

**Tisbury Finance & Advisory Committee
at the Tisbury Emergency Services Building
6:30PM, Wednesday, June 15, 2016**

Present: Chair – Jeff Kristal, Pamela Brock, Nancy Gilfoy, Tom Keller,
Jynell Kristal, Mary Ellen Larsen, Lesley Segal;
Town: Treasurer – Jon Snyder
School Business Manager – Amy Tierney
Others: Minutes – Marni Lipke * Late arrivals or early departures

The Tisbury Finance and Advisory Committee (FinCom) was called to order at 6:33PM. *(Discussions have been summarized and grouped for clarity and brevity.)*

Amy Tierney from Superintendents Office

Before becoming Business Manager of the Martha's Vineyard Public Schools (MVPS) Superintendent's Shared Services Office, Amy Tierney was the Chilmark Assistant Accountant and a Tisbury FinCom member.

- School Choice was designed to fill empty slots in classrooms by allowing families to choose a school other than that of their town of residence.
- The MVPS class size limits were 18 students in primary grades, 22 in middle school, and 24 at the Martha's Vineyard Regional High School (MVRHS). The number of empty slots was at the discretion of the school principal, and depended on a particular class's configuration (multi-age, special needs, etc.) as well as size and space. Many schools and principals left a class buffer, i.e. in a 14-student kindergarten a principal might allow only one school choice slot leaving three slots in case of town growth. The law prohibited adding classes to accommodate school choice students.
- Once a school choice student was accepted that school was responsible for the student until graduation.
- Priorities were sometimes given to school choice students with siblings in the same school. Otherwise it was on a first-come-first-serve basis, although lotteries were also used.
- Family motives for changing schools might be:
 - convenience when a parent from one town worked in another town,
 - choice of school style or staff,
 - child of a school staff member, or
 - family moves to another town but wants the child to stay in their old school.
- At its peak MVPS had 154 school choice students, there were now ~120.
- The sending Town General Fund paid \$5,000 per student *plus* any extraordinary Special Education (SpEd) expenses attached to that student, to the receiving School budget (not the Town General Fund).

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- Principals checked student lists each year for residency accuracy.
- The State Dept. of Education (DOE) counted School Choice students twice a year and allocated funds in keeping with shifting populations, making budgeting difficult.
- All local MVPS were schools of choice, however the MVRHS was not (Falmouth High School advertised as a school of choice).
- Currently the Supt. Shared Services Office assessment formula allocated costs to schools by school population—including school choice students. The Up Island Regional School Committee (UIRSC) proposed that school choice students be assessed from their town of residence, rather than the school they attended; a shift to UIRSD advantage since they received 57 school choice students. Tisbury School Choice was currently restrained by lack of space.
- Some SpEd staff was centralized in the Shared Services Office (Occupational /Speech & Language/Physical Therapists, psychologists, etc.).
- There was usually some complaint on shared budget allocation from one town or another that was using shared services less for any particular period.
- MVRHS Statutory Formula – favored Oak Bluffs over the previous Regional formula although after many years, the two were within \$75,000 of being identical.
- School Budgets – were carefully monitored to reduce staff by attrition. For example if a second grade teacher retired they had to be replaced; if a reading specialist retired the position was re-assessed.
- Occasionally when budgets were very tight or revenue was uncertain Reductions In Force (RIF) notices were sent out in April.
- Staff could accumulate 200 days of sick leave (almost an entire year) in which case the School paid for a substitute on top of the sick leave salary.
- MVRHS Athletic Fields – The FinCom expressed concern that other community sports organization accounted for 50% of MVRHS field use; however, the original land donation specified MVRHS and community use.
- It was also clarified that the MV@Play proposal was to fund \$12,000,000 worth of capital improvements to the athletic fields in three possible phases, and that the MVRHS would be responsible for maintenance costs.
- The Charter School was established in 1998 and now served 186 students from all the Island schools as well as Falmouth.
- Tuition was based on the DOE determined per pupil cost of the students' school of residence. So each Tisbury Charter School student was allocated a tuition of ~\$20,000 plus \$883 for capital improvements from Tisbury School

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Chapter 70 funds. There was a cap limiting total tuition to 9% of net school spending but this only affected the UIRSD. There was some legislative pressure to remove the tuition cap.

- To compensate for enrollment spikes sending districts received some reimbursement the first year a student enrolled in the Charter School which decreased with each passing year.
- The State reviewed Charter School rosters three times a year and determined tuition and reimbursement accordingly—the MVPS were awaiting the final accounting for Fiscal Year 2016 (FY16).
- Charter School MCAS scores were comparable but not as high as MVPS scores. The Charter School also supported many less special needs students than public schools and did not support residential placements at all.
- Ms. Tierney referred the FinCom members to the DOE website (www.doe.mass.edu) for useful statistics, explanations, webinars, etc. (some of which she had printed for members),

Departmental Year End Budget Transfers

As a matter of convenience the State allowed interdepartmental and/or salary to non-salary budget transfers at no more than 3% of a department's total budget or \$5,000 whichever was greater, to be authorized jointly by the Selectmen and FinCom.

• *JYNELL KRISTAL MOVED TO AUTHORIZE THE TISBURY TOWN ACCOUNTANT TO MAKE FISCAL YEAR 2016 BUDGET TRANSFERS AS NEEDED; NANCY GILFOY SECONDED; MOTION PASSED UNANIMOUSLY: 7 AYES, 0 NAYS, 0 ABSTENTIONS.*

• Treasurer Jon Snyder had recently learned that any residual in the Reserve Fund could be transferred into any stabilization fund (see below: Tasks).

- In addition the current \$70,000 Reserve Fund was arbitrary, as the State mandated cap was 2% of the General Fund Budget. A more robust Fund (say \$140,000) would allow more flexibility in avoiding the special town meetings.

• A number of Town Department Heads were reaching retirement age and new personnel often increased departmental spending.

• Balancing revenue and expenditure was carefully monitored, for example the State frowned on over budgeting to expand Free Cash, and were firm in not recommending use of Free Cash to balance the Budget. Tisbury balanced the budget and then used a moderate amount of Free Cash to reduce the tax rate.

Transfer Request from FinCom for FinCom

Members were satisfied with the style and length of the minutes. After a brief discussion on projected costs:

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• *MARY ELLEN LARSEN MOVED TO TRANSFER \$750 FROM THE FISCAL YEAR 2016 RESERVE FUND INTO THE FINCOM BUDGET AS APPROPRIATE; JYNELL KRISTAL SECONDED; MOTION PASSED UNANIMOUSLY; 7 AYES, 0 NAYS, 0 ABSTENTIONS.*

Continue Our Harbor Financial Review Discussion

Private mooring revenues (see 5/4/16 Minutes p.3) were \$115,000 with about \$20,000 in outstanding bills—interest was now being charged for late payment. Selectmen raised the fees every other year—rates were somewhat comparable to other regional harbors (see below: Tasks).

Discussion of Next Year's Budget Review, Philosophical Changes

- Aside from fixed costs such as union salaries Departments should be asked about reducing other areas.
- The Information Technology (IT) budget was likely to increase. IT lines in other departments should be transferred to the IT budget.
- There was a suggestion to charge boats for dropping anchor for the day.
- In an attempt to make it less confrontational Departments could be asked for level budgets, 1-2% reductions and 1-2% increases.
- 0% budgeting had resulted in deferred maintenance. True cost information should be provided.
- It was important to break the habit of resubmitting the same budgets with across the board slight raises or decreases. Examples were cited:
 - the line-by-line Police budget discussions (see 2/17/16 Minutes p.2-3);
 - Selectmen payment of postage for abutter notification (could be shifted into permit application cost).
- Efficiencies in the number of personnel should also be explored. The Town voted for a Facilities Manager, but the hiring process had not yet started.
- Departmental surpluses and deficits could be monitored for trending.
- Next steps included:
 - budgets vs. actuals from Town Accountant Suzanne Kennedy;
 - a more proactive time table;
 - a joint meeting with the Selectmen;
 - assigning three departments to each FinCom member for study.

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Subcommittee Reports

Jeff Kristal expressed frustration with the proliferation of governmental committees and requests for FinCom representation.

- IT WAS THE CONSENSUS OF THE TISBURY FINANCE COMMITTEE TO APPOINT NANCY GILFOY AS ITS REPRESENTATIVE TO THE TISBURY ENERGY COMMITTEE.

Approval of Previous Minutes

- *MARY ELLEN LARSEN MOVED TO APPROVE THE MINUTES OF MAY 4, 2016 AS WRITTEN; JYNELL KRISTAL SECONDED; MOTION PASSED: 6 AYES, 0 NAYS, 1 ABSTENTION —TOM KELLER due to absence.*

Adjournment

- *NANCY GILFOY MOVED TO ADJOURN AT 8:10PM; JYNELL KRISTAL SECONDED; MOTION PASSED UNANIMOUSLY.*

Meetings/Events:

TFC meetings – 6:30PM, second Wednesday of every month - Tisbury EMS Bldg

- **All Island FinCom – 10:00AM, Saturday, June 18, 2016 – WT Library**

- **FinCom - 6:30PM, Wednesday, September 21, 2016 - Tisbury EMS Bldg**

Action List:

- All – hit “Reply All” when responding to scheduling emails
- Jon Snyder – research who authorizes Reserve residuals to Stabilization.
- Jeff - get mooring list and send to FinCom

Documents on file:

- Agenda 6/15/16
- Massachusetts Department of Elementary and Secondary Education School Choice Pupils and Tuition, FY16 December 2015 12/15/15
- FY16 Preliminary Charter School Tuition and Rosters by District as of December 2015

Minutes approved 1/11/17.