trust as a moral obligation to the employees in a joint effort to begin covering the \$3-6 million gap in Other Post Employment Benefits (OPEB).
- \$25,000 was for an updated Town Master Plan (last update was 2008), required in some grant and funding applications.
- \$14,000 would cover Fire Dept. safety equipment mandates.
- \$13,000 raised legal and professional fees for: 1) the increased cost of audits, and 2) legal fees to clear several major titles and events. It was noted that Town Administrator Michael Dutton was diligent in minimizing legal costs.
- \$11,000 for landfill testing was an ongoing mandated expense.
- \$6,000 would cover Board of Registrars extra election expenses.
- \$3,500 was the Oak Bluffs portion of an Islandwide reverse 911 emergency notification system that would deliver a recorded message to all telephones, answering machines, cell phones, and email in a neighborhood, town, county or region.

**Revenue**

- \$23,850,000 conservatively estimated revenue was broken down as follows:
    - \$18,600,000 real estate taxes
    - \$1,500,000 State revenue (the Legislature has recently announced a reduction)
    - \$3,750,000 local receipts / enterprise funds.
- Revenue enhancement and additional income was estimated:
- \$156,000 The Wastewater Enterprise fund would pay for the Leonardo Lots debt and some other wastewater related expenses.
  - \$195,000 in ferry fees had been conservatively estimated and would cover the bulkhead repairs debt.
  - \$200,000 could be realized from a 0.75% tax increase on all meals sold in the Town bringing restaurant, bar taxes to 7%.
  - Trash sticker prices were likely to be raised to make trash collection self-sustaining by covering a \$140,000 budget gap.

**Oak Bluffs Finance and Advisory Committee  
March 13, 2010**

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- \$40,000 could be realized from updating municipal fees which had not been raised for some time.
- \$10,000 in special parking fees would apply to tour bus and taxi slots, as well as some business employee parking accommodations.
- \$100,000 could be realized from a 2% tax increase (as proposed by the Selectmen) on hotels, bed and breakfasts, etc. bringing lodging taxes to 11.7%.

**Questions and Comments**

- There was a suggestion that seasonal fees for town-wide parking (exempting all residents) would raise considerable revenue and was being explored as an opportunity for FY12.
- Residential Tuition covered half of one student (costs being shared with Tisbury). Students sent for residential placement had such severe needs that no other/local alternatives were viable.
- Payment In Lieu Of Taxes (PILOT) fees for such non-profits as elderly housing, the Hospital, etc. was another revenue stream being studied for FY12.

**Presentation of Proposed Overrides**

If all overrides passed \$667,000 would be permanently added to the tax base, whereas if none passed the balanced budget would be in force.

**Time for questions and comments will be interspersed between groups of presentations)**

**Drug Task Force \$7,000** (0.2¢ additional tax per \$1,000 assessed value.)

This was the annual cash match for a State grant, which had to be appropriated outside the operating budget. Task Force results could be read about regularly in the press.

**Shellfish Motor \$10,000** (0.35¢ additional tax per \$1,000 assessed value.)

The (at least 10 year old) boat motor was beyond repair, however as a one-time cost the Town was considering other ways to fund the replacement.

**Assessor \$18,000-\$27,000** (0.9¢ additional tax per \$1,000 assessed value.)

The October 2009 Budget cut the Assessor to 22 hours (most of it in the field). The executive secretary had then been re-assigned to the Accountant's office. This was a revenue producing office and the public was reminded of a time in the recent past when the Town had to borrow money against anticipated taxes due to its inability to keep collection deadlines – which were already falling behind due to staff reductions. The Board of Assessors felt this should not be on an override as a full time Assessor was a necessity.

**Shellfish (Dept.) \$29,000** (1¢ additional tax per \$1,000 assessed value.)

This would reinstate the second warden to full (from part) time, however it still maintained some of the October 2009 cuts. Two full time positions were needed to maintain the department and enforce regulations. The Oak Bluffs shellfish industry generated about \$1,000,000. If the override failed the Department would drastically reduce seeding, eliminate some species, reduce grant applications, and lose time for conservation and education coordination (see documents on file).

**Public comment:**

- The last two articles were noted as restorations of October 2009 cuts.

**Oak Bluffs Finance and Advisory Committee**  
**March 13, 2010**

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- In the last 10 years the Shellfish Dept brought \$1.1 million in direct grants or benefits to town. The Town and Department shared the \$12-13,000 revenue from annual licensing fees. Comments suggested the increase should be included in the budget of this seaside town.
- Oak Bluffs was talking to Tisbury on sharing or merging Shellfish Departments in which case some savings would accrue.

**Public Bldg. Maintenance \$30,000** (1¢ additional tax per \$1,000 assessed value.)

Gravely needed maintenance on municipal buildings habitually postponed, leading to increased future costs. This raise would establish a regular plan for painting, reshingling, roof repair, etc.

**Board of Health \$31,000** (1¢ additional tax per \$1,000 assessed value.)

Money for the Administrative Assistant had been cut in October 2009 (although the position was maintained temporarily with other funding). The Dept. responsibilities were substantial (see documents on file). If the override failed the position would be eliminated and there would be a significant wide-reaching reduction in service. In the re-organization of Town Hall the position had been slated to be the collection agent for all Town permits and licensing fees.

**Loader Lease – \$35,000** (1.2¢ additional tax per \$1,000 assessed value.)

This was presented as the most economical way to replace the current loader which was in need of costly repairs. It was a multi-purpose truck used in snow removal, sand and salt distribution, road grading, etc.,

**Oak Bluffs School \$38,000** (1.3¢ additional tax per \$1,000 assessed value.)

This raise constituted no new or different programs or staff being an increase to the Superintendent's Shared Services Office budget due to OB paying a larger proportion of that assessment. All budget reductions since 2007 had been maintained. In the last three years with a stable enrollment the School had cut 7 full-time and 5 part-time positions as well as using the School Choice fund to maintain the building and reduce the operating budget (see documents on file). If the override failed reductions could include: part of a technology teacher, instrumental music, a library assistant, or an office secretary.

Appreciation was expressed for all past and present Town support.

**Public Comment**

- A FinCom/School difference over school choice students was reviewed.
- OBS took in 60 school choice students and sent out 28 for a net gain of 32 students.
- Sending towns paid a Mass. State mandated \$5,000 per student, as well as covering all Special Education (SpEd) costs, compared with a OB per pupil cost of \$14,000.
- A quota cap restricted such admissions to empty slots in classrooms in order to prevent the addition of extra staff or sections.
- School choice students were counted in the Supt. Shared Services Office OB assessment.
- The Supt. Shared Services Office OB assessment was mandated and would have to be paid whether the override passed or failed (see above OBS cuts).
- There were several attestations to the poor and leaky state of municipal roofs.
- If the override passed the Board of Health would have two full time (35 hr) positions.

**Fire Dept. Compensation \$68,000** (2.4¢ additional tax per \$1,000 assessed value.)

In 13 years firefighters had asked for only four increases making them one of the lowest paid on the Island. The raises would apply to all firefighters, in particular increasing the Chief's salary from \$12,000 to \$42,000. It was noted that the Town agreed some years ago to compensate its firefighters for their time, training, and meetings making this a "call" rather than a volunteer department.

**Oak Bluffs Finance and Advisory Committee**  
**March 13, 2010**

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**Lifeguards \$75,000** (2.6¢ additional tax per \$1,000 assessed value.)

Lifeguards had been a part of Oak Bluffs since the 1800's and were an extension of the public safety program. Certification requirements and duties had been updated including beach rules and litter control (see documents on file). In addition to this being a strong request of seniors and summer residents, liability due to lack of lifeguards could be expensive. Funding was proposed through ferry fees and hotel/restaurant tax increases.

**Police \$97,000** (3.4¢ additional tax per \$1,000 assessed value.)

The increase restored the cut at the October town meeting and covered all contractual raises (see documents on file). 15 officers covered 48 shifts per week as well as filling in for authorized, military, family and training leaves, injuries, etc. The failure of the override would mean the loss of an officer increasing comp time to an unacceptable level. Officers had taken large cuts in salaries to retain the number of officers on the force. The uniqueness of the Town included: 34 liquor licenses, special events, mopeds, ferry docks, etc.

**Street Paving \$220,000** (7.6¢ additional tax per \$1,000 assessed value.)

This would restore the funding level, in order to continue the five year paving plan to upgrade roads (see documents on file). Further delays would increase the cost of future repairs. The Town had 38 miles of road and repaving costs averaged at \$100,000 per mile.

**Public Comment**

- There were requests to post a lifeguard at the East Chop / Marinelli Town beach.
- Lifeguard chair/sheds might be requested from the MVRHS Vocation Dept.
- The Lifeguard request was broken down as salaries for three lifeguards and a supervisor to cover beaches in relation to lines of sight and number of beach users. It was hoped that concessions could cover expansion of the program.
- State Beach was owned and managed by Mass. State and Dukes County neither of which provided lifeguards.
- The Fire Chief was a part-time position (with health insurance) in a 24/7 Department. The Personnel Board was expected to play a role in setting an appropriate salary, matching hours and duties. Previous chiefs had been retired and maintained the minimal salary levels.
- Other raises for the Fire Department were detailed and would be on the Warrant.
- The Police budget included 8 summer special policemen, with a possible reduction in numbers this season. The issues of Police comp time levels was explained: postponed or denied leaves and holidays were stored in banks of accrued time having to be paid out at some point such as when an officer left the department (see 2/1/07 Minutes p. 5).
- The difficult choices of including some increases in the Budget and putting some on overrides was again argued with commendations to the Finance Committee for its hard work and transparent process in reducing the original \$2,000,000 budget gap.
- The importance of creative thinking and collaboration was emphasized in the current economic crisis.

**Final Questions and Comments**

- The FinCom had recommended that all town stipends be reconfigured for a savings of \$10,000. The Selectmen stipends would be maintained. Other policy setting positions (e.g. Board of Health, School Committees, etc.) would have uniform or eliminated stipends. Positions working set hours (e.g. Registrar Constables) would retain their stipends.

**Oak Bluffs Finance and Advisory Committee  
March 13, 2010**

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- If the meals and/or lodging tax failed to pass the FY11 Budget would not be balanced.
- The Warrant / Budget would be mailed to residents and available on the Town Website.
- The differences between the Selectmen and FinCom proposed budgets was noted.
- Present and future reductions in State and Federal funding were responsible for the bulk of the overrides and increases. FY11 proposed spending was on a level with FY08 and no new programs had been proposed.
- If all overrides passed taxes would rise 3.6% in addition to the 2.5% allowable increase. This would bring the tax rate from about \$6.30 to \$6.49 per \$1,000 of assess value or about a \$135 increase for an average \$580,000 house.

**Wrap-Up**

- The FinCom thanked all participants and audience members and looked forward to seeing everyone at Town Meeting.

- THE MEETING ADJOURNED AT 12:05PM.

**Action List:**

- Steve Auerbach – research townwide parking fees.

**Ongoing Action List from previous meetings.**

- All – please inform the Chair if you are unable to attend a meeting.
- Chair and Vice Chair
  - keep up timely communications with FinCom members and Town Government.
  - Inform the Selectmen in writing of all significant FinCom decisions.
- FinCom – Continue to emphasize \$2,000,000 Stabilization Fund goal.
- 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.

**March 18th Agenda:**

- Minutes: 2/18/10, 2/25/10, 3/4/10, 3/11/10, 3/13/10
- Remaining Warrant recommendations (Decision)

**Future Agendas:**

- Capital Program Com. Report (quarterly)
- Capital Program Com. Roles and Responsibilities
- New Website Report
- Ambulance Fund Report.
- Finance Dept. Reorganization

**continued >**

**Oak Bluffs Finance and Advisory Committee  
March 13, 2010**

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**Documents on file:**

- Sign In Sheet – 3/13/10
- Agenda 3/13/10
- OB FY2011 Budget Preliminary 3/13/10
- OB Shellfish 3/3/10
- OB Board of Health *memo* re: budgeting for public health
  - *Fiscal Year 2008 Monthly Activity Report*
  - Fiscal Year 2009 Monthly Activity Report
  - Mass. Commission of Health and Human Services letter Memo re: Municipal Public Health Stability (2 p.) 2/20/09
- OB Park Commission Lifeguard Justification (2 p.) 3/4/10
  - OB Beach Policies Draft 1 2.1.10
- OB Police Dept. *memo* re: *Proposed FY11 Budget for Police Dept.* (3 p.)
- OBSC letter re: information about OBS budget.
  - Budget Cuts Since 2007
- OB Paving Projects 2008-2012
- OB Shellfish Department Programs (7 p.)

**• These Minutes approved as written by the Oak Bluffs FinCom 5/6/10.**

**Oak Bluffs Finance and Advisory Committee  
Minutes of March 18, 2010, Meeting  
Held in the 1<sup>st</sup> floor meeting room of the Oak Bluffs Library**

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Present: Steve Auerbach\*, Mimi Davisson, Bill McGrath, Thad Harshbarger, Mac Starks

Absent: Doug Best, Frank Case, Mike Perry, Hans von Steiger

Others Present: Kathy Burton, Dennis DaRosa, Ron DiOrio, Michael Dutton,  
Greg Coogan, Kathy Goudy, David Grunden, Maura McGroarty, Duncan Ross,  
Cheryll Sashin, Priscilla Sylvia

\* Steve Auerbach is working for the U.S. Census and is abstaining from all decisions until after March 31, 2010, to avoid any possible conflict of interest.

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The meeting was called to order at 3:35 p.m. by Chair Mimi Davisson after a quorum arrived.

Items added to the agenda:

Unfunded Liabilities  
OBA (Oak Bluffs Association) Information Kiosk  
Potential \$60,000 State Funding Cut  
Matching Funds for North Bluffs

**\* \* \* \* \* OLD BUSINESS \* \* \* \* \***

Follow-up Questions from March 13 Hearing

Michael Dutton answered outstanding questions:

1. Are the 3% contractual increases for the police included in the \$123,000 that was put back into the balanced budget? Yes.
2. Do the Constables and the Board of Registrars and Poll Workers get paid an hourly wage? Poll workers and the Board of Registrars get a modest hourly wage; the Constables do not get hourly pay.
3. When did the Town vote to change to a Call Fire Department from a Volunteer Fire Department? Don't know but it was long ago. There is no reference to it in the Index of Town Meeting Reports provided to the Finance Committee by Priscilla Sylvia. The Index references Town Meeting decisions as far back as 1895.
4. Is there a union issue surrounding the BoH staff? No. It is a political issue.

**Oak Bluffs Finance and Advisory Committee**  
**Minutes of March 18, 2010, Meeting**  
**Held in the 1st floor meeting room of the Oak Bluffs Library**

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Thad Harshbarger Farewell

Vice Chairman Thad Harshbarger is not running for re-election, so this was probably his final meeting. He gave a brief farewell and produced several bags of candy and cookies so that the Finance Committee would remember him fondly.

Shellfish Motor

**Bill McGrath moved that the emergency request for \$8,628 from the FY2010 Emergency Reserve Fund be approved to buy a replacement motor for the Shellfish Department. Thad Harshbarger seconded. The motion was approved, 4 – 0 – 1, Steve Auerbach abstaining.** Passage of the request will remove this from the list of overrides for the FY2011 budget.

Unfunded Liabilities

Selectman Ron DiOrio stressed how important it is for the Town to make annual contributions for OPEB (Other Post-Employment Benefits) unfunded liabilities, citing both a “moral obligation” and the potential impact on the Town’s bond rating. He urged that funding of Unfunded Liabilities not be sacrificed if further cuts must be made in the budget. A Trust for OPEB has been drafted for all six Vineyard towns and must be approved by the state legislature.

OBA (Oak Bluffs Association) Information Kiosk

Selectman DiOrio and OBA President Dennis DaRosa spoke of the importance of the kiosk to the Town and shared that the Chamber of Commerce has had to drop its financial support of the kiosk. They were seeking \$20,000 from Oak Bluffs to help defray the costs of the kiosk, which handles 65,000 queries each year. They pointed out that “it’s only right” to support the kiosk in view of the fact that the Town’s budget is relying on income from increased meals and hotels taxes.

The Finance Committee had dealt with this issue at the March 11 meeting and had finally concluded that there were too many issues surrounding the kiosk to support it in FY2011. A fundamental issue was whether the kiosk should be privately or publicly funded and what the Town’s roles and obligations would be if they provided financial support. The Finance Committee felt that more discussion was needed – including a public hearing – before a decision about kiosk funding was made, especially when this was a request for new funding at a time when services were being cut. Therefore, the Finance Committee consensus at its March 11 meeting was not to include the kiosk in the FY2011 budget. Instead, the small surplus in the FY2011 budget was allocated to Unfunded Liabilities.



**Oak Bluffs Finance and Advisory Committee  
Minutes of March 18, 2010, Meeting  
Held in the 1<sup>st</sup> floor meeting room of the Oak Bluffs Library**

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Many of the March 11 ideas for kiosk support were repeated: possible need for a Town tourism board, use of volunteers such as senior tax write-off workers and students who are completing their community service requirements; use of large, visible, easy-to-read signs and maps; use of technology to minimize the need for labor, sale of items as the kiosk to off-set costs, etc.

The Finance Committee discussed the reality that the proposed budget is balanced against forecasted income and that something would have to be changed in order to include support for the kiosk in the budget. A suggestion was made to increase the forecasted revenue from the meals tax to \$220,000 from the \$200,000 that's been used for the last three months. Potential further cuts in state aid – possibly up to \$60,000 – might make this necessary simply to balance the budget.

**Thad Harshbarger moved to increase the estimate of potential meals tax income to \$217,500 as estimated by the Department of Revenue (DOR). Mac Starks seconded. Motion was defeated, 1 – 3 – 1, Thad Harshbarger voting in favor and Steve Auerbach abstaining.**

**Bill McGrath moved that since it is the sense of the Finance Committee that it is desirable for the Town to support the Information Kiosk, a one-time grant of \$10,000 be paid out of certified free cash to support the kiosk, pending further analysis and a public hearing on the subject. Mimi Davisson seconded. The motion failed, 2 – 2 – 1, Thad Harshbarger and Mac Starks voting nay and Steve Auerbach abstaining.**

At this point the Finance Committee decided that their decision from March 11 would stand.

The possibility of state aid cuts – perhaps up to \$60,000 – was discussed. Consensus was that the Town would face this challenge when and if it arises.

#### Town Meeting Warrants

The CPA proposals are still not final. The CPA Committee will be taking a final vote next week. No explanation of the proposals was available and there was confusion about the Administrative expenses in both the Special and the Annual Town Meeting articles. Therefore, no votes were taken on the CPA warrant articles.

**Bill McGrath moved that the Finance Committee support the acceptance of provisions of H4105, “An Act Authorizing the Government Employers In The County Of Dukes County To Establish A Pooled Other Post-Employment Benefits Trust Fund” and to join the Trust. Thad Harshbarger seconded. Motion passed, 4 – 0 – 1, Steve Auerbach abstaining.**

**Oak Bluffs Finance and Advisory Committee  
Minutes of March 18, 2010, Meeting  
Held in the 1<sup>st</sup> floor meeting room of the Oak Bluffs Library**

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**Thad Harshbarger moved that the Town Clerk's salary for FY2011 remain at the same level as FY2010, since the Clerk is at the top step of the pay scale and other employees at the top step are not getting increases in FY2011. Bill McGrath seconded. Motion passed, 4 - 0 - 1, Steve Auerbach abstaining.**

**Bill McGrath moved that the Annual Town Meeting Article setting compensation for Town Officers be approved as written. Thad Harshbarger seconded. Motion failed, 0 - 4 - 1, Steve Auerbach abstaining.**

**Bill McGrath moved that the Annual Town Meeting Article setting compensation for Town Officers be approved with the removal of stipends for the Moderator, the Constables, the Tree Warden, the Board of Health Members and Chair, and the Cemetery Commissioners and Chair. Thad Harshbarger seconded. Motion passed, 4 - 0 - 1, Steve Auerbach abstaining.**

**Bill McGrath moved that the Special Town Meeting Article to add Chapter XV, Section L, Conflict of Interest, to the General Bylaws be approved. Thad Harshbarger seconded. Motion passed, 4 - 0 - 1, Steve Auerbach abstaining.**

The supporting detail for the FY2011 budget is not yet complete. Therefore there was no vote on the FY2011 Town Budget.

Two Warrant Articles recommended by the Finance Committee are not yet included in the DRAFT Warrant: a vote on the Reverse 911 System and a vote on Stipend Elimination.

#### Minutes

**Bill McGrath moved that the minutes of February 18, 2010, be approved. Seconded by Thad Harshbarger. Minutes were approved as written, 4 - 0 - 1, Steve Auerbach abstaining.**

**Bill McGrath moved that the minutes of March 4, 2010, be approved. Seconded by Thad Harshbarger. Minutes were approved as written, 4 - 0 - 1, Steve Auerbach abstaining.**

**Bill McGrath moved that the minutes of March 11, 2010, be approved. Seconded by Thad Harshbarger. Minutes were approved as amended, 4 - 0 - 1, Steve Auerbach abstaining. Approved amendment:**

Page 5: Article for \$96,980 to be changed to reference Police, not Assessor, as in "... authorize the appropriation of \$96,980 to restore Assessor's Office Police staff; ..."

**Mimi Davisson moved that the minutes of February 25, 2010, be approved. Seconded by Bill McGrath. Minutes were approved as written, 4 - 0 - 1, Steve Auerbach abstaining.**

March 13, 2010, minutes were not voted.

**Oak Bluffs Finance and Advisory Committee  
Minutes of March 18, 2010, Meeting  
Held in the 1<sup>st</sup> floor meeting room of the Oak Bluffs Library**

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**\* \* \* \* \* NEW BUSINESS \* \* \* \* \***

North Bluffs Matching Grant

Bill McGrath asked where the matching funds for the North Bluff grant were coming from. Michael Dutton explained that conditions for the \$380,000 grant must be met by June 1, 2010. He said that conditions for the bathroom renovations will be met, but that the rest of the grant might expire. Bill McGrath urged that Town obligations for matching grant funds should always be included in the Town's Capital Plan so they are visible and can be planned for.

Next Meeting

A Finance Committee meeting will be posted for Thursday, April 8, 2010, in case it is needed. Vice Chair Thad Harshbarger will notify Finance Committee members about the disposition of the meeting and will chair the meeting if it is held.

The meeting was adjourned at 5:45 p.m.

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Minutes prepared by M. Davisson, substituting for M. Lipke

Attachments:

1. Agenda, Oak Bluffs Finance and Advisory Committee, Thursday, March 18, 2010, 3:30 – 5:00 p.m., Oak Bluffs Library, 1<sup>st</sup> Floor Meeting Room
2. PRELIMINARY FY2011 Budget, PRELIMINARY March 18, 2010

**• These Minutes approved as written by the Oak Bluffs FinCom 5/6/10.**