

**West Tisbury
Finance Committee Meeting
Howes House
May 10, 2016**

Attendance

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

Guests: Skip Manter - Selectman, Jessica Miller – WT resident.

The Chair called the meeting order at 4:35pm. A quorum was present.

Approval of Minutes of Previous Meetings:

Doug moved to approve the minutes from April 12, 2016 as amended. Greg seconded the motion which passed unanimously.

Old Business

The Chair led a discussion regarding Fin Com priorities for FY17. Gary brought up the Community Preservation Committee (CPC) stating that the Fin Com participates on the front end to help craft decisions before the recommended projects are brought to the Fin Com at the end of the process. Gary noted it has been a fairly smooth process. The Chair asked Gary if he still wanted to be the Fin Com rep to CPC. Gary stated he was happy to remain the rep unless someone else wanted the responsibility. However, he wants to make sure the relationship doesn't become contentious again.

Doug stated he likes the way the FC participates in the preliminary CPC discussions, but noted the Community Preservation Act (CPA) came long after Fin Coms were required by law. He continued that CPC is set up specifically to vet the proposals and although it is tax money, it is separate from the budget. Chuck responded that the CPA 3% is 3% of the West Tisbury budget every year. Doug said that it is his feeling that the FC already gives the CPC its opinion and a further review during the warrant hearing process is not only duplicative, but infringing on the CPC process.

Katherine noted that sometimes things change from the original proposal including the language and even the amount. Katherine explained the law states that the FC shall consider any and all municipal questions for the purpose of making reports and recommendations for the town. Doug responded that the law was written before the CPA was written. The Chair agreed, but stated that the law hasn't changed.

Chuck informed the Committee he ran CPC in Chilmark for 12 years and as a practice, he would get town counsel's opinion on the articles and circulate to all CPCs on the Island. Chuck noted that a few times there were articles that Chilmark did not recommend because of legal issues. Gary said that West Tisbury CPC administrative assistant Pam Thors, is very good about putting the projects before Town Counsel.

The Chair asked the Committee about regional entities, inquiring about changes or focus points. Greg suggested Other Post-Employment Benefits (OPEB). Katherine noted the Martha's Vineyard Commission

(MVC) is doing a better job regarding OPEB and Tri Town Ambulance took the Committee's OPEB comments seriously.

Greg asked if someone from the Committee should be sitting with the aging organizations. Katherine volunteered to contact Paddy Moore. Doug said that Paddy had contacted the Committee because she wanted to clarify the question raised by the Committee as to why there are so many different organizations for the aging.

The Chair asked about changes or focus points for Town departments. Doug suggested there needs to be a policy regarding salaries. Doug noted that at this point there are two positions where there is a hand shake deal made regarding the position grade, COLA and longevity. Doug continued there is no performance review for the two positions except for elections. Doug suggested the Selectmen or the Fin Com could conduct the reviews. Chuck asked what the state law was regarding these elected positions.

Skip Manter stated that the Personnel Board has nothing to do with elected officials and that state law provides the salaries are set at town meeting. Skip further explained the positions have followed the system that Doug described and it has been acceptable to the tax payers for years.

Gary asked if in order to combine the tax collector and treasurer position, it must be approved at town meeting. Gary suggested the FC send a letter to the Selectmen to get the ball rolling. Skip said that would start the process and the letter should state that the FC is not trying to change the incumbent position, but would change it after the incumbent tax collector retires.

Greg said that Kathy Logue initiated changing her position to appointed from elected. Chuck offered that perhaps the Fin Com could send a letter to the Selectmen asking that all financial positions be appointed positions because our budget has now grown to \$17 million annually and it is now a much more complicated position. Appointment allows the Town to choose the person best qualified for the job and not the person who gets the most votes.

The Chair asked if this is such a priority that this issue should rise on the list. Doug said this issue wouldn't take much effort on the FC's part, but the process would take a long time. Doug also said that he would like to have a known deadline. Doug added that the recommendation to merge the positions was recommended ten years ago by the Massachusetts Department of Revenue.

Chuck asked Skip Manter about the logistics because if the tax collector announces her retirement, someone is going to have to take out papers to seek candidacy for the position. Chuck asked if there is a way to ask the Selectmen to get as much advance notice from incumbent tax collector as possible to give the Selectmen the opportunity to reevaluate merging the positions before we are under the gun and need to elect somebody.

Skip explained there are two steps. One step is changing the position from elected to appointed and the second step is combining the positions. Skip stated he is very sensitive to the present incumbent and whoever takes out the papers has to be made well aware that the Town is considering changing the position. Skip added that the Selectmen could do some of the research ahead of time and added the incumbent could be defeated in the polls.

Doug suggested there is another approach which is to move the tax collector job description under the treasurer's department. Doug offered to draft a letter. The Chair asked that before drafting a letter,

Doug research if the position is elected or appointed in other towns and how the position is compensated, investigate the mechanics of combining the two positions, and the state law.

Gary stated that he agreed that the Committee needs to be sensitive to the concerns of the current incumbent, but it should not be paralyzed. Gary stressed this is not a personal issue, it is business. The Chair asked if Doug could also find out the tax collector responsibilities. Skip responded that it is state statute and there is no job description.

The Chair brought up Chuck's suggestion for a Standard & Poor's review to obtain a bond rating and Doug's suggestion for a MA Department of Revenue audit and how those topics fit into the list of priorities.

The Chair turned the discussion to schools. Greg stated it's become a bigger priority and the FC's relationship with the committee has evolved. Greg explained last year he attended school committee meetings that start in the fall and would like to stay involved. Greg said that the UIRSD is now more expensive and has a better student to teacher ratio than Falmouth Academy.

Gary stated that School Choice is an issue that could play out quickly and as a Fin Com, the Committee should establish a deadline because otherwise the process will be dragged out indefinitely. Doug added the school budget needs to be brought under control and West Tisbury is not adequately compensated by School Choice. Doug said the student/teacher ratio is very low and changing that by a couple of students could have an impact, while the arithmetic is not linear, the salaries are big.

Chuck suggested splitting the school issues into short term operating and long term planning. Chuck listed the immediate issues to follow up on the committee report created by Bruce Stone, School Choice, overall operating budget and lowering it. Chuck added it may be time to revisit the crossover point of the cost of sending students with special needs off Island versus developing our own program to educate those same students on Island. Which is the most efficient way to educate these students?

Chuck listed the long term issues as OPEB, capital planning and a five year outlook for operating expenses which includes capital needs, but also operating plans including union contracts. Chuck explained that if the Town knows there is a big capital commitment, it can work it into the Town budget, but the schools don't know what other large capital expenditures the Town will have.

The Chair asked Gary about whether he wanted to continue with the Up Island Regional School District (UIRSD) task force. Gary asked Skip for the current status of the task force. Skip explained we are waiting for the final report with the footnotes. Gary also asked Skip about his School Choice recommendation. Skip responded that the UIRSD Committee is aware and is working on presenting something to the All Island Regional School Committee. Gary asked if there is a role for the FC to play in the process at this point. Skip said that whether or not the All Island School Committee will deal with the issue is not yet known, but the UIRSD Committee will make a presentation to the AIRSD.

Doug likened the School Choice situation to that of E&D adding that if there is money, it will get spent. Chuck asked if the Oak Bluffs School Choice policy is such that they will accept as many students as they send out. The Chair asked Gary, Chuck and Greg to form a subcommittee to create a detailed report about schools and bring it back to the Committee.

The Chair brought up the topic of the Personnel Board and noted that Gerry Gallagher is no longer the chair. Skip stated that Ken Vincent is now the chair of the Personnel Board. Katherine added that the Personnel Board is in the process of making changes to the personnel bylaws.

Doug informed the Committee he sent an email to Gerry Gallagher prior to tonight's meeting in which he suggested Gerry meet with the Fin Com. Doug explained there are two issues. The first is the codified formula to deal with wage adjustment, which is COLA. The second issue is reconsidering the wage scale to change steps to be a smaller percentage. Chuck added current employees would stay on the current wage scale and a 3.5% step increase would not get a lower quality of employee.

The Chair brought up the topic of a MA Department of Revenue (DOR) audit. Doug explained that he attended a financial orientation meeting at the MA DOR and they reviewed all procedures. The Chair suggested the possibility of waiting for another time for a MA DOR audit and the Committee concurred.

The Chair next brought up the topic of a S&P bond rating. Chuck explained that West Tisbury's OPEB situation is better than in Chilmark which recently received a AAA rating. Chuck said the process would involve the Selectmen, Treasurer and Town Accountant. Doug asked Chuck about how an S&P rating would impact borrowing rates. Chuck agreed to investigate.

Doug said the FC had talked about getting involved in the budget process earlier. Doug suggested the FC review the list of departments to identify which ones require attention. The Chair explained that the FC writes a letter to the department heads in the fall around the same time that Bruce Stone sends out a letter. In the FY16 letter, the Fin Com asked the departments to be level funded. The Chair added that meeting with each department would be time consuming.

Chuck said that the library, police and fire departments are the ones with larger budgets and suggested contact those departments regarding their budgets. The Chair responded that it seem overreaching. Greg suggested approaching department heads by asking what they are thinking about their budgets including hiring other major changes.

Doug suggested the Fin Com come to an agreement regarding a cutoff such that if a budget increase is over x%, the Fin Com would like to meet with the department. Chuck volunteered to meeting with the library, police and fire departments.

The Chair asked Greg if you would still like to cover Capital Planning and Greg responded yes.

The Chair asked Doug if he would still like to cover the Martha's Vineyard Commission, but asked if was still necessary. Doug explained the role was to be involved in the budgeting process. Although Doug was not involved in that process, he attributed it to the fact there was a new Executive Director who was focused on keeping the budget flat. Doug said he would contact Executive Director Adam Turner to make sure he is involved in next year's budgeting process.

The Chair announced that on June 20 at 5pm at the West Tisbury School, there is an UIRSD Committee meeting during which they will discuss E&D. The Superintendent invited the Finance Committee to attend. The Chair said that she plans to attend and the FC could discuss this at the next FC meeting on June 14.

Jessica Miller, a West Tisbury resident, spoke about the proposal by MV@Play which is a private organization proposing to use privately raised funds to renovate the fields at the high school. Jessica said she is concerned about the financial implications because MV@Play's financial commitment is only through installation. Jessica explained the synthetic field shelf life is only eight to fourteen years before it will need major renovations and the cost to replace the top layer alone is \$350,000. Jessica said there is a MVRHS meeting at the PAC on Monday, May 16 where they may or may not enter into an agreement with MV@Play.

Scheduling and Correspondence

The Chair presented a bill from Doug in the amount of \$95.63 for copies used at Town Meeting.

Greg moved to approve the reimbursement. Chuck seconded the motion which was approved 4-0 (Doug abstained).

The Chair circulated the monthly financial report for the Finance Committee.

The Chair circulated a handout from the open meeting law presentation.

The next meeting is June 14, 2016 at 4:30pm at the Howes House.

Adjournment

Greg moved to adjourn. Chuck seconded the motion which passed 5-0. The meeting was adjourned at 6:00pm.

Respectfully Submitted,
Margo Urbany-Joyce, Administrative Assistant

Approved: 4-0

Date: 7/12/16