

Tisbury Finance and Advisory Committee
6:30PM, Wednesday, March 22, 2023
by Zoom Cloud Conference

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Present: Chair Nancy Gilfoy, Louise Clough, Mary Ellen Larsen,
John Oliver, Rachel Orr, Allan Rogers, Dan Seidman
Town: Treasurer – Jonathan Snyder, Moderator – Deborah Medders,
Waterworks – James Cleary,
Others: Recorder – Marni Lipke,

* TFC members late arrivals or early departures.

Call Meeting to Order

• The Tisbury Finance and Advisory Committee (FinCom) was called to order at 6:33PM. (*Recorder's note: Discussions are summarized and grouped for clarity and brevity.*)

Discussion and Vote of Waterworks Revised Budget Article #15 and Capital Projects Article #16 (See documents on file.)

Waterworks was another enterprise fund, i.e. it made the money it spent. Total Waterworks capital spending bottom line was unchanged but \$137,280 in Lead Removal was moved from the Water Main Replacement to its own line as a reimbursable expense through an Environmental Protection Agency (EPA) grant. This phase of the program was an EPA/Department of Environmental Protection (DEP) mandate to survey, document and digitalize lead in the Town water system—followed by the more expensive remediation work. Residents' service lines would be surveyed at the same time and residents informed of any necessary remediation.

- The cost was split between two fiscal years—the likely duration of the survey phase.

• On related subjects, the Town water source continued to report non-detect levels of polyfluoroalkyl substances (PFAS). PVC pipe was rated as having no bleed/leak into water.

- The Department was monitoring industrial and other activity around the Sanborn Well and affirmed the safety of Zone 1.

• Waterworks Operator James Cleary was available for questions.

• *ALLAN ROGERS MOVED TO RECOMMEND APPROVAL OF THE FOLLOWING FISCAL YEAR 2024 ANNUAL TOWN MEETING AS PRESENTED:*

#15 WATER WORKS FISCAL YEAR 2024 BUDGET (\$1,719,810.31),

#16 WATERWORKS CAPITAL EXPENSES (\$839,000);

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DAN SEIDMAN SECONDED; MOTION PASSED **UNANIMOUSLY: 7 AYES, 0 NAYS, 0 ABSTENTIONS**; LOUISE CLOUGH—AYE, RACHEL ORR—AYE, MARY ELLEN LARSEN—AYE, JOHN OLIVER—AYE, ALLAN ROGERS—AYE, DAN SEIDMAN—AYE, NANCY GILFOY—AYE. Thanks were exchanged.

Discussion and Vote on Revised Budget(s)

• ALLAN ROGERS MOVED THAT THE FINANCE AND ADVISORY COMMITTEE ACKNOWLEDGED THE FISCAL YEAR 2024 BUDGET AND WARRANT PROCESS SOMETIMES INVOLVED CHANGING INFORMATION AND THEREFORE:

- RESCINDED ANY PREVIOUS DUPLICATE VOTES ON BUDGETS OR WARRANT ARTICLES AND

- AFFIRMED THE LATEST VOTES AS THEIR OFFICIAL RECOMMENDATIONS;

DAN SEIDMAN SECONDED; MOTION PASSED **UNANIMOUSLY: 7 AYES, 0 NAYS, 0 ABSTENTIONS**: LOUISE CLOUGH—AYE, RACHEL ORR—AYE, MARY ELLEN LARSEN—AYE, JOHN OLIVER—AYE, ALLAN ROGERS—AYE, DAN SEIDMAN—AYE, NANCY GILFOY—AYE.

Select Board Other (See documents on file & 3/15/23 Minutes p.5.)

Health insurance could be reduced by ~ \$150,000, but insurance agents reported a significant national property insurance rate rise and advised a \$100,000 line increase. The FinCom noting a recent Reserve Fund request to cover insurance (see 8/25/21 p.1-2) and the unexpectedly high Tisbury School Project construction insurance, asked if this was sufficient. Town Finance Director Jonathan Snyder was relying on the insurance experts.

- Once completed, the newly renovated School would be insured at its construction cost (\$80,000,000)—in contrast to the previous \$20,000,000 building insurance value. Insurance rates for the completed Owen Park pier and Library repairs/renovation should remain fairly stable.

- The Municipal Insurance line (deductibles coverage) also spiked exponentially in the last 8 years.

• ALLAN ROGERS MOVED TO RECOMMEND APPROVAL OF THE **SELECT BOARD OTHER #123 FISCAL YEAR 2024 BUDGET, AS AMENDED**: LOUISE CLOUGH SECONDED; MOTION PASSED **UNANIMOUSLY: 7 AYES, 0 NAYS, 0 ABSTENTIONS**; LOUISE CLOUGH—AYE, RACHEL ORR—AYE, MARY ELLEN LARSEN—AYE, JOHN OLIVER—AYE, ALLAN ROGERS—AYE, DAN SEIDMAN—AYE, NANCY GILFOY—AYE.

Discussion and Vote on Annual Town Meeting (ATM) Articles

Article #2 Prior Year Bills

The \$18,856.04 tally was mostly from and paid for by the two enterprise funds.

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Article #7d Waterways Portable Toilet Enclosure

There was a brief discussion on the location of the enclosure—that it not spoil views or take parking lot space.

Article #9a Library Renovation/Repairs

(See documents on file & Minutes: 3/1/23 p.2 & 3/8/23 1-2)

The bulk of the funds were for professional services (Owners Project Manager and/or consultant) with language allowing any residual to be used in repair/construction costs. ~ \$400,000 residuals from previous articles could be used for any immediate/urgent repairs. \$1,200,000 in private funds had been raised to construct the new addition. The Library Board of Trustees approved the proposed article.

Article #11 General Stabilization Fund

Free Cash was finally certified at over \$7,000,000, consisting of:

- \$2,000,000 from FY22 Free Cash;
- conservative estimation and revenue spikes of local receipts;
- unspent funds.

In consultation with Town Administrator Jay Grande and Accountant Suzanne Kennedy, Jon Snyder decided to place \$1,500,000 in General Stabilization to bring the balance to ~ 10% of the Town operating budget (his goal was 15%), to maintain and/or increase the Town's bond rating from AA+ to AAA. \$3,000,000 would be reserved in Free Cash which would relieve some of the financial pressure on the Town, and would rollover into next year's Free Cash.

- The FinCom raised a number of issues.
 - Additional funds for the Building and Infrastructure Stabilization Fund would help defray Town capital costs; however Mr. Snyder felt such funds would be spent instead of saved for the bond rating.
 - There was a discussion on the conundrum of large amounts of Free Cash in a Town Hall and Town that considered itself and acted as if it were "poor".
 - It was difficult to pass large spending items.
 - Town Hall staff had a savings mindset, to re-use what it could, etc. but the upcoming generation had no sense of savings/economizing.
 - Administration encouraged Departments not to over-budget.
 - The FinCom could modify its annual budget letter which repeatedly asked for level funded budgets. Mr. Snyder reported other Town FinComs asked for 2% cuts with hard justifications for any more.
 - Town facility maintenance spending should *not* be discretionary.
- ***ALLAN ROGERS MOVED TO RECOMMEND APPROVAL OF THE FOLLOWING FISCAL YEAR 2024 ANNUAL TOWN MEETING AS PRESENTED:***

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**#2 PRIOR YEAR BILLS (\$18,856.04),
#7D TOILET ENCLOSURE - WATERWAYS (\$2,000),
#9A LIBRARY REPAIRS/RENOVATION (\$800,000),
#11 GENERAL STABILIZATION (\$1,500,000);**

JOHN OLIVER SECONDED; MOTION PASSED **UNANIMOUSLY: 7 AYES, 0 NAYS, 0 ABSTENTIONS;** LOUISE CLOUGH—AYE, RACHEL ORR—AYE, MARY ELLEN LARSEN—AYE, JOHN OLIVER—AYE, ALLAN ROGERS—AYE, DAN SEIDMAN—AYE, NANCY GILFOY—AYE.

Article #37 Fiscal Year 2024 (FY24) Operating Budget

• ALLAN ROGERS MOVED **TO RECOMMEND APPROVAL OF THE FISCAL YEAR 2024 ANNUAL TOWN MEETING \$37,838,85915 OPERATING BUDGET ARTICLE AS PRESENTED;** LOUISE CLOUGH SECONDED; MOTION PASSED **UNANIMOUSLY: 7 AYES, 0 NAYS, 0 ABSTENTIONS;** LOUISE CLOUGH—AYE, RACHEL ORR—AYE, MARY ELLEN LARSEN—AYE, JOHN OLIVER—AYE, ALLAN ROGERS—AYE, DAN SEIDMAN—AYE, NANCY GILFOY—AYE.

Discussion and Vote on Special Town Meeting (STM) Articles

• ALLAN ROGERS MOVED **TO RECOMMEND APPROVAL THE SPECIAL TOWN MEETING ARTICLE TO RENAME AND EXPAND THE CLIMATE AND ENERGY STABILIZATION FUND AS PRESENTED;** JOHN OLIVER SECONDED; MOTION PASSED **UNANIMOUSLY: 7 AYES, 0 NAYS, 0 ABSTENTIONS;** LOUISE CLOUGH—AYE, RACHEL ORR—AYE, MARY ELLEN LARSEN—AYE, JOHN OLIVER—AYE, ALLAN ROGERS—AYE, DAN SEIDMAN—AYE, NANCY GILFOY—AYE.

• Aquinnah and Edgartown were using the same Article #11 Fractional, Time-share, Interval Ownership language and Town Counsel advised that as it stood the article would be a deterrent for large companies. The FinCom noted:

◦ the explicit exceptions for clubs, families, etc.

◦ that such practice was already in existence on the Island.

- There were objections that Bylaws should be enforceable—a similar Nantucket bylaw was being challenged.

• LOUISE CLOUGH MOVED **TO RECOMMEND APPROVAL THE SPECIAL TOWN MEETING ARTICLE ON TIME-SHARE, INTERVAL AND FRACTIONAL OWNERSHIP ZONING BYLAWS AMENDMENT AS PRESENTED;** ALLAN ROGERS SECONDED; MOTION PASSED: **6 AYES, 1 NAY, 0 ABSTENTIONS;** LOUISE CLOUGH—AYE, RACHEL ORR—AYE, MARY ELLEN LARSEN—AYE, JOHN OLIVER—AYE, ALLAN ROGERS—AYE, DAN SEIDMAN—NAY, NANCY GILFOY—AYE.

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Approve Minutes: 2/22/23, 3/1/23, 3/8/23, 3/15/23

• LOUISE CLOUGH MOVED TO APPROVE THE FOLLOWING MINUTES:

- FEBRUARY 22, 2023,
- MARCH 1, 2023,
- MARCH 8, 2023,
- MARCH 15, 2023,

ALLAN ROGERS SECONDED; MOTION PASSED UNANIMOUSLY: 7 AYES, 0 NAYS, ABSTENTIONS AS ABSENT; LOUISE CLOUGH—AYE, RACHEL ORR—AYE, MARY ELLEN LARSEN—AYE, JOHN OLIVER—AYE, ALLAN ROGERS—AYE, DAN SEIDMAN—AYE, NANCY GILFOY—AYE.

Committee Reports

- The Sewer Advisory talked about how to adjust flow for various categories of the expansion: housing, light industrial, reserve, etc.
- John Ramsey of Coastal Zone Management (CZM) would address the Climate Committee on harbor front and climate resiliency (see below: Meeting/Events).
- The Tisbury Select Board (TSB) appointed 3 new members to fill all the vacancies in the 7 member Water Resources Committee.
- Steering Committee heard consultants on recommended B1/B2 wastewater districts, as well as residents who were unhappy with proposed designs. Sessions for public input were scheduled (see below: Meeting/Events).

Future Meetings (See below: Meeting/Events.)

Chair Nancy Gilfoyl would draft the Voter Guide and the Martha's Vineyard Regional High School (MVRHS) Regional Agreement summary. The FinCom thanked the Chair and Ms. Lipke for their work facilitating the budget process.

- After many years of FinCom membership and service, the April meeting would be Mary Ellen Larsen's last. Members suggested an in-person meeting with refreshments. Ms. Larsen spoke of how much she had learned as well as her frustration with trying to get things done.

Items Not Reasonably Anticipated by the Chair – None

Adjournment

• DAN SEIDMAN MOVED TO ADJOURN AT 7:42PM; ALLAN ROGERS SECONDED; MOTION PASSED UNANIMOUSLY: 7 AYES, 0 NAYS, 0 ABSTENTIONS: LOUISE CLOUGH—AYE, RACHEL ORR—AYE, MARY ELLEN LARSEN—AYE, JOHN OLIVER—AYE, ALLAN ROGERS—AYE, DAN SEIDMAN—AYE, NANCY GILFOY—AYE.

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Appendix A: Meetings/Events

- TFC Recommendation Warrant Deadline – March 23, 2023
- Public Feedback on B1/B2 WW Districts: Town Hall Annex
 - 12:00-2:00PM, Friday, March 24, 2023
 - 4:30-6:30PM, Monday, March 27, 2023
 - 8:00-10:00AM, Wednesday, March 29, 2023
- CZM/Climate Committee – 1:00PM, Monday, March 27, 2023 - ESF/Hybrid
- TSB Warrant Sign-Off – March 29, 2023
- **TFC – 6:30PM, Wednesday, April 5, 2023 TBD**
- STM/ATM –Tuesday, April 25, 2023 – MVRHS PAC

Appendix B: Actions

Nancy – draft Voter Guide and MVRHS Regional Agreement summary

All – Please remember not to hit “Reply All”.

Future Agendas

- Minutes: 3/22/23
- (New School Maintenance Budget)

Budget Season Notes

- No new positions in FY25
- FY25 salaries/budgets will be higher due to classification raises.
- redraft FinCom letter
 - include deadlines and send to Committees/Boards
 - consider Budget/Free Cash anomalies;
- include Building Dept. fee revenues (offsetting expenses) in budget interview;
- ask departments to project all needs 5 years out i.e. like a capital plan but on other factors—staffing, program changes, etc.
- Ask departments: general energy efficiency and emergency preparedness:
 - insulation, window repairs,
 - turn down heat/air conditioning, turn off lights, motion sensor or timers,
 - under sink hot water heaters.

\$100,000 FY23 Reserve Fund spending tally – Balance: \$75,393

2/8/23 – Animal Control - \$14,607 heating repair

3/15/23 – IT - \$10,000 Hybrid Meeting Equipment

Appendix C: Documents on File

- Agenda/Gilfoy cover email (2 p.) 3/22/23
- Kennedy cover email re: Select Board Other Budget
- FY 2024 Budget Plan Town of Tisbury Department 123 Selectmen-Other

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Appendix C: Documents on File (cont.):

- Tisbury Water Works Warrant Articles for Town Meeting FY 2024 – Revised 3/20/23
- Article Submission Form Revised ATM – 3/20/23
 - \$700,000 To Reduce the Tax Rate
 - \$1,500,000 To Fund General Stabilization
- Town of Tisbury Special Town Meeting Warrant, Tuesday, April 25, 2023 at 7:00PM (16 p.)
- Town of Tisbury Annual Town Meeting Warrant, Tuesday, April 25, 2023 at 7:00PM (17 p.)
- Chat:
Deborah Medders to Everyone 7:28PM – Good night -

Nancy Gilfoy – Chair

Date

Minutes approved 9/6/23