

Town of Oak Bluffs
Finance and Advisory Committee
Thursday, January 20, 2011, 4:00 PM
Oak Bluffs Library Conference Room

Present: Chair, Bill McGrath, Steve Auerbach, Bob Blythe,
Mimi Davisson, Mike Perry, Hans Von Steiger

Others:
Town Selectman - Gail Barmakian,
Senior Center – Roger Wey,
Schools Carlin Hart, Michael Hoyt, Carla Hoyt,
Priscilla Sylvia, Amy Tierney, Jim Weiss
Public Karen Achille, Joe Alosso,
Maura McGroarty, Kris O'Brien,
Recorder - Marni Lipke

Absent: Frank Case, Cathy Goudy, Mac Starks,

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

The meeting came to order.

OLD BUSINESS

• Approve Minutes 1/6/11, 1/11/11

The minutes were not available.

• Report from Ambulance Transport Subcommittee (See below: Actions.)

• Fiscal Year 2011 (FY11) Transport expenses at the Highway Dept pump were \$13,000 in diesel and \$15,000 in gas to date. Combined FY10 expenses were \$36,000 and FY09 were \$45,000. As these figures depended largely on prices, number of gallons would be a better indicator for comparison and projection.

- Ambulance Chief pay was discussed again (see 1/6/11 Minutes p. 3).
- The cost of an ambulance standby at major events was about \$1,000.

NEW BUSINESS

The FinCom discussed ways to poll residents on simple budget preferences:

- public hearings,
- manned tables with surveys at strategic points.
- on line surveys.

• FY2012 Budget Additions/Deletions

• In view of the large turnout from the School community the FinCom discussed the Oak Bluffs School (OBS) budget.

- OBS Committee Chair Priscilla Sylvia spoke briefly on the FY12 Budget noting that the School was at bare bones and 'hurting' just like the rest of the Town: cuts in staff and the attendant cuts in benefits, use of School Choice funds, freezes in FY11 spending, building repair needs, and capital improvement planning.

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- The OBS FY12 Budget was up only 0.9% despite a 2% salary increase and stable student enrollment numbers.
- The Supt. Office operational budget was up 1.03%; however the Shared Programs budget had increased 4.19% expanding consolidated programs for those with complex special needs from all the MV Public Schools (MVPS).
 - Discussions ranged over a number of topics:
 - reducing staff and staff costs: e.g. by bringing the Speech Therapist in house,
 - high cost of a predominance of senior staff,
 - use of volunteers for auxiliary programs,
 - fees for extra-curricular and transportation events and the effects on students in need,
 - types of (and reductions in) Federal and State grants,
 - unfunded State mandates (see below: Actions),
 - reductions in transportation costs,
 - residential placement costs,
 - protocol, process and use of School Choice funds – to subsidize the budget and to pay for facility/equipment maintenance and repair,
 - high MVPS per pupil costs (although OB was within the range of similar regional towns),
 - saving supply and administrative costs through regionalization,
 - community will for richer, deeper educational programs from preschool through the MVRHS,
 - student achievement and community pride in the OBS.
 - The FinCom asked how the Town could coordinate its financial software to reduce work/costs for MVPS financial administration – currently the MVPS Business Administrator had to prepare budgets a different way for each town/district.
- The School Budgets were presented in the format requested by Oak Bluffs for its Town Meeting warrant – other towns requested other formats.
- The FinCom and school personnel discussed the politics of School overrides.
 - The Town was in need of having to raise its levy limit; constant chipping cuts in spending were reaching their effective limits.
 - Thanks to the strong educational community and community priorities, School overrides were the most likely to pass.
 - However as being continually requested School overrides may have left inaccurate perceptions of school budgets and/or could possibly run out of good will.
 - Failure of such an override would leave the School (and the Town) in an even more dire condition.
 - Public education on the budget shortfall might include requesting citizens to consider what was important: education, public safety, etc.
- The conversation then segued into tax structure and revenue streams.
 - It was proposed that second (vacation) homes be taxed at a higher (but sunseting) rate however these residents already paid for schools their children did not attend and services they did not use 10 months out of the year.
 - The Community Preservation Act (CPA) 3% surtax could be reduced or eliminated however taxes could not be raised to compensate without an override (see 12/16/10 p. 2).
 - Would voters be more amenable to a choice of overrides to sustain existing services, e.g.: one to fund the Senior Center, one to fund the Library, etc.

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The FinCom considered the lack of progress and information on both the FY11 Budget shortfall and the FY12 Draft Budget. Members were mindful of their responsibility to their constituents.

- This year the budget process was unclear and the budget timeline seriously behind.
- The lack of movement (advertising, candidates, etc.) in filling the Finance Director and Accountant position(s) was of grave concern. There was a question of whether the Selectmen were balancing the FY11 Budget on vacancies by attrition.
- A possible discrepancy between what was voted at Town Meeting and what was submitted to the Dept. of Revenue (DOR) prompted the possibility of requesting an audit trail.
- A number of other issues were touched on:
 - Bids on Town bathroom renovation exceeded CPA funding (see 11/4/10 Minutes p. 3-4).
 - The Capital Planning Committee reported serious Town buildings issues including roof leaks.
- Some Seniors spent the day at the Senior Center to reduce their own heating bills.
- Personnel retained despite Town votes, getting raises or increasing hours lent an atmosphere that undercut the seriousness of the Town's financial straits.
- Members commented on Wastewater, Harbor and Trash Depts.
- The FinCom could present a budget that might request:
 - level funding for all Dept. Heads despite any salary increases (with the possible exception of the OBS which had justified their budget),
 - a freeze in salary steps,
 - a freeze on all Personnel Board salaries which would also send a message to collective bargaining units,
 - only essentials for a balanced budget and cuts in everything else.
- Other alternatives were to speak to the press, draft an "attention getting" FY12 Budget that made drastic cuts, or resign en- masse with a letter stating the Town had made it impossible for the members to perform their duties.
- It was agreed that each FinCom member would come up with a level FY12 Budget (starting from the FY11 Budget). The individual budgets would be compared at the February 3rd meeting (see below: Actions).
- The next OB FinCom regular meeting would be 4:00PM, Thursday, February 3, 2011.
- THE MEETING CLOSED AT 6:21PM AND EVERYONE LEFT.

Action List:

- Cathy Goudy - email final ambulance report in advance of meeting.
- Why is there no Wastewater bill?
- Supt. Office – send list of unfunded State and Federal mandates.
- Bill McGrath – email master FY11 Budget to all members.
- All – submit a draft FY12 balanced budget to Bill McGrath by January 30th.
- Mike Perry – draft letter for Chair re: FinCom recommendations/concerns.
- All – the FinCom is likely to have 2 vacancies for the April elections.
- Personnel Board – send recommendations to OB FinCom on Fire/Ambulance/etc.

continued >

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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.

February 3rd Agenda:

- Minutes 1/6/11, 1/11/11, 1/20/11
- Ambulance Report
- Member FY12 Budget proposals

Future Agendas:

- Capital Program Com. Report (quarterly)
- New Website Report

Documents on file:

- Agenda 1/20/11
- Sign In Sheet 1/20/11
- Combra Memo re: Rubbish Collection 1/20/11
- Rubbish Collection Costs (2 p.)

- **These Minutes approved as written by the Oak Bluffs FinCom 2/3/11.**