

**Tisbury Finance & Advisory Committee /
Tisbury Board of Selectmen
at the Katherine Cornell Theatre
5:00PM, Monday, July 24, 2017**

Present: Chair – Jeff Kristal, Paul Cefola, Nancy Gilfoy, Tom Keller,
Jynell Kristal, Mary Ellen Larsen,
BOS: Chair – Larry Gomez, Tristan Israel*, Melinda Loberg*,
Town: Treasurer – Jonathon Snyder, Accountant – Suzanne Kennedy,
DPW – Ray Tattersall, Facilities Manager – Kirk Metell,
Fire Chief – John Schilling, Tis. School Principal – John Custer,
Planning Bd. Chair – Ben Robinson,
Others: Alex LaMarche, Daedalus/OPM – Joe Sullivan,
Designer/Architects – Libby Turowski, Peter Turowski,
Minutes – Marni Lipke

* Late arrivals or early departures

• Call to Order

The Tisbury Finance and Advisory Committee (FinCom) was called to order at 5:03PM. *(Recorder's Note: Discussions are summarized and grouped for clarity and brevity.)*

• Discussion of Chairmanship for Fiscal Year 2018 (FY18)

• Unfortunately, there were now less FinCom members present than last meeting when the vote was postponed until more members could be present. Paul Cefola objected to last year's re-organization vote. Current Chair Jeff Kristal asked if his objections were about being cut off from bringing personal issues onto the agenda, which Mr. Cefola affirmed. All officers were commended for their hard work and commitment.

• *NANCY GILFOY NOMINATED JEFF KRISTAL AS CHAIR; MARY ELLEN LARSEN SECONDED; JEFF KRISTAL ACCEPTED THE NOMINATION; NOMINATIONS WERE CLOSED; NOMINATION PASSED: 5 AYES, 1 NAY—PAUL CEFOLA, 0 ABSTENTIONS.*

• *JEFF KRISTAL NOMINATED MARY ELLEN LARSEN AS VICE CHAIR; JYNELL KRISTAL SECONDED; MARY ELLEN LARSEN ACCEPTED THE NOMINATION; NOMINATIONS WERE CLOSED; NOMINATION PASSED UNANIMOUSLY: 6 AYES, 0 NAYS, 0 ABSTENTIONS.*

• *MARY ELLEN LARSEN NOMINATED NANCY GILFOY AS CLERK; JYNELL KRISTAL SECONDED; NANCY GILFOY ACCEPTED THE NOMINATION; NOMINATIONS WERE CLOSED; NOMINATION PASSED UNANIMOUSLY: 6 AYES, 0 NAYS, 0 ABSTENTIONS.*

• Joint Meeting with Selectmen

Chair Larry Gomez called the Tisbury Board of Selectmen (BOS) to order at 5:08PM.

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• State of Tisbury (*J. Snyder*)

- Town Assessment (See documents on file.)

Town assessments were down \$55 million due to slowing of high-end real estate sales. This would raise the millage (mill) rate (tax amount per \$1,000 of assessed property value) 25¢. The re-assessment happened when a house in a neighborhood sold for less than expected, resulting in re-evaluation/re-assessment of an entire neighborhood. The average 18% residential exemption would minimally reduce the impact, however as resident tax bills decreased, non-resident (seasonal) tax bills increased. Assessment appeals were fairly common and steady.

- School Assessment (See documents on file.)

The mill rate for the new school bond was estimated at \$1.19 phased in over two or three years, probably starting in Fiscal Year 2020 (FY20), borrowing half, then a third, then final construction costs as needed. Interest costs were expected to rise.

- Overall Levy Increase

Projections for standard annual budget were mostly based on salary increases (salaries were 90% of dept. budgets): Cost of Living Adjustments (COLAs), steps, benefits, etc.; and also on the usual Proposition 2 ½ ceiling. Combining all factors (\$0.25 assessment + \$1.19 school + overall budget) the total mill rate was likely increase from \$9.11 to \$12.06-\$12.09 over the next few years. The TFC and Selectmen considered how to limit Town spending (see below p. 4 FY19 Warrant Article Discussion).

• School Presentation and Update (See documents on file.)

Peter Turowski of Turowski 2 Architects presented the plans for the new school building voted by the Tisbury School Building Committee (TSBC) as the most cost effective, educationally appropriate option. There was a very positive meeting with the Massachusetts School Building Authority (MSBA) resulting in another \$700,000 in reimbursements. It was emphasized that the building would be designed over the next four months but that cost estimates were fairly solid. Projected elements: number of floors, square footage, accessibility, materials, educational spaces, parking, etc. were described. Construction was a 23 month process starting in Spring 2019, occupancy goal September 2021. The Architect Design/Owners Project Manager (OPM) team were experienced in bring projects in on time and at or under budget.

- The next goal was to submit the final design on November 9, 2017 for the MSBA to fix its reimbursement budget on December 13, 2017, and then hoping for a positive vote at Town Meeting and the Ballot in April 2018.

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- The project would meet the green building minimum for the 2% MSBA reimbursement incentive but could exceed the minimum to conserve long-term maintenance and operating costs.
- The TFC and Selectmen discussed a number of questions.
- Once the MSBA fixed their reimbursement cost, overruns became the Town's responsibility.
- The very conservative ~\$32,400,000 Town expenditure estimate included the "Island Factor", as well as \$1,900,000 for unexpected contingencies (new construction was lower risk than renovation)—MSBA capped contingency reimbursement at \$400,000.
- The MSBA projected the school population at 285, down from the current 315 average. More space was planned for fewer students due to current building overcrowding, inclusion of shared services and/or pre-school space, as well as the changed/changing nature of education requiring larger classrooms. Last year there were 21 unexpected new Tisbury students at the High School possibly due the Town becoming a more affordable place to live. The project incorporated internal room for expansion without further addition.
- Demolition cost had not been separated out yet. Modular temporary classrooms for the entire school would be about an additional \$1,000,000 but might not be needed, depending on options and locations.
- The Shared Services Preschool program was already in existence and would not constitute increased staff costs. All the other local Martha's Vineyard Public Schools (MVPS) housed one or more Shared Services classes. The MSBA would reimburse for Shared Services construction costs (but not furniture—a minor expense).
- Selectmen Tristan Israel was looking for cost flexibility and sharper pencils. Building lifecycle costs would be examined. Savings through purchasing lesser grade construction materials were often paid for through higher ongoing maintenance costs.
- Planning Board Chair Ben Robinson objected to being stuck within the MSBA standard guidelines and felt the Architect/OPM team had misled the TSBC during the Feasibility decision process in not noting that the MSBA allowed grandfathered minimums for smaller classrooms.
- Jeff Kristal responded that this decision had already been made and affirmed and that the Town needed to move forward on the project as voted. He also mentioned an initiative to the shift Martha's Vineyard Regional High School (MVRHS) assessment formula.

• Update on Munis Fix (See 5/31/17 Minutes p.2.)

Treasurer Jonathon Snyder and Accountant Suzanne Kennedy were making

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steady progress in automatic entry between the Harpers and Munis systems. Harpers Company was more responsive in fixing the wrinkles. Polling of other Towns using Harpers/Munis found more seamless transitions. The FinCom suggested Town Counsel send a letter requesting a rebate.

• Taxation of Marijuana Member Participation

State committee parameters for recreational marijuana were in process for a July 1, 2018 effective date. The Massachusetts Municipal Association (MMA) was considering the matter. The Town had the power to enact zoning that would prohibit marijuana retail space within its boundaries. On the other hand Martha's Vineyard had voted heavily in favor of the law and there could be substantial local tax revenue involved. There was confusion over whether the Selectmen had established a committee.

• Town Wide New Hire Discussion (See documents on file.)

Town had declared a hiring freeze and Town Administrator Jay Grande had referred Dept. of Public Works Director Ray Tattersall to the FinCom regarding hiring for already budgeted positions. The issues included:

- timing delays disrupting seasonal work;
- freeze applying to budgeted versus new positions,
- savings through regionally shared positions (Aug. 15th meeting scheduled with Oak Bluffs).

• *MARY ELLEN LARSEN MOVED TO RECOMMEND TO THE BOARD OF SELECTMEN THAT THE DEPARTMENT OF PUBLIC WORKS BE AUTHORIZED TO HIRE AS BUDGETED; NANCY GILFOY SECONDED; MOTION PASSED UNANIMOUSLY: 6 AYES, 0 NAYS, 0 ABSTENTIONS.* (See below: Action List.)

• Special Town Meeting Discussion

There might or might not be a Special Town Meeting on real estate issues and/or the new school project. Special Town Meetings cost about \$3-4,000.

• FY19 Warrant Article Discussion

• Ray Tattersall advised the FinCom and Selectmen that funding beyond Chapter 90 reimbursements would be needed for major road repairs. There was a brief discussion on the ramifications of including borrowing within the School Bond. The issues were: "frugal not foolish", neglect of infrastructure, library and police station poor construction, demanding 0% to 1% increases that resulted in under-staffing and overburdened personnel.

• Some small infrastructure projects (e.g. dog park fencing) were important to the quality of Town life and Visioning Committee work was noted.

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- The FinCom proposed automatically rejecting all late filed articles.
- Community Preservation Act (CPA/CPC) reimbursement rates would be affected as more towns, including Boston joined. However CPC returns, as well as MSBA reimbursement, were the best percentage returns for Town capital spending.
- In view of a number of imminent capital investments (roads, sidewalks, wastewater, MVRHS renovation/addition) the Selectmen and FinCom revived a FinCom based Capital Planning Committee. The FinCom noted the Oak Bluffs Capital Improvement Program (CIP) as a good model.
- There was a discussion on zoning for Town management and revenue including: condominiums, commercial taxes, limited development land, and taxpayer tolerance for increases. Ben Robinson again advocated that the Town re-think the \$35 million new school project.
- The FinCom suggested more aggressive pursuit of grant funding—the Town received about \$1,000,000 in grants this year (see below: Action List).

• **New Member Discussion** (See below: Action List.)

- The FinCom was mandated to appoint a representative (not serving on any Town Board) to the Ribbon Committee (see 2/22/17 Minutes p.14 #40).
- Board of Selectmen Motion: To adjourn at 6:58PM: unanimously: 3 ayes, 0 nays, 0 abstentions. Chair Gomez thanked the FinCom for a good meeting.
- Vice Chair Mary Ellen Larsen reminded members that part of FinCom responsibility was to monitor and report on other Town Departments; however some members did not have the time to commit to more work.

Meetings/Events:

AIFC/Oak Bluffs FinCom – 5:00PM, Thursday, August 24, 2017

TFC – 5:00PM, Monday, September 25, 2017 at the EMS Bldg.

AIFC/Tisbury FinCom – 5:00PM, Thursday, September 28, 2017

TFC – 6:30PM, Wednesday, October 11, 2017 at the EMS Bldg.

AIFC/West Tisbury FinCom – 5:00PM, Thursday, October 26, 2017

TFC – 6:30PM, Wednesday, November 8, 2017 at the EMS Bldg.

AIFC/Edgartown FinCom – 5:00PM, Thursday, November 30, 2017

TFC – 6:30PM, Wednesday, December 13, 2017 at the EMS Bldg.

AIFC/ West Tisbury FinCom – 5:00PM, Thursday, December 28, 2017

AIFC -TBD – 5:00PM, Thursday, March 8 or 15, 2017.

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• Adjourn

• *NANCY GILFOY MOVED TO ADJOURN AT 7:07PM; MARY ELLEN LARSEN SECONDED; MOTION PASSED UNANIMOUSLY.*

Action List:

- Jeff: invite Sarah York to next meeting.
- All: consider candidate for Blue Ribbon Committee.
- Jeff: contact Ben Robinson re: Blue Ribbon representative.
- Selectmen: email Jay Grande re: authorization for DPW posting.
- Jonathon/Suzanne: contact Town Counsel re: Harper's rebate.
- Selectmen: contact MVC Dir. Adam Turner re: grants.
- September Agenda:
- Minutes: 4/5/17, 4/12/17, 4/25/17, 5/31/17, 7/24/17 (as amended),

Documents on file:

- Agenda 7/24/17
- Town of Tisbury, MA (\$33,000,000 20 Years) Proposed Financing - Tisbury School
- On the average house (value - \$811,243)...
- Kristal email re: Mill Rate 7/11/17
- Grande email re: Hold On New Hires 7/11/17
- Finance Committee Presentation Tisbury Elementary School, Daedalus/T2 (23 p.) July 24, 2017
- Kristal/Grande email re: Regulation and Taxation of Marijuana 6/7/17
- Grande memo re: Taxation of Marijuana 6/7/17
- All Island Finance and Advisory Committee Agenda Posting 6/22/17

Minutes approved as amended 9/25/17.