

**West Tisbury
Finance Committee Meeting
Howes House
June 14, 2016**

Attendance

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

Guests: Skip Manter - Selectman

The Chair called the meeting order at 4:30pm. A quorum was present.

Approval of Minutes of Previous Meetings:

The committee deferred the vote on the minutes from the May 10, 2016 to the next Fin Com meeting.

Old Business

Goals and Priorities

Subcommittee Report - Schools

Gary reported the subcommittee created a list of nine issues including the general budget cycle. Two issues stemming from the general budget cycle were engaging early in the process and whether the Fin Com should create a threshold over which the Committee will not recommend the budget. If so, at what point in the process will the FC make the threshold known to the school committee? Gary continued that establishing a threshold would make it easier for the FC on the back end of the process because it won't be unexpected if the Committee votes to Not Recommend. Gary also mentioned that Chuck agreed to help Greg by backing him up at school committee meetings.

The Chair stressed the schools are a priority and asked what strategy the subcommittee recommended and how the issues should be tackled going forward.

Greg said he will continue to follow the process through and try to find out how the FC can get a better handle on Excess & Deficiency, how the FC can get the schools to plan better, let the schools know the FC is following their process and perhaps give a budget threshold. The Chair asked if the subcommittee discussed a budget number.

Chuck asked how the FC could come up with a number. Gary suggested a percentage of the prior year's budget. Greg pointed out that when a bond is paid down, the budget number can be distorted. Doug stated that without a specific push back from the Fin Com, people won't take the FC's recommendation seriously. Doug added that deciding a budget threshold can be tricky, but that it could be influenced by changes in school enrollment.

Chuck explained that he sees near term opportunities including the UIRSD formula among the three towns, E&D, the MVHS facility committee process. Long term the school system is the largest employer and biggest business on the Island without a business plan. Chuck said we need to get the schools to create a five year operating budget and a 25 year capital spending plan so that the Town can work the

schools' needs into our budgeting process and long term financing. Chuck continued the Superintendent's budget includes a special needs budget over \$1.0 million which is another long term opportunity. Chuck suggested that perhaps a few of the special needs students could be served on Island, bringing part of special needs education in house.

The Chair asked the subcommittee what they think is the best way to execute this plan and its agenda items. She asked if the FC should invite the Superintendent to come to a FC meeting or send him a letter?

Greg responded that for the UIRSD, it probably would be a good idea for the FC to attend a meeting as a group and to express its concerns. Gary added that he thinks there are some issues that are addressed expeditiously by having the FC attend as a group.

Gary said the next UIRSD meeting is June 20 at 5pm and that it might make sense to send the Superintendent a letter in terms of near term and long term priorities and use that as a set up to a face to face meeting. Gary also suggested there could be a benefit in the Committee going to the Superintendent's office to let him know of the issues.

The Chair agreed there could be benefit in a separate meeting with the Superintendent because it can be difficult to get business done at big meetings. Skip remarked the Superintendent is looking out for the entire school system and it is the school committee that makes the decisions.

Doug said that he thinks there is real strength in numbers and going as a group makes a point. Doug also said that if there is buy in at the All Island Finance Committee reception, we could walk in with two or three towns represented.

Gary noted there are specific issues that do belong to the Superintendent including School Choice, special education and procurement. Chuck agreed and added that the long term issues which should be addressed by the Superintendent include OPEB and a long term business plan.

Gary stated the School Choice issue comes down to the UIRSD school committee and they have already decided to leave it as it is for another year.

Doug said that we need to get the budget under better control and although the wage scale sets the rate, the cost is impacted by the number of people hired which is flexible. Doug stressed that he has continuously said the student to teacher ratio is low. The Chair asked Doug if he wanted to add the student/teacher ratio to the list of school issues. He replied that is not a bad idea.

Chuck asked if the number of students per class is contractual with the unions. Bruce responded no and highlighted that the site budget for the West Tisbury School is an issue that gets overlooked. There has been declining enrollment, but there is a teacher's assistant in every classroom and specialists for special needs and now for enrichment, all of which are driving the site budget.

Chuck suggested there may be a way to quantify the issue. Chuck said he believes that Tisbury School, which is not part of the UIRSD, has the highest test scores and the FC should look at the student/teacher ratio and the number of assistants at the Tisbury School as a way to begin the conversation from an informed point of view.

Greg pointed out that the UIRSD school committee highlights the UIRSD test scores, but historically the district has scored well, and yet the budget keeps going up. Greg also said that he recently met with former Superintendent Peter Palches who suggested there should be one elementary school on the Island and is gathering people to discuss the topic.

The Chair summarized that the Fin Com Schools Subcommittee has come up with a list of nine points of interest and the FC would like to meet with the Superintendent to discuss these points and will attend an UIRSD meeting en masse. Katherine said she would schedule a meeting with the Superintendent. Chuck volunteered to draft a letter to the Superintendent.

Greg stated that he spoke with Amy Tierney and she was going to compose a letter to the FC about E&D amounts and the process. The Chair responded that she had not received anything from Amy.

Doug said that before the FC goes to a UIRSD committee meeting en masse, there should be a plan on how to approach the process.

The Chair thanked the School Subcommittee for their work.

Subcommittee Report – Personnel

Doug said that he edited, but Chuck wrote the draft to the West Tisbury Personnel Board regarding the wage scale.

Doug highlighted three areas that need to be addressed:

1. Move the 5% step increase in the wage scale to a lower number
2. Salary scale for elected officials
3. Formal wage adjustment formula

Doug explained that he met with Gerry Gallagher who is the former head of the Personnel Board to get background and let him know that FC is interested in the issues. Doug suggested setting up a meeting with the Personnel Board to start working with them.

Doug said that he researched a prohibition in reworking the wage scale outside of the five year cycle. Doug reported that not only was there not a prohibition, but that a Personnel Board responsibility is to formulate and review the classification compensation plans every five years and annually review the established pay schedules.

Bruce responded that wage scale adjustment or COLA is an annual review of the pay schedules.

The Chair asked Doug about the new Personnel Board Chair. Skip responded it was Ken Vincent.

Gary stated that he wanted to confirm the proposed changes are for going forward and would not impact current employees.

The Chair asked if there was consensus for Doug to proceed with discussions with the Personnel Board regarding the wage scale and the wage adjustment formula. The Committee concurred. The Committee will vote on the document drafted to the West Tisbury Personnel Board at the next meeting.

Doug also mentioned the MA DOR report from 2002 which recommended that the tax collector position be an appointed position under the treasurer's office. Bruce confirmed that the only thing written about the compensation of elected officials is that the salary must be voted on at Town Meeting.

Chuck noted that wage scale and COLA are major issues, but there are only two elected officials. There was a general discussion on how to impact the wage scales for elected officials.

Subcommittee Report – Elder Services

The Chair reported she had a conversation with Paddy Moore and questioned whether this should be a FC priority because the elder services budget numbers are much lower than the Personnel and School budgets. The Committee concurred.

The Chair said that she did not believe there was enough coordination with the elder services organizations and suggested that at a future date the Committee invite Paddy Moore to a FC meeting.

Update on School Negotiating Committee

The Chair informed the FC that although she volunteered for the school negotiating committee, she was not selected. Jen Rand confirmed that someone was selected, but did not name the new committee member.

Update on All Island Fin Com Invitation

The Chair reminded the FC that the All Island FC reception will be held this Saturday, June 18 at 10am at the Howes House. The Chair explained it is intended to be an informal gathering to introduce ourselves and see the issues of other finance committees and to find out if the group would like to meet more regularly.

Doug stated that the combined group should look at issues common to all towns – schools, Martha's Vineyard Commission, county, and Superintendent's office. Doug said that he believed the point is to become a larger voice on regional issues. Doug cited the All Island Planning Board as an example of being able to accomplish things as a larger group. Doug added that he would like a combined group to focus on schools.

Gary stated that it is an opportunity to get a sense of priorities for each of the Towns. Chuck said that he was glad that Oak Bluffs and Tisbury were expected to attend because he'd like to hear how the two towns are handling schools and OPEB. Skip highlighted that the school districts of Oak Bluffs and Tisbury do not have E&D and said it would be interesting to learn how they manage and if they carry extra reserve funds.

New Business

Reserve Fund Transfer – Town Accountant Personal Services

Bruce Stone requested \$358.20 be transferred to 135-5120 Accountant Personal Services to cover extra hours spent to attend School, School Task Force and longer than anticipated Finance Committee meetings.

Doug moved to approve the transfer. Gary seconded the motion which passed unanimously.

Reserve Fund Transfer – Animal Control Personal Services

Bruce explained the main reason for transfer request of \$2,000 to 292-5120 Animal Control Personal Services is because the animal control officer had an extended illness which created paid leave and the assistant animal control officer incurred additional hours to substitute for the animal control officer.

Greg moved to approve the transfer. Chuck seconded the motion which passed unanimously.

Reserve Fund Transfer – Building Department Personal Services

Bruce explained a transfer request of \$6,000 to 241-5120 Building Department Personal Services is due to an increase in building activity which created an increase in permitting and requisite inspections leading to an increase in inspector hours. Although the revenues generated by permit and inspection fees exceed this year's estimate by nearly \$20,000, those fees go into the general fund.

Chuck moved to approve the transfer. Gary seconded the motion which passed unanimously.

Reserve Funds Process and Information

Doug said that he had contacted Bruce inquiring why reserve fund transfers were needed if a department budget had the capacity to cover a need with the surplus of another line item. Bruce explained there is a provision in MGL that says in the last 60 days of the fiscal year and first 15 days of the new fiscal year, you can transfer funds from one department appropriation to another department appropriation with the consent of the Selectmen and the Finance Committee. Bruce continued that when discussed ten years ago on June 15, 2006, the prominent feeling was that the Town has appropriated the line item budgets and the Town has granted the mechanism to have reserve fund transfers so there is no reason to use the other measure unless the reserve fund is depleted.

Doug stated that he had asked Bruce to send him a list of budget vs actual numbers to see if departments were planning appropriately for personal services hours.

Bruce said that he tracks the personal services hours and he knew that the building and animal control departments would require transfers. Bruce noted that he closely tracks payroll for the police and fire departments and explained that the police, fire and highway departments wait until June to purchase supplies and equipment to make sure they have room in the budget. Bruce added the Planning Board budgets \$3,000 of \$5,000 for issues, but typically does not use the funds.

Gary added that when the FC goes through the budgeting process, it has the ability to see budget vs actual for three years and can identify budgeting issues at that time.

Scheduling & Correspondence

The Chair presented Margo's 10.5 hours worked from April 12, 2016 through June 13, 2016.

Greg moved to approve the hours as submitted. Gary seconded the motion which passed unanimously.

The Chair informed the Committee she received an email from Rebekah Thomas regarding MV@Play which is a financial issue. The Chair reported inviting Rebekah to speak at the next FC meeting.

Bruce sadly informed the Committee that Oak Bluffs Town Accountant Arthur Gallagher had died.

The next meeting will be Tuesday, July 12 at 4:30pm at the Howes House.

Adjournment

Greg moved to adjourn. Gary seconded the motion which passed unanimously.

The meeting was adjourned at 6:08pm.

Respectfully Submitted,
Margo Urbany-Joyce, Administrative Assistant

Approved: 4-0

Date: 7/12/16