

**Joint West Tisbury Finance Committee Budget Hearing and
West Tisbury Finance Committee Meeting
Howes House
February 14, 2017**

Attendance

Committee: Katherine Triantafillou – Chair, Gary Montrowl – Vice Chair, Chuck Hodgkinson, Greg Orcutt, Doug Ruskin

Guests: Bruce Stone – Town Accountant, Jen Rand – Town Administrator, Cynthia Mitchell – Selectman, Skip Manter – Selectman, Dawn Barnes – Principal Assessor, Prudence Fisher – Animal Control Officer, Michael Colaneri – Board of Assessors Chair

The Chair called the meeting to order at 4:08pm. A quorum was present.

Budget Hearing

Old Business

General Government

#122 Board of Selectmen

Jen Rand said the first change to budget #122 was the addition of \$3,000 for insurance and maintenance for the proposed leased vehicles.

Jen said the second change was the addition of a municipal hearing officer which is a position required by law and is also required by MGL 148A to have a minimum stipend of \$2,500. Jen explained last year the position was funded with a warrant article, but now will be included in the budget every year. Bruce Stone said the municipal hearing officer is now included in budget #124. Jen said that John Powers had been appointed to that position and although he has retired as health agent, nothing precludes him from the municipal hearing officer position.

Jen said a third adjustment is that Skip Manter does not collect a stipend as Selectman and if he is not elected next year, the new Selectmen elected would collect a stipend.

Jen explained that budget #151 Legal Services was amended down by \$10,000 because the amount spent in prior years has not been close to the \$50,000 originally budgeted. Jen told the Committee there may be a situation where the Selectmen come to the Finance Committee for a reserve fund transfer because the need for legal services exceeds the revised budget.

#141 Board of Assessors

Dawn Barnes explained the expense budget was reduced by \$3,000 which was originally budgeted for a vehicle stipend and the legal budget was increased by \$3,000 to equal the FY17 legal budget. Greg asked why the legal budget came back up. Michael Colaneri responded the Board of Assessors has shown over time that it has been frugal in spending legal funds and returns the excess to the general fund. Dawn said that legal cases can take a long time and there are cases coming up next year.

Dawn explained that overlay are monies set aside for reimbursement of anything that might be exempted or abated and over the last ten years, \$1.9 million has been raised and appropriated and \$1.1 million has been returned. Dawn said that \$205,103 will be returned this year.

#176 Board of Appeals

Bruce explained the Board of Appeals budget was reduced by \$5,462 due to a reduction in personnel hours from 35 to 32 hours per week.

Public Safety

#292 Animal Control Officer

Prudence said that changes from the FY17 budget included an increase in personal services to cover sick and vacation time, an increase in expenses for an educational program, an increase in phone expense, and a reduction in vehicle maintenance. Prudence said she hopes to replace the Animal Control vehicle which is why vehicle maintenance was reduced. Prudence explained the increase in professional and technical services is due to an increase in cost at Animal Healthcare for feral cats and other animals before they can be sheltered out. Bruce said there is a feeling that when Joanie was the ACO, she paid a lot of expenses for services for stray animals.

Gary moved to preliminarily recommend the following budgets:

- 114 Town Moderator
- 122 Board of Selectmen
- 131 Finance Committee
- 133 Annual Town Audit
- 135 Town Accountant
- 141 Board of Assessors
- 145 Town Treasurer
- 146 Tax Collector
- 151 Legal Services
- 155 Data Processing Expenses
- 158 Tax Title Foreclosures
- 161 Town Clerk
- 162 Elections
- 163 Board of Registrars
- 171 Conservation Commission
- 176 Board of Appeals
- 177 Martha's Vineyard Commission
- 193 Town Property Insurance
- 196 Town Clock
- 292 Animal Control Officer

Greg seconded the motion which passed unanimously.

#311 Up Island Regional School District

#313 Martha's Vineyard Regional High School

Chuck asked about medical benefits for the schools, town and other regional entities and asked why the percentage increase in cost is different for each. Jen explained that estimates include expected staffing changes. Bruce said that in addition to using current census estimates, OPEB is included in the health insurance cost for the town.

Greg moved to preliminarily recommend budgets #311 Up Island Regional School District and #313 Martha's Vineyard Regional High School. Doug seconded the motion which passed unanimously.

General Budget Wrap Up

Bruce said there was a small revision to budget #175 Planning Board which was reduced by \$1,000 because the Selectmen have agreed to cover the cost of printing the byways brochure through the Selectmen's discretionary fund.

Bruce explained the tax levy is set so that estimated revenues equal estimated expenses. Bruce said it is assumed that less than 100% of taxes will be collected and the DOR requires an overlay be set to account for exemptions and abatements. Bruce said this has historically been 0.7% - 0.8% for the Town. Bruce further explained the Assessors can determine when the reserved funds will no longer be needed and this overlay surplus can be used for any other municipal purpose.

Bruce said new information in evaluating whether the Town can stay under the maximum tax levy under proposition 2.5 includes an overlay surplus of \$205,102.71 from the Board of Assessors and \$35,699.25 of prior warrant articles which can be re-purposed towards warrant articles. Bruce said new growth has, on average, added just under \$140,000 to the levy limit. Bruce explained that new buildings and the expansion of existing properties continue at a high pace, including 19 new single family residences that are being added to the tax base.

Dawn said that in addition to the 19 new single family residences, there are ten expansions to existing buildings.

The Chair summarized that by including the overlay surplus, the funds that can be re-purposed for warrant articles and the new growth, Bruce has determined we will be within the levy limit and not require a proposition 2.5 override. Bruce confirmed that was correct, adding today's calculations show we are \$39,000 clear of any problem.

There was a discussion regarding overlay surplus, new growth and the levy limit calculations after which the Committee was confident in the assumptions used.

Greg moved to preliminarily recommend budget #175 Planning Board as amended. Gary seconded the motion which passed unanimously.

There was a discussion regarding the Personnel Board's recommendation of a 2% wage increase. Bruce explained the Personnel bylaw states the Personnel Board determines an increase which they bring to the voters. The Chair suggesting communicating with the Personnel Board again. Bruce said that for an employee earning a \$57,000 salary at the highest step, with a 2% wage increase and the increase in healthcare premiums, the employee will make \$1.18/week more than last year. The Chair said she thinks it would be worthwhile to revisit the formulas and indices used.

Doug presented a budget by budget analysis where he identified over \$100,000 in savings based on surpluses from prior years and year to date spending for FY17. Bruce pointed out that the highway, fire and police departments which have many vehicles, don't buy all of their annual budgeted supplies until they are ten months into the year and know their vehicle repair bills. Bruce explained the fire department returns \$27,000/year because that amount is left over from stipends for training, but Manny wants to budget as if everyone goes to all available training sessions.

A budget analysis created by Chuck was also discussed. The Chair asked Doug and Chuck if there were specific changes they would like to recommend. Both replied no, considering that we have now learned that an override is not needed.

Skip suggested the Committee meet with department heads and committee chairs where there is a pattern of budget surplus next October. Skip suggested recommending budget cuts while informing the department heads and committee chairs there will be extra funds in the reserve fund so they feel comfortable they can come to the Fin Com if they need to exceed the reduced budgets.

Regular Meeting

Approval of Minutes of Previous Meetings

Greg moved to approve the minutes from January 24, 2017 as amended. Doug seconded the motion which passed unanimously.

Chuck moved to approve the minutes from January 26, 2017 as amended. Greg seconded the motion which passed unanimously.

Old Business

Recap of Personnel Issues

The Chair began the discussion by pointing out that members should be cautious of taking unilateral action on issues of concern to the Committee, especially personnel matters. The Selectmen present agreed and also reported that an issue of importance to one of the members was communicated to the Selectmen who thereafter initiated a warrant article assuming it was at the behest of the FinCom. Given that the Fin Com had not taken a position on the issue, the miscommunication was all the more problematic engendering confusion and unintended consequences. The Chair lamented the amount of time and energy she spent in trying to undo such miscommunication and to addressing the resulting emotions from all those concerned. It was hoped that in the future such actions would not be taken unilaterally, as members of other boards, committees, departments do not distinguish between actions taken by the committee and actions taken by an individual member in their capacity as a private citizen.

The selectmen shared their observations about the position of an elected tax collector vs. appointed tax collector as part of the treasurer's department and how they intend to approach the mechanics of such a change in the future. Greg and Gary added their opinion on the matter and how important it was to understand the mechanics of such a change.

New Business

Warrant Article Preliminary Discussion

It was decided that Margo would schedule warrant article submitters to meet with the Committee on March 7 and March 9.

MV@Play

Chuck informed the Committee the MVC Land Use Planning Committee meeting purpose was to receive information from the applicant and to ask questions and make additional data requests before recommending to go to the public hearing process. Chuck said a hearing date has not been set.

All Island Finance Committee Meeting

The Chair noted that most Fin Com members attended the AIFC Meeting where Sam Hart from ACEMV gave a presentation and received many questions. The Chair said the next AIFC meeting is scheduled for May 16 at 5:30pm and will be held at the West Tisbury library. The Chair said the main agenda item that the WT Fin Com needs to figure out as a group is what the Committee wants from the AIFC going forward.

Gary suggested finding one single issue that the AIFC can work on collectively to make a change. The Chair suggested focusing on the regional entities because there is overlap with other Fin Coms and the place where each individual fin com has the least impact. Other potential areas of focus mentioned included waste management, regionalization of emergency management, centralized purchasing by the schools, wage adjustment, MVRHS and OPEB.

The Chair said that David Vigneault is presenting at a meeting on 2/22/17 at 6:30pm. Chuck asked who is the West Tisbury representative on the DCRHA's board. Chuck said that DCRHA receives rent income from 83 apartments and owns 53 of the 83 units (64 %). If 100 % of the debt service and 64% of the revenue and other expenses are attributable to the 53 owned apartments, this is a money-losing business. Chuck said the \$211,000 in annual debt service suggests the mortgage principal is over \$ 4 million. If this is true and all of the debt is for the 53 apartments the debt service is far too high for a business of this size. DCRHA has a \$4 million mortgage and \$211,000 in debt service. Chuck asked if DCRHA should own apartments and suggested it would be a reasonable discussion to ask David and the DCRHA board to analyze this business in more detail and consider selling it.

Correspondence/Scheduling

The Chair shared a bill from Lynn Christoffers for \$500 for filming budget hearings.

Doug moved to pay the bill submitted. Gary seconded the motion which passed unanimously.

The latest issue of the Beacon arrived.

The next Finance Committee meeting will be Tuesday, March 7 at 4pm and will be held at the Howes House.

Adjournment

Greg moved to adjourn. Doug seconded the motion which passed unanimously. The meeting was adjourned at 6:10pm.

Respectfully Submitted,

Margo Urbany-Joyce
West Tisbury Finance Committee Admin Assistant

5-0
Vote

March 7, 2017
Date