

TISBURY BOARD OF SELECTMEN MEETING AGENDA

Tuesday, December 9, 2014
Tisbury Town Hall – 5:30 PM
Jonathan V. Snyder, Chairman
Tristan R. Israel
Melinda F. Loberg, Clerk

PUBLIC HEARING

5:30 p.m. – FY2015 Tax Rate Classification Hearing

TOWN ADMINISTRATOR'S REPORT

General Update – Holiday Schedule

ADMINISTRATIVE SESSION

Approval of Treasury Warrants

Payroll Warrant #12-08-2014	\$319,161.92
Payroll Warrant #12-09-2014 (Void)	\$(75.00)
Bills Payable Warrant #12-09-2014	\$116,908.24

Approval of Minutes

July 1, 2014 – Executive Session
July 29, 2014 - Executive Session
August 5, 2014 – Executive Session
August 12, 2014 – Executive Session
September 30, 2014 – Executive Session
September 16, 2014 –Executive Session

Merit Review

Glenn Mauk, DPW Director - Department of Public Works

OLD BUSINESS

NEW BUSINESS

PUBLIC COMMENT

EXECUTIVE SESSION

Vote to go into Executive Session to discuss strategy with respect to collective bargaining, litigation update, real estate, approval of Executive Session Minutes (per list); and contract negotiations, (not) to reconvene in Open Session.

Next Regular BOS Meeting – December 16, 2014 – 5:30 p.m. – Tisbury Town Hall

The Board of Selectmen met in Regular Session on Tuesday, December 9, 2014 in the Town Hall.

Present: Jonathan V. Snyder, Chairman; Tristan R. Israel; and Melinda F. Loberg, Clerk; John W. Grande, Town Administrator and Aase M. Jones, Assistant to the Town Administrator.

Call to order: 5:30 p.m. by Chairman Jonathan Snyder.

FY2015 Tax Rate Classification Hearing: was called to order by Chairman Jonathan Snyder and the advertisement for the hearing read into the record. All documents and materials presented and discussed at the hearing are hereby incorporated by reference.

Also Present: Assistant Assessor Ann Marie Cywinski and Finance Director Timothy W. McLean.

Also in the audience, about 40 Tisbury residents, including the following who were identified and spoke briefly during the hearing: Peter Cronig, Sherman, Susie and Josh Goldstein, Larry Gomez, and Bert Combra, local business owners; Thomas Pachico, former Selectman and Health Agent; Roy Cutrer and Angela Cywinski, Board of Assessors; Jeffrey Kristal, former Selectman and business owner; JoAnn Murphy, resident and Dukes County Veterans' Agent; and numerous others who remain unidentified, but who spoke against any reduction in the residential exemption for year-round resident property owners.

Ms. Cywinski presented a complex table showing various options that the Selectmen must vote and which will affect the manner in which the tax burden is distributed to resident, commercial and non-resident taxpayers, based on how the Selectmen vote. She addressed the Selectmen by stating that there are three purposes for the hearing and 3 votes to be taken by the Selectmen in order to set the tax rate for FY2015: (1) The options for the votes to be taken by the Selectmen are outlined in the documents presented; (2) the Selectmen must decide at what level and whether to vote the Residential Exemption, noting that last year it was reduced from 20% to 18%; and (3) the Board must decide whether to retain a uniform tax rate for all classes of property or to declare a percentage shift to commercial property.

Ms. Cywinski also pointed out that after the Board has decided how to vote on the options available based on information provided by the Board of Assessors, the Assessors must disclose and inform the Selectmen of what the so-called "Excess Levy Capacity" is, based on the votes taken.

Ms. Cywinski stated further that for FY2015 there is a 3% increase in property values and a 10% overall increase in Town budgets, noting that the spread sheet presented reflects what the result will be, depending on how the Board votes on the Residential Exemption and whether the Board also votes to shift the tax burden by a certain percentage to commercial property or retain a uniform tax rate for all classes of property.

At this point Assistant Assessor Ann Marie Cywinski informed the Board that at present 1,044 taxpayers benefit from the Residential Exemption, which when the credit is determined, is based on the

average assessed value of a residential parcel in Town, with the current average value at \$\$791,914. Ms. Cywinski stated further that last year the Board voted to reduce the Residential Exemption from 20% to 18% and voted not to shift the tax burden to commercial property owners.

Discussion followed on how the Residential Exemption affects property owners who do not qualify for the Residential Exemption, particularly if the Board votes no shift to commercial property owners - in that case the non-resident property owners pay the same rate as full-time residents, but do not get the actual reduction in the total amount of taxes paid. Further discussion focused on what the impact would be if the Selectmen voted to further reduce the level of the Residential Exemption from 18% to 16% and retain a uniform tax rate, i.e. no shift to commercial property, the table presented reflected that the tax rate would then be 8.34 for commercial and 8.85 for resident property owners. The option of further reduction in the Residential Exemption to 16% and a shift of 105% to commercial property would result in a tax rate for residents with or without the exemption of 8.79 and 8.79 for commercial property.

It was noted that the value of the FY2015 Residential Exemption at 18% with no shift would be \$ _____.

Mr. Israel commented that he would like to see the residential Exemption go back to 20%.

At this point Chairman Jonathan Snyder read into the record two letters received commenting on the tax rate classification hearing and the process, from business owners Sherman and Susan Goldstein and Leo and Alison Convery, in support of a uniform tax rate for all classes of property.

Mr. Snyder then noted that the existence of the Residential Exemption has served to remove some of the tax burden from small taxpayers who are full-time year round residents and added that he will now accept public commentary.

Finance Director Tim McLean pointed out that if the Selectmen vote not to shift the tax burden to commercial property owners, the impact of taxes for non-resident property owners will be substantially higher.

The following then spoke in favor of the residential exemption, citing the importance of this benefit to smaller property owners on fixed incomes: Thomas Pachico, Woody Williams, Jeff Kristal, JoAnn Murphy, and several others who were not identified.

Ms. Cywinski noted that many exemptions are also available to those who qualify: blind, veterans, elderly, etc., as well as tax deferral, inviting anyone with questions about criteria for qualifications to contact the Assessor's Office.

Ms. Angela Cywinski, a member of the Board of Assessors and resident, noted that there is a point where the residential Exemption is maxed out, citing that fact that there is not much opportunity for increased residential growth in Tisbury - this year at 10%. Ms. Angela Cywinski continued by stating that she hopes the Selectmen will eventually bring the Residential Exemption down to

10% and added that she is concerned about the overall financial health of the Town and feels that a certain balance is needed. She commented further that the residential Exemption creates a differential, adding that the exemption is probably only worth a certain percentage of its actual value due to the higher tax rate it creates for everyone. Ms. Angela Cywinski concluded her comments by stating that she is not recommending a shift to commercial property noting that with no Residential Exemption and no shift the tax rate will be uniform for all classes of property, as this would alleviate the need for a shift if there is less of a differential.

One unidentified lady in the audience spoke about the impact on the non-resident taxpayers who do not benefit from the exemption.

Dr. David Finkelstein, Peter Cronig and the Goldstein family spoke briefly, thanking the Selectmen for their support of the Tisbury business community urging the Board to retain a uniform tax rate for all classes of property.

Assessor Roy Cutrer spoke as a private citizen urging the Selectmen to retain the Residential Exemption at the same level as before, adding that in Tisbury businesses on Main Street are open year round, serving its year round resident community, while in Oak Bluffs and Edgartown most are closed after the summer season. He added that these local businesses are supported by the local community who depend on these entities to remain open year round. He concluded by stating that he would like the Residential Exemption to go back to 20%.

Mr. Snyder pointed out that until two years ago a small shift to commercial property had been voted, and since that time the Town has retained a uniform tax for all classes of property.

It was noted that at one time the shift was at the maximum rate which was 175% to commercial property, but it was generally agreed that this will not be coming back.

Ms. Ann Marie Cywinski pointed out that if the Board votes a shift to commercial property, the commercial property owners are exempt from paying the 3% Community Preservation Act tax assessment, while if a shift is voted these property are exempted from paying that tax assessment. Some discussion followed on this aspect of the vote to shift the tax burden and what the impact would be on Community Preservation Act funds received from the State and available for local projects.

Mr. Goldstein cited the number of full-time employees working at his business the *Mansion House*, providing jobs to members of the community.

Assistant Assessor Ann Marie Cywinski then stated that the Town has not yet received the official certification of values from the Department of Revenue and therefore the Selectmen cannot take the vote this evening on the Residential Exemption or the potential shift to commercial property, but testimony received will become part of the public hearing, which can be continued to next week, at which time the formal vote and decision can be made. She continued by recommending that the Board close the public portion of the hearing and continue the hearing until December 16th at 5:00 p.m.

Mr. Israel questioned why the Selectmen cannot vote today and make the decision now.

Ms. Cywinski reiterated that unless the Town has received final official certification of values from the Department of Revenue, we might mislead the public and provide inaccurate information, noting that there could be errors that would substantially change the values of the Town's real estate properties and the vote based on inaccurate figures would invalidate the entire process.

Mr. Woody Williams, in the audience, stated that he wants to know the Board's position on this matter now.

Ms. Ann Marie Cywinski pointed out that this vote is taken by the Board of Selectmen every year, and that next year the Board can decide to vote differently than this year.

A discussion followed on whether the Board could take a so-called "straw poll" or otherwise state what they think they will do at this point - next week. After some discussion,

Motion: That the Board of Selectmen close the public comment portion of the FY2015 Tax Rate Classification Hearing, and continue the hearing until December 16, 2014 at 5:30 p.m., and to allow additional written testimony to be provided until that time. M/s/c.

At this point the Selectmen briefly discussed their respective positions on the issues, as follows:

Tristan Israel: stated that he was opposed to lowering the Residential Exemption last year from 20% to 18%, noting that there are many businesses trying to make it in Vineyard Haven, not just on Main Street, adding that there is a larger community out there beyond Main Street. He concluded by stating that he is OK with no shift to commercial property but would like to see the residential Exemption at 20%.

Melinda Loberg: stated that she appreciates the range of public comment at this meeting, adding that she is trying to understand the complex nature of the residential Exemption and the effect of a split tax rate, and the impact on both commercial and residential property - the latter with and without the exemption, adding that the goal would be to have fair and uniform rate and a balance. She noted that in order to have the tax rate be the same for all classes of property it would require a small shift, but in doing so, we would lose the ability to tax the commercial properties for the 3% Community Preservation Act assessment. She described this as a "balancing act", noting that we would lose about \$75,000 which now goes into the Community Preservation Fund, and is allocated for various worthy projects on-Island and in Tisbury.

Jonathan Snyder: commented that he thought it unfair that some residents are taxed more than others, but added that he will support keeping the Residential Exemption at the same level as last year, i.e., 18%. He further cautioned that we must be mindful that a commercial shift implies higher taxes for that segment, stating that the Town needs to have a vibrant commercial community, adding that he is not in favor of a commercial shift of the tax burden.

Mr. Israel commented that the tax rate is set based on the spending authorized by Town Meeting and that what is voted there affects the

tax rate, noting further that the amount of taxes required to be raised will not change whether the Residential Exemption is adopted, changed or reduced - we will still need to raise the exact same amount of funds to pay the bills incurred by the Town's operating costs. Mr. Israel concluded his comments by noting that Tisbury is a small community with enormous future expenditures, including the expansion of the sewer collection system, a new Town Hall, and other infrastructure needs, and whatever is voted we must plan to pay for.

Town Administrator - Selectmen's Meeting Schedule in December: Mr. Grande deferred to assistant Aase Jones regarding the holiday meeting schedule for the Board of Selectmen. Ms. Jones noted that the Board will meet again next week, December 16th, with a full regular schedule, and after that, not until the 30th, unless pressing time-sensitive business requiring immediate action comes up. After a brief discussion the Board agreed that they would not plan on meeting again in December after the meeting on the 16th, unless there is a need to act on a specific matter. The next meeting would then be January 6, 2015 at 5:30 p.m.

Approval of Treasury Warrants: Payroll Warrant #12-08-2014 and 12-09-2014; and Bills Payable Warrant (void \$75) #12-09-2014, were approved and signed. M/s/c.

Approval of Minutes: None.

Minutes Deferred: July 1 and 29, 2014, Executive Sessions; August 5 and 12, 2014, Executive sessions; and September 16 and 30, 2014, Executive Sessions. (To be reviewed in Executive Session).

Merit Review - Glenn E. Mauk, DPW Director:

Mr. Mauk has been reviewed by the Board of Public Works Commissioners and the Chairman John Thayer and received a favorable 6-month review and is according to his employment entitled to a step increase based on that evaluation. Mr. Mauk has offered to waive the period from June 16 - 30, 2014 for the effective date of the Step increase due to the lateness of this evaluation. Therefore, Mr. Mauk's Managerial and Professional Classification Plan Step increase will be effective on July 1, 2014, to go from M-9, Step 5 to Step 6, with a new rate of pay of \$48.05/hr.

Motion: To approve the merit increase, as presented. Seconded by Ms. Loberg for comment.

Ms. Loberg commented that Mr. Mauk in a very responsible Town position as DPW Director, need to respond to requests for information and calls, noting that public comments and reports have surfaced, brought to the attention of the Board of Selectmen, that Mr. Mauk is not always duly responsive to phone-calls and inquiries. Ms. Loberg pointed out that the position of DPW Director is a key position of great importance in the Town, adding that some of the personnel in the DPW apparently have not received their evaluations, and concluded by stating that she would like to see a more thorough evaluation the next time.

Mr. Israel noted that as the Town moves forward with its organizational study, the Selectmen will have more opportunities to provide input, adding that at present there are many personnel issues within the DPW, causing friction between employees. He conceded that Mr. Mauk's review could have been more "substantive",

and concluded by urging the personnel Director (Mr. Grande) to get "more involved", and concluded by expressing his hope that through the Vision Process we will have better inter-departmental communication.

Ms. Loberg then asked Mr. Grande if it is permissible to ask him to become more involved with more feedback from the Board of Public Works Commissioners.

Mr. Grande agreed that he would speak with the DPW department to ensure that everything is functioning well, and will take this up with the proper authority, if the Board so wishes.

Mr. Israel also asked that Mr. Grande look into outstanding merit reviews within the department, which he said he would investigate.

Mr. Snyder commented that he has been approached by people who have volunteered to tell him that they find Mr. Mauk to be a thoroughly professional administrator, doing a good job. He acknowledged that there is friction within the department personnel, but added that the role of DPW Director is a difficult one and tough to manage.

Voting on the Motion: M/s/c.

At this point Town Administrator Jay Grande made a formal request that he be authorized to reach out to departments to find out in which areas interdepartmental projects are working well and also to assure that annual reviews are conducted for all eligible employees in a timely manner. The Board agreed.

Mr. Israel took this opportunity to thank the Oak Bluffs Board of Selectmen for the get well card he received while hospitalized.

Embarkation Fee Proposals: are due tomorrow according to a memo distributed a week ago to all eligible departments for funding. Mr. Grande stated that he plans to submit a request on behalf of the Selectmen for funds to make improvements and repairs at the Park & Ride Lot as well as one submission to fund minor traffic improvements downtown. The Board approved.

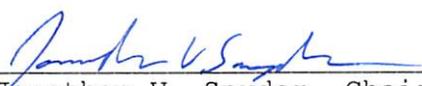
Mr. Grande noted that all submissions from departments, under the purview of the Selectmen, who have submitted requests for embarkation fee funds, will come before the Board at the next BOS meeting - December 16th, to seek BOS approval to go to the Embarkation Fee Committee for further approval.

There being no further business in Open Session,

Motion: To go into Executive Session to approve Executive Session Minutes and review current litigation cases with Mr. Barwick, not to reconvene in Open Session. Seconded.

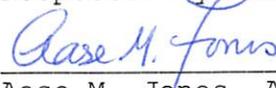
Voting on the Motion: Mr. Israel: Yes; Mr. Snyder: Yes; Ms. Loberg: Yes.

Adjourned to Executive Session: 7:15 p.m. M/s/c.


Jonathan V. Snyder, Chairman


Tristan R. Israel

Respectfully submitted,


Aase M. Jones, Asst. to Town Adm.


Melinda F. Loberg, Clerk