

**West Tisbury  
Finance Committee Meeting  
Howes House  
January 26, 2016**

**Attendance**

**Committee:** Katherine Triantafillou – Chair, Gary Montrowl – Vice Chair, Sharon Estrella, Greg Orcutt, Doug Ruskin

**Guests:** Jennifer Rand – Town Administrator, Bruce Stone – Town Accountant, Richard Knabel – Selectman, Skip Manter – Selectman.

The Chair called the meeting order at 4:00pm. A quorum was present.

**Approval of Minutes of Previous Meetings:**

**January 12, 2016** – After Doug made an edit to the minutes, Greg moved to approve as corrected and Gary seconded the motion. The motion passed unanimously.

**Old Business**

The Chair asked if Doug would like the Center for Living to appear again before the Committee. Doug explained that he would like the CFL to reconsider the budget submitted since they have not yet moved into the building, there are renovations to be done to the building, and the increase in expenses is equal to the increase in people served on a percentage basis. Sharon also would like the CFL to appear before the Committee again.

The Chair announced the Committee must vote on the budgets for departments and committees that were not requested to appear for a budget hearing. *Greg motioned to approved budgets 510-522 and 540-692 as listed on the agenda. Gary seconded the motion. The motion passed 4-1 with Sharon voting no.*

After realizing budget 691 was inadvertently left off of the agenda, *Greg motioned to approve budget 691. Gary seconded the motion. The motion passed 4-1 with Sharon voting no.*

**Budget 122 Selectmen**

The Chair explained budget 122 Selectmen was on the agenda because even though it was preliminarily approved, there were some questions from Committee members. Doug pointed out there is a 9.1% increase in payroll and 6.1% overall. Jen Rand explained that in November, the town voted to accept a new wage and compensation scale. Bruce Stone pointed out that for the first time in years, Jen Rand is eligible this year and next year for a step increase. Doug said that although the Committee voted for the new wage and compensation scale, some kind of discussion should go out to the public stating that payrolls are the large part of the overall budget increase. Gary added that there also should be a discussion regarding programs and the fact that you reap what you sow and voters potentially face an override every year.

The Chair asked Jen Rand about her review process. Jen answered that if she receives a satisfactory review from the Selectmen and is eligible for a step increase, she receives a raise.

Katherine asked Jen if she had oversight responsibilities regarding budgets that are submitted with an increase. Jen explained that she as well as other departments reports to the Selectmen. Jen explained that the Building Inspector wanted to add a local inspector to the department and discussed it at length with her, but then he had to go to the Selectmen for approval.

Skip Manter explained that in other towns, the Town Administrator is a supervisory and administrative position. However, in West Tisbury the Town Administrator is not a supervisory position. As a result, the Selectmen are supposed to oversee or could oversee all of the budgets. However, not all of the department heads and committee chairs submit their budgets to the Selectmen for approval. Greg summarized that the Finance Committee is the guardian at the gate.

Katherine discussed the fact the budget making process is diffused and no one is really in charge. Richard Knabel explained the Selectmen are responsible for presenting the budget to the town and if they did not approve a budget, they could say no. However, the past process has been to never say no.

Richard Knabel suggested that the town is very generous with its grade and step compensation structure and perhaps the Finance Committee should look at that structure to determine if it is not sustainable and then new employees might have to accept small increases in grade and step. Richard also suggested that the town does not have difficulty finding employees.

Doug said that it is state law that the Selectmen present the budget at town meeting and that he is surprised they do not review each budget thereby putting pressure on the Finance Committee. Richard Knabel responded that the town has a long history of not accepting the FC's recommendation.

Doug asked if the compensation classification can only be reviewed every five years , or if a recommendation could be made to change the classification at any time, for example to reduce the step increases from 5% to something lower. Bruce Stone asked if Doug thought a new study would have different results. Doug explained that he would not expect to do a new study, but perhaps it would give the Finance Committee the opportunity to make a different recommendation. Bruce responded that in order for the study to be performed more frequently than the required five years, a warrant article would have to be submitted for town vote. Doug repeated that he was not suggesting another study. Richard Knabel added that the Personnel Board has operated very independently from the Selectmen and that he did not think the town would approve a new classification study in FY2017 in an expectation of finding savings.

## **New Business**

### **Budget 311 Up Island Regional School District**

### **Budget 313 Martha's Vineyard High School District**

The Chair explained the Up Island Regional School District and Martha's Vineyard High School were scheduled to present budgets at today's meeting and had been scheduled to do so for over a month. However, the Superintendent's assistant called to cancel because the school budget would not be certified by today's FC meeting.

The Chair called the Superintendent and explained that it was rude to have his assistant cancel the meeting with the Finance Committee because he decided it was not necessary. She explained to the Superintendent that there could have been a discussion about the budget before it was finalized. The meeting with the Superintendent is rescheduled for February 9, 2016. The school budget will be certified on February 8, 2016 and emailed to the FC on February 9, 2016.

Bruce Stone explained that version seven of the school budget was very similar to the previous budget which includes a \$300,000 increase in expenses, but with \$100,000 less in revenue. Skip Manter added the West Tisbury portion of the budget is approximately \$7.0 million. Greg asked if the teacher salaries had been finalized. Bruce Stone responded that the teacher contract could be ratified tomorrow (1/27/16) and once it is voted, the Town will not be able to impact the salary increase.

Bruce also brought up that part of the school budget requires financing to repair the school. Skip Manter explained there is \$1.0 million of capital improvements. The district can vote to borrow money and there is no automatic review by the towns. Once there is a district vote, towns have 60 days to have a town meeting and vote. If there is no town meeting vote, it is assumed to be a yes vote.

### **Working Session**

The Chair led a discussion about how to impact the budget schedule, substance and voting. Several graphs were reviewed. The Chair also referenced an article in the Vineyard Gazette regarding rising budgets and the impact on local property taxes. The Chair also shared information about Other Post-Employment Benefits.

Doug stated that we are not setting the budget, we are explaining the budget to voters and the Committee needs to be clear at town meeting what the budget items are and what they cost. Greg added that town meeting can be a difficult platform.

Katherine asked what the Finance Committee can do before town meeting. The Committee believes the budget is higher than what is ideal. However, the Committee does not yet have information on the warrant articles. Gary stated that the Committee should come up with concrete proposals, not just make a general statement that budget increases should not continue. The Committee needs to advise voters how to stop the increases. Greg noted that is what is happening with the Up Island Regional School District Task Force. Sharon added that it would be helpful if this meeting was being filmed so that voters could watch the Committee deliberate the issues. Sharon explained at one point, the FC scheduled a day to meet with voters, but attendance is not guaranteed. Richard Knabel pointed out the Committee can make contentious recommendations that may encourage people to attend town meeting.

Moving the discussion along, the Chair asked if the Committee wants to recommend a decrease in the overall budget or perhaps split up all of the budgets. Greg responded that a percentage decrease sounds too arbitrary and suggested the Committee speak to the newspapers. Gary added that the train has left the station on the current budget. He stated that people look at the budgets in isolation, not aggregate and therefore do not evaluate the complete picture.

Doug pointed out the single biggest driver of the overall budget is the school budget. Richard Knabel stated the Committee is not going to be able to make changes to this year's budget, but suggested the Committee evaluate the process and make recommendations to changing the process.

The Chair asked if anything prevents a warrant deadline of January 15. Jen Rand responded that the warrant deadline is a town bylaw so a change would require a warrant article to be voted on at town meeting. Katherine explained the warrant articles will come in after the FC reviews the budgets. If the warrant deadline is moved up, there would be a more complete financial picture at the time of budget reviews.

The Chair stated the Committee wants to review warrant articles in the final, not preliminary form and the Committee review dates will be March 8 and March 9, 2016. Doug stated that regarding the Committee's recommendations on warrant articles, he would prioritize town meeting floor, then newspaper and finally the annual report. Sharon stated that if the FC recommendation is on the actual warrant article, voters will read it and that voters will not read a separate piece of paper. Jen Rand said she was fairly certain that the warrant article that goes to town meeting must be exactly what was posted in the newspaper and that new information cannot be added. The annual report does not have to be the warrant that is posted.

The Chair asked the Finance Committee for solutions. She stated that although there is not a lot that can be done this year, she recommended the Committee meet with the Personnel Board to discuss their process. Bruce Stone noted that the Finance Committee could choose to not recommend the wage adjustment presented by the Personnel Board.

Sharon suggested the letter regarding budgets the FC sends to department heads and committee chairs should be more precise next year. If the Committee says no new positions, it should not recommend any budget that includes a new position. Katherine said that when the Committee wrote in this year's letter that budgets should be level funded, she expected that if there were wage increases, department heads/committee chairs would decrease other expenses to compensate for the increase. Bruce Stone explained that can be difficult in a one person department.

Bruce Stone suggested the Committee could create a formula that is a recommendation of how the wage increase is calculated. Katherine responded that there is nothing in town bylaws that states once the Personnel Board calculates a wage increase, it is final. Doug also suggested meeting with the Personnel Board to better understand their process and help them nail down a formula for next year. Bruce Stone noted that as an employee, part of having a Personnel Board is to have a body of some neutrality because town employees do not have a bargaining agreement, and that the town has avoided having to deal with a union. If the FC and Selectmen get involved in the PB process, it feels like management is getting involved. Richard Knabel added it would be to establish a collaborative formula.

Doug stated to be clear, no one is suggesting any radical change. Doug added that if a union means fair, compensated arrangement, he would not be opposed. Doug noted that West Tisbury is a small town that has grown dramatically. Richard Knabel pointed out that expenses are creeping up as volunteers are replaced with employees as seen with Tri Town Ambulance and the Fire Department. Richard Knabel suggested that perhaps the town should consider regionalization. Bruce Stone added the Massachusetts Department of Revenue recommends there are parts of government that could be regionalized such as the Board of Assessors. Doug said that as discussed a few months ago, perhaps the town should ask the DOR for advice.

To wrap up, the Chair asked for last comments and solutions for this budget cycle. Greg asked if the Committee wanted to have a conversation with local newspapers in an attempt to get information to the community about the issues with which the FC is struggling. Gary added that the Fin Com does need to get the information out and the newspapers are a vehicle to accomplish that.

## **Scheduling and Correspondence**

The Chair stated that Margo Urbany-Joyce had submitted 28.25 hours worked. *Greg moved to approve. Gary seconded the motion which passed unanimously.*

**Adjournment**

*Greg moved to adjourn. Gary seconded the motion which passed unanimously. The meeting was adjourned at 5:52pm.*

Respectfully Submitted,  
Margo Urbany-Joyce, Administrative Assistant

Approved: 4-0

Vote: 3/22/16