

**Tisbury Finance & Advisory Committee
& All Island Finance Committee
at the Tisbury Emergency Services Building
6:30PM, Wednesday, November 22, 2016**

FinCom Members Present:

Tis. Chair – Jeff Kristal, Pamela Brock, Paul Cefola, Nancy Gilfoy,
Jynell Kristal, Mary Ellen Larsen, Lesley Segal,
West Tis. Co-Chair – Katherine Triantafillou, Chuck Hodgkinson,
Greg Orcutt, Doug Ruskin,
OB: Chair - Jason Balboni, Steve Auerbach, Maura McGroarty,
Mike Taus, Bill Vrooman,
Edg. Paulo DeOliveira,
Others: Dukes County Manager Martina Thornton,
Tis. Selectman Larry Gomez, OB Planning Bd. – Ewell Hopkins,
Minutes – Marni Lipke,
Schools: Supt. Matt D’Andrea, Ass. Supt. Richie Smith,
Business Mgr. Amy Tierney, MVRHS Finance Mgr. Mark Friedman,
* Late arrivals or early departures

Call to Order

The All Island and the Tisbury Finance and Advisory Committees (FinComs) were called to order at 6:30PM. *(Discussions have been summarized and grouped for clarity and brevity.)*

Speaker Martina Thornton

County Budget Review (See documents on file.)

The Fiscal Year 2017 (FY17) Dukes County Budget totaled \$1,782,731 as approved by the County Advisory Board (CAB) made up of one selectmen from each Town.

- The County was audited annually (along with the Airport) and the FY14 and FY15 Audits were posted on the County website (FY16 was not yet certified).
- The FY18 Budget was the fourth year in a row that the County assessments to the Towns were level, with any increases (such as Cost of Living Adjustments (COLAs), Registry increases, etc.) supplemented from revenues from other sources.
- The County contributed to the Other Post Employees Benefits (OPEB) Trust.
 - Registry of Deeds finances were discussed in some detail.
- The FY17 Registry Budget was \$407,403 of which the County was required by Massachusetts to fund \$327,452 (called Maintenance of Effort) with a mandated annual 2.5% increase—where there were no county existed the Registry was run and funded by the Commonwealth.
- Expenditure included four staff salaries and all expenses.

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- Deed Excise revenues went to the Commonwealth, with the exception of 10.5% (~\$241,000) to the County and Registry. The Registry used this fund (also accepting recording fee revenues) as a “rainy day” resource; for example a portion went to make each year’s budget whole.

- In 2010 when the Sheriff’s Office changed from Dukes County to Massachusetts supervision, the Office and County negotiated a Memorandum of Understanding (MOU) covering such things as: alarm fees, State Beach patrol, tenancy, utility bills, etc. (individual line items were merged in FY17).

- The Dukes County Health Council (DCHC) (usually minimally funded at \$500) requested \$4,000 earmarked for substance abuse prevention.

- The Airport FY17 Budget (a separate enterprise account) was briefly noted at \$5,511,913. Further details were available on request; however all questions should be directed to the Airport Manager or Commission. As expensively determined by several court cases the County had no jurisdiction over Airport finances. There was some concern that previous budgets were supplemented from reserves but this seemed to be rectified. Airport Commissioners were unpaid.

- A number of programs under County auspices were funded by other sources:

- FirstStop by Town warrant article;

- Youth Task Force by grants;

- Vineyard Health Care Access Program (VHCAP) by grants and Towns;

- Center for Living (CFL) by grants and Towns,

- Counseling Outreach and Referral for Elderly (CORE) by grants and Towns.

The Sheriff’s Office (subsidized by Massachusetts), VHCAP and CFL paid building maintenance and utility expenses in the form of rent to the County.

Center for Living (CFL/C4L) Update

- Although bonded through the County, the new building price was 100% Town funded—Ms. Thornton sent all Towns a ten year bond payment schedule for future budget planning.

- The building was not yet operational since the required Massachusetts legislation and the County/CFL lease negotiations only recently concluded. Consequently the building line was flat and FY17 building renovation expenses (as well as expanded program expenses that had not been realized) would be returned to the Towns (less minor costs: electricity, alarms, etc.) by reducing County assessments.

- The CFL was working with an architect and plans were still fluid as to how much would be used and how much rented. Ideally any rental would go to a

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municipality or a non-profit (see 7/9/15 OB FinCom Minutes p. 2-3)¹ since commercial rentals were extremely cumbersome requiring public hearings, State and Town notification, 90 day waiting periods, etc. Jeff Kristal and Doug Ruskin objected to paying any rent through Town taxation.

- The CFL FY18 budget was based on six months as a four day program and six months as a five day program. There were some standard increases: health insurance, salary COLAs, etc.
- The two previous Edgartown paid staff shifted to the County last year.
- Members commented on the convoluted nature of the CFL budget.
- The AI FinCom thanked Ms. Thornton for her report.

Martha's Vineyard Regional High School (MVRHS) (See documents on file.)
The MVRHS FY18 Budget Draft #7 would be presented at a Public Hearing and then recommended to the full School Committee for certification (see below: Meetings/Events).

- Budget highlights showed areas of savings and expenses.
- An assistant principal and two teacher positions were reduced last year and two more teacher positions would be reduced by attrition this year.
- Some MVRHS transportation costs were re-allocated to local schools and salary shifts for drivers covered added administrative duties. On the other hand on-Island and off-Island field trips and sports transportation had greatly increased.
- Utilities and insurance were projected at present prices and use.
- Career Technical Education (CTE) machinery/equipment varied from year to year and was down after the FY17 major automotive purchases.
- Extensive conversation, studies and reviews found about \$20,000,000 in capital maintenance and renovations. Administration and the Facilities Director were doing their best to fund short-term items with health and safety priorities (domestic hot water, broken windows, etc.) and squeeze efficiencies where possible.
- The single largest increase was health insurance assumed as advised at 10% (\$357,207), and next largest was contractual and longevity obligations at \$307,516) for current staffing levels.
- The MVRHSD budgeted steadily increasing annual contributions to the Dukes County OPEB Trust. To compensate for interest and normal costs (which would stop liability growth) the MVRHC was working towards and debating how to reach the goal of \$1,900,000 per year. The School Committee was also considering contributing some part of their Excess & Deficiency (E & D) similar to a Town's Free Cash. All municipalities were in similar situations. AI FinCom members commended Mr. Friedman for his forethought.

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- Residential Care fluctuated from year to year with even one additional student and was projected to rise \$242,572 for FY18. The State reimbursed a portion of extraordinary special education costs with Circuit Breaker funding (70¢ per \$1 on costs over \$40,000/year/student).
- The FinCom explored the shared serviced programs that kept as many students as possible on Island and with their families. The programs were in place of specialty schools available to most school districts but prohibited by the Island's geographic isolation. Special program costs were seen in the Shared Services budget increases that were considerably less than residential tuitions ranging from \$110-250,000 per student per year.
- Martha's Vineyard Public Schools (MVPS) special needs population was about 20% compared with the 17% State average.
- Students in residential care were constantly re-evaluated for return and stays were sometimes temporary.
- MVPS per pupil costs (~\$19,000 Oak Bluffs School as lowest) were above the \$17,000 state average mostly due to higher costs of living and higher paid teachers. However MVPS students were receiving outstanding educations as measured by MCAS scores and State school accountability ratings. There was a discussion on the Up Island Region school standing versus per pupil cost, however school ratings rose and fell on subgroup progress (special needs, English Language Learners, low income, etc.) so that a school could be extremely high performing (West Tisbury eighth grade science scored first in the State) while still losing accountability rating levels compared with similar schools (rural, size, revenue, etc.).
- The AI FinCom asked about cutting the very popular Strings Program.
- The MVRHS October 1st census as 661 up from 654 last year.
- The AI FinCom thanked the school officials for their time and report.

Minutes

There were no questions on the October 18, 2016 All Island FinCom Minutes.

Discussion of "Where We Go from Here" (See below: Meetings/Events.)

- There was general agreement that the meetings were helpful, sharing expertise, questions and opinions.
- Each local FinCom would decide whether to re-interview the regional entities.
- Nancy Gilfoy asked about instigating equipment sharing between towns.

Discussion of Other Regional Entities to Meet (See below: Actions.)

Adjourn

Chair Jeff Kristal wished everyone a Happy Thanksgiving and adjourned the meeting at 8:23PM.

continued

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Meetings/Events:

- MVRHS Budget Public Hearing - 6:00pm, Monday, November 28, 2016 PAC
- MVRHS Budget Certification - 7:00pm, Monday, December 5, 2016, MVRHS
- **Tis. FinCom - 6:30PM, Wednesday, December 14, 2016 - EMS Bldg**
- **OB/AI FinCom - 6:00PM, Tuesday, December 20, 2016 - TBD**
- **Tis. FinCom - 6:30PM, Wednesday, January 11, 2017 - EMS Bldg**
- **Tis. FinCom - 6:30PM, Wednesday, January 25, 2017 - EMS Bldg**

Action List:

- Martina – email: Organizational Chart, CFL Debt Schedule & Airport Budget,
- AI FinCom future agendas – DCRHA follow up, ACE-MV & CFL.

Documents on file:

- Agenda 11/22/16
- Sign In Sheet 11/22/16
- County of Dukes County FY2017 Budget Summary (2 p.) 6/30/16
- FY18 County Requests for Funding 11/18/16
- FY2018 Calculation of 50/50 Formula
- MV Social Services Receiving Town Funding 11/22/16
- FY2018 VHCAP Budget
- MV Senior Services (Center for Living) 11/15/16
- MVCS FY18 CORE Budget (2 p.) 11/18/16
- MVCS FY18 First Stop Budget 11/15/16
- Dukes County Organizational Chart
- MVRHS FY18 Budget Highlights FY18 Proposed Budget Changes (V.#7) vs. FY17 Certified Budget
- M.V. Regional High School District Proposed Budget for FY'18 Version #7 (8 p.) 11/28/16
- Kristal/Snyder cover email re: New Capital Planning Spreadsheets 11/16/16
- FY2018 Capital Planning Worksheets (7 p.) 11/16/16
- Kristal/Schroeder cover email re: Martha's Vineyard Commission Budget Process and Timeline 2016 11/1/16
- Breckenridge/MVC memo re: MVC Budget Process for FY2018 Budget 11/1/16
- Martha's Vineyard Commission FY2018 Budget Process
- MVC FY2018 Preliminary Draft Budget 11/3/16

Footnote 1: OB FinCom 7/9/15 Minutes:

- “Although the vote to purchase the building proposed a taxable bond suggested by the bond attorney, a tax-exempt bond was available at a lower rate (about \$100,000 discount); however it would restrict at least 90% of the rental to municipal uses.
- The second floor was a difficult space and a commercial renter would be difficult to find.
 - County Manager Martina Thornton was exploring various municipal options including the Town of Tisbury and/or possibly VHCAP—which could consolidate upkeep costs and free up the current New York Avenue building for other uses or rent. “

Minutes approved 1/11/17.