

Finance Committee Meeting Minutes December 12, 2006

Those Present: Skip Manter - vice-chair, Sharon Estrella and Richard Knabel

Guests: Bruce Stone, town accountant; Kathy Logue, town treasurer

This meeting was taped for airing on MVTV

The meeting was called to order at 4:32 p.m.

1. Transfers

First order of business was to review requests for transfers from the Reserve Fund.

Kathy Logue requested a \$500 transfer to cover West Tisbury's share of an Island-wide study of post-employment benefits that will be required to comply with GASB 45 by FY 2008. She explained that municipalities would have to begin showing post-employment benefits as a liability on paper. The state requires an actuarial study, which, if done individually, is very expensive. The Dukes County retirement system has already done one and has offered to do it for all entities in the Dukes County retirement group. There are 16 different agencies including towns, county, schools, water, refuse, etc.. This will lower the cost of initial and future actuarial studies for this purpose.

It was moved and seconded to approve the request. The motion passed.

Kathy's also requested a transfer \$18,348 to make the second semi-annual payment to the Dukes County Contributory Retirement Board. The actual balance due is \$109,655.50. There is presently \$91,307.50 in appropriated funds. Kathy explained that last year all the treasurers went to a DCRCB meeting and were given a budget. Kathy later heard that the assessment had changed and so called the retirement office to get the actual number before locking down her own budget. She was not given the correct number. The bill is due January 1, 2007 and there is not enough money to pay it.

It was noted that any money in the reserve fund can be transferred. Skip was reluctant to take such a large amount from reserve funds (presently c. \$46k) so early in the year. He feels it would not leave enough in reserve to cover potential problems from now until April. There are 8-10 budgets with access to reserve funds. He would rather wait until April and appropriate at that time. Richard asked if there were any penalties for not paying Jan. 1. Kathy was not aware of any default system, but said that it must be paid at some point and that it would probably be best to pay it now. She noted that if something happens to deplete the reserve funds we would probably have to have a special meeting any way. Skip asked to have Bruce or Kathy call the retirement board to see if the bill could wait until April. Richard agreed. Sharon said it was better to pay it now. It would make the FinCom more stringent with the remaining funds. Bruce noted that the selectmen have power to intercede in public emergencies.

It was moved and seconded to approve the transfer. The motion passed.

The next transfer request came from Al DeVito for \$500 for the Finance Committee, presently operating with a deficit of -\$32. The request is to cover unexpected expenses for the creation of a website (\$300) and to pay for advertising for a new administrative assistant (\$179). With Al not present Bruce explained that even though the town has a website, if any department wants its own site it must pay for it. He said that the bills have already been paid (\$468 total) and that the request is to replenish the budget. Skip asked if the FinCom knew that the \$300 for the site creation was coming – that money should not be spent that is not allocated for that purpose. Bruce answered that the \$300 was a known expense, that the \$179 for advertising was the truly unknown expense. Skip and Richard both expressed concern that the FinCom behave as they expect other boards to behave. In the future, the entire board should approve unexpected expenditures.

It was moved and seconded to approve the transfer. The motion passed with 2 for and 1 opposed.

2. Minutes

With two members missing, approval of the minutes of the November 14 and 18 meetings was postponed to the next meeting.

3. Bill from Bonnie Eldridge

Met and settled before meeting began.

4. DOR/MVRTA letter – Town Accountant

Bruce has sent a letter to State Treasurer Timothy P. Cahill requesting a reimbursement of \$4,227 resulting from over-deducted amounts from the local aid disbursements of FY 2000 & 2001 for the MVRTA assessments. He explained that in FY 2002-2006 the cherry sheet estimate of each town's assessments was taken from whatever the VTA verified and that the state accepted that estimate. In those years West Tisbury had received sufficient state revenues to offset the VTA assessment. However, in 2000 & 2001 the state took the entire cherry sheet estimate, but the VTA submitted lower assessments. In 2000 the VTA assessment was \$16,773 - the deduction was \$20,000. In 2001 the VTA assessment was \$31,192 - the deduction was \$32,192.

5. Jonathan Revere's invoice

Jonathan Revere submitted a bill in the amount of \$62.50 for videotaping the November 18 meeting of the WT FinCom. Skip questioned the procedure of payment for taped meetings. It was explained that the person who does the taping is a private contractor and the committee is not dealing directly with MVTV. Bruce asked if there was a guarantee the meeting would be aired. Richard said there was if it was requested by the person doing the taping (the producer). He suggested calling Steve Warriner with questions about procedural issues. MVTV needs a two-week advance to provide someone to do the taping. Skip will bring the issue up at a selectmen's meeting. He feels that payment should go to MVTV, not the cameraman. The contract that exists covers only selectmen's meetings and town meetings for which MVTV is paid and then pays the cameraman. Skip agreed to it and will pass it on to the selectmen for approval.

6. Budget Calendar for FY 2008

Sharon recommended having all school committees on the same night. Some of the personnel are the same so there is an overlap. There was a note from AI stating that he saw no problem in that - FinCom is not approving. Skip mentioned that it takes a long time to go through each budget and that the first in line tends to get more time so the larger budgets should be earlier than small budgets. Richard said there are overriding issues with all three school budgets. He wants to know how they got to where they are. Skip reiterated the request to do them all in one night, go to a second if necessary. It was decided to switch the police, fire and EMS from Jan. 16 to Jan. 9 and to switch the school committees from Jan. 9 to Jan. 16 all keeping to their times as designated. Those in January need to know now. Other dates will be worked out later. Nancy is to inform the departments of their dates and times by sending a letter to the department heads.

7. COLA

COLA is preliminarily set at 4% by the Personnel Board. The final number, set by the Federal government, will be ready by February. Richard asked how they come up with the number. Bruce said they look at other towns, sectors, states, etc., Sharon said Norm Perry could come to explain the process.

8. FinCom's 2008 budget

Richard has '08 budget concerns. There is a budget of \$5,000 to handle MVTV coverage. Will it be at the town level or individual departments in their own budgets? A note from AI stated that of the \$3,000 in expenses for this year, \$2500 was for MVTV and the remaining \$500 was for normal expenses. Richard would like the special town meetings broadcast so that the FinCom recommendations and reasons for same will be made known to the public. Should there be a mailing? Skip said a mailing would cost about \$2500. Richard said the level of information people have when they get to town meeting is not enough. The FinCom should get the word out ahead of time. Skip said there is a very short time span to work within - the end of the review, the recommends for the warrant, then the town meeting. Sharon agreed with Richard that there needs to be a way to get information to the voters. In the meantime, \$3,000 for expenses and personnel services is a preliminary budget.

It was moved and seconded to approve the FinCom 2008 budget. The motion passed.

9. Mail

Skip distributed mail to the appropriate members.

10. Old Business

Richard expressed his dismay at the special town meeting concerning the paving material to be used at the Howes House. He wished the underlying issues had been raised. In meetings with Streets Superintendent Richard Olsen, he said he did not want to use the material that was voted for at the special meeting. In another matter Cynthia Mitchell gave a different reason for the need for \$1500 in her meetings with the FinCom then was stated at the special town meeting. He feels the FinCom needs to be given straight answers from the departments and they need to listen carefully to the reasons given.

Skip mentioned that Kent Healy and Glenn Hearn gave compelling reasons for using the material for the Howes House parking lot. Glenn had done research and had wanted to present his findings to the FinCom, but the FinCom recommendation had already been made. He feels people should be allowed to come before with more information regarding articles if they have it.

Sharon told Richard that she wished she had commented on the assessors' article.

There being no other business, Richard made a motion to adjournment, Sharon seconded.

Meeting was adjourned at 5:42 pm.

Respectfully Submitted,
Nancy Rogers, Administrative Clerk