

**Town of Oak Bluffs**  
**Finance and Advisory Committee**  
**Thursday, December 2, 2010, 4:00 PM**  
**Oak Bluffs Library Conference Room**

Present: Chair, Bill McGrath, Steve Auerbach, Bob Blythe,  
Mimi Davisson, Cathy Goudy, Mike Perry, Mac Starks,

Others:  
Town Staff Town Administrator – Michael Dutton  
Public Maura McGroarty,  
Recorder - Marni Lipke

Absent: Frank Case, Hans Von Steiger

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

The meeting came to order at 4:01PM. Later in the meeting it was reported that Hans Von Steiger was attending holiday choral rehearsals and would return to the FinCom after Christmas.

**OLD BUSINESS**

**• Approve Minutes for 6/17/10, 9/28/10, 11/4/10 and 11/18/10**

**• MIMI DAVISSON MOVED TO APPROVE THE JUNE 17, 2010, SEPTEMBER 28, 2010 AND NOVEMBER 4, 2010 MINUTES: STEVE AUERBACH SECONDED: MOTION PASSED: 7 AYES, 0 NAYS, ABSTENTIONS – BILL MCGRATH FROM JUNE 17, 2010 due to absence.**

**• MIMI DAVISSON MOVED TO APPROVE THE NOVEMBER 18, 2010 MINUTES AS AMENDED: STEVE AUERBACH SECONDED: MOTION PASSED: 6 AYES, 0 NAYS, 1 ABSTENTIONS – CATHY GOUDY due to absence.**

**• FY2010 Closeout?**

Interim Accountant Paul Watson had been in contact with Mass. Dept. of Revenue (DOR) and it was hoped the closing was imminent (within the week). The Audit would start shortly thereafter.

• Although Fiscal Year 2010 (FY10) ended positively the residual was not enough to wipe out the FY09 negative Free Cash (Free Cash carried over from year to year) so the Town was still in the red. The Town would continue to work to reduce its deficit.

- There were many number viable free cash philosophies; for example some towns kept sizeable Free Cash balances as well as a stabilization fund while other towns stockpiled all local receipts into free cash basing their tax rate on state revenues only.

- Significant Free Cash causes were: unexpected windfalls (tax title property foreclosures etc.), under-estimation of local receipts, under spending, or over-taxing residents.

- The tax rate would be set as soon as DOR accepted the closing of FY10 and it was hoped the tax bills would go out on time by December 31, 2010.

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**• FY2011 Financial Status After 5 Full Months of Operations; Concerns, Red Flags, Etc.**

The Oak Bluffs Finance Committee (FinCom) reviewed a detailed print out of the spending to date for Fiscal Year 2011 (FY11) The actuals were on or below target but this might not hold during the remainder of the year.

- As soon as formatting was possible the Town would start producing uniform regular reports so that red flags could be noticed and addressed (see below: Actions).
- A Munis software glitch that affected FY11 would have to be corrected.
- Insurance would be adjusted at the end of the year when figures were prorated and Wastewater paid its share.
- At the end of the meeting it was noted that moorings had been completed for the year and the Harbormaster would submit his report.
- It was suggested that the Finance Committee Reserve Fund (\$43,000) had not been increased in a number of years and might be raised to \$50,000. or 0.2% (State regulations allowed up to 5% of the budget).
- The Library Heating/Ventilating/Air Conditioning (HVAC) system was functioning except for poor interior pipe / joint insulation which left them with a tendency to sweat (see below: Actions).
- On the other hand the Oak Bluffs School boiler had died and repair could cost ~\$60,000.
- Town appealed the court case around the Assistant Fire Chief.
- The Town would sell sufficient dredge material to Cow Bay to cover their expenses however an extension might be requested to complete the dredge this year depending on progress and material.
- Later in the meeting the FinCom reminded Town Administrator Michael Dutton of the extra revenues needed to balance the FY11 budget.
- State revenues were better than expected so hopefully further FY11 cuts could be avoided.
- The FinCom requested a list of open warrants – there were very few from FY10.
- In addition they requested a list of Community Preservation Act (CPA) projects and their status (see below: Actions).
- As Fire Dept. compensation should be in the budget drafts the FinCom asked for the status of the Personnel Board's Compensation and Classification study (see 2/25/10 Minutes p. 2 & 9/16/10 Minutes p. 2).

**NEW BUSINESS**

**• Progress Report from Ambulance Transport SubCommittee**

The SubCommittee had almost completed its work (see documents on file). Allowable expenditures were shown. The Fund encompassed Transport finances, i.e. institution to institution trips.

- Equipment costs were restricted to ambulance equipment such as restocking after severe trauma incidents - oxygen, stretchers, etc. and did not refer to such things as office furniture.
- Only the FY10 Report was available for study. The revenues were totaled and detailed, as were expenses leaving a positive balance of ~\$178,900.

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- The FinCom asked about ambulance gasoline costs (see below: Actions).
- Comstar managed the complex billing including multiple health insurance forms, medical coding, private deductibles, etc. The usual cost (5%) had been bid out and negotiated down to 4%.
- The Ambulance Fund also benefited police, fire, and other public safety departments.
- The number of transports had increased. Sometimes it was more cost effective to transfer patients to other ambulances in the Woods Hole Steamship Authority parking lot than to pay for an overnight trip.
- Cindy Noyes provided figures for the local (911) ambulance services and for big events (Shark Tournament, Fireworks, Illumination Night, athletic events).
- Lt. John Rose would provide a copy of the Mass. General Law governing the Fund.
- Part of this discussion could determine whether OB would share the Transport service in order to save money through regionalizing the Island ambulance services.
- Salaries and expenses had been apportioned to the Fund in a number of configurations over the years.
- The FinCom again raised the issue of the Ambulance Chief being salaried or hourly and the conflict of interest issue of his assigning overtime while getting paid overtime (see below: Actions).
- The FinCom debated how to show the 911 side of the Ambulance Dept. so that there was a clear and complete entire overview.
- The FinCom thanked Cathy Goudy and the SubCommittee for their work.

**• Progress Report from CDC Meeting**

The Selectmen seemed to agree to the Community Development Committee's (CDC) suggestion to form a blue ribbon committee to optimize revenue and increase Town Hall efficiency (see 11/4/10 Minutes p.2). The FinCom could send two representatives (not necessarily members of the FinCom). The timetable was ambitious with frequent meetings and seasonal time frames were argued. The FinCom also discussed overlap between the two committees. All were invited to the CDC's next meeting (see below: Meetings).

**• FY2012 Budget Additions/Deletions**

Letters were being sent to the Departments requesting they present two budgets one flat and one with a 10% reduction. Everything was on the table.

- There was brief mention of the Senior Center.
- The FinCom expressed its discomfort with the gaps in finance staffing, particularly in terms of the loss of Paul Manzi.
- The Regional Committee progress was very slow, and financial areas had been taken off the table so only Police mergers were being considered.
- There was a brief discussion on police liaisons at the schools.

**• Schedule First Public Hearing - 4:00PM, Thursday, January 20, 2011.**

**• MIKE PERRY MOVED TO ADJOURN AT 6:03PM; CATHY GOUDY SECONDED; MOTION PASSED UNANIMOUSLY.**

**continued**

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**Meeting Schedule/Next Meeting**

- OB FinCom/Selectmen - 4:00PM Tuesday, December 14th
- CPC/Selectmen - 4:00PM Wednesday, December 15th
- OB FinCom - 4:00PM Thursdays, January 6, 2011
- OB FinCom Public Hearing - 4:00PM Thursdays, January 20, 2011

**Action List:**

- Michael Dutton – email to FinCom:
  - 20 p. FY10 summary in pdf (and digital)
  - monthly 20 p. FY11 summaries in pdf (and digital)
    - include ambulance fund monthly.
  - list of outstanding warrants,
  - list of CPA projects and status,
- Michael Dutton – update Capital Plan re: Library heating pipes, CPA Town projects.
- Michael Dutton – report on FY11 extra revenues: parking, trash, meals, lodging, etc.
- Personnel Board – recommend Fire Dept. compensation in time for FY12 budget drafts.
- Ambulance SubCommittee – research Ambulance Dept. gasoline.
  - show local (911) ambulance side also.
- Bill McGrath – attend CDC Meeting 12/15/10 4PM.
- Bill McGrath – post Public Hearing and reserve Library 1<sup>st</sup> Floor conference 4PM 1/20/10

**Ongoing Action List from previous meetings.**

- Chair – post agendas in advance.
- All – please inform the Chair if you are unable to attend a meeting.
- Chair and Vice Chairs
  - Remind Selectmen to of FinCom recommendations re: refuse, parking, PILOT, etc.
  - 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.

**December 16th Agenda:**

- Minutes: 12/2/10
- FY12 Budget Draft
- Ambulance Sub-Committee Report

**Future Agendas:**

- Power/light savings for Town – street light timer, office equipment, etc.
- Capital Program Com. Report (quarterly)
- Capital Program Com. Roles and Responsibilities
- New Website Report

**Documents on file:**

- Agenda 12/2/10
- Draft Budget Message 12/1/10
- Subcommittee Report Oak Bluffs Ambulance Transport Fund (3 p.)

**These Minutes approved as written by the Oak Bluffs FinCom 1/6/11.**