

Town of Oak Bluffs
Finance and Advisory Committee
Thursday, January 14, 2021, 5:00 pm
Via Zoom Conference

Present: Chair –Bob Gaffey, Bernie Crossland, Sherry Countryman*, Maura McGroarty, Mike Taus*, Greg Thornton, Walter Vail, Bill Vrooman, Richard Weiss*,

Absent: None

Others: Recorder - Marni Lipke

Town: Town Administrator – Bob Whritenour,

Schools: Supt. Matt D’Andrea, Interim Business Manager Mark Friedman,

OBS Prin. Megan Farrell, MVRHS Prin. Sarah Dingley,

ACE MV - Exec. Director Holly Bellebuono, Heidi Feldman, Norm Werthwein

* Late arrivals or early departures of OB FinCom members, noted solely to mark vote counts.

• The Oak Bluffs Finance and Advisory Committee (FinCom) came to order at 5:02pm.

(Recorder’s Note: Discussions have been summarized and grouped for clarity and brevity.)

Approval of Minutes

• BILL VROOMAN MOVED TO APPROVE THE JANUARY 7 MINUTES; WALTER VAIL SECONDED; MOTION PASSED: 6 AYES, 0 NAYS, 0 ABSTENTIONS: WALTER VAIL—AYE, MAURA MCGROARTY—AYE, GREG THORNTON—AYE, BERNIE CROSSLAND—AYE, BOB GAFFEY—AYE, BILL VROOMAN—AYE.

Oak Bluffs School (OBS) Budget (See documents on file.)

• Principal Megan Farrell praised her school and community for their response to the pandemic; their ability to turn on a dime to remote schooling, staff summer dedicated to Professional Development (PD), family and student participation, and now testing regimes to keep students and staff safe. The FinCom thanked her for her excellent work.

• The OBS Fiscal Year 2022 (FY22) budget showed a 4.62% increase of which 2.56% was collective bargaining contractual and the only “discretionary” increase was moving a Phys Ed teacher from 0.6 Full Time Equivalent (FTE) to 1.0 FTE (\$13,219). “Assessment based” increases were:

- 0.14% Transportation, and

- 1.83% Supt. Shared Services Office—adding an accountant to the Finance Department.

The Shared Services Office was assessed by elementary school enrollment with School Choice and Shared Services students counted from their towns of residence (not their school attendance)—MVRHS enrollment assessment was calculated the same way.

• The FinCom discussed OBS enrollment which was down 10-12 students this year. Oak Bluffs affordable housing availability made it the largest Kindergarten thru 8th grade (K-8) school on the Island—with 65 to 200 more students than the other k-8 schools. OBS demographics were:

- 40% on free and reduced lunch program;

- 23% English Language Learners (ELL); and

- 24% Special Education.

- 36 Island students used School Choice to attend the OBS and 32 OBS students used it to attend other Island schools. This might be due to OBS excellence, parent convenience working in another Town or school, split families, wish to separate siblings, etc.

- Class section size varied from the larger middle school sections of 19 students to 17 in 2nd and 3rd grades—although there was a “bubble dip” in 1st grade with only 12 students per class.

• OBS had less teaching assistants (known as Education Support Professionals (ESPs)) than other Martha’s Vineyard Public Schools (MVPS) which usually had one per section. For example OBS grades 5 – 8 shared 2 assistants among 3 sections, while the primary grades had more. Assistants were also assigned as mandated by Special Education Individual Education Plans (IEPs).

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- The Covid-19 pandemic had resulted in a skeletal staff, steeply reducing interventions because math and reading specialists were taking sections, and ELL students were concentrated in one classroom.
- The FinCom thanked Prin. Farrell. Prin. Farrell thanked the FinCom and Town for their support.

Martha's Vineyard Regional High School (MVRHS) Budget

(See documents on file & below: Actions.)

- Superintendent Matt D'Andrea echoed Prin. Farrell's sentiments, thanking the Island community and Towns for their support during the challenges of the pandemic. He reported that all students, except those voluntarily opting for remote learning, were participating in in-person education in varying degrees according to school and grade.
- Principal Sarah Dingley presented the FY22 MVRHSD Budget at 3.51% and 4 warrant articles.
- Like the OBS a significant portion of the 3.51% budget increase was collective bargaining contractual or fixed.
 - The Superintendent's Shared Services Office assessment increased as noted above to provide Islandwide support in a new staff position.
 - MVRHS property insurance increased—other insurance was level-funded with the hope that any increases could be absorbed.
 - Facilities issues were adjusted according to more accurate tracking among, preventive (pro-active/testing/inspections/etc.) and corrective (break and fix) maintenance, with capital spending down slightly or shifted to the warrant articles.
 - PD was restored after the Covid-19 cuts.
 - Administrative/non-union salary raises that were voluntarily forgone during Covid cuts were also restored—showing both FY21 and FY22 increases.
 - Transportation always generated robust conversations on costs and on local reimbursement adjustments. However, as the fleet owner, the MVRHS was required to be able to cover 100% of all expenses including any overages, presenting one of the Budget pressure points.
- Initiatives constituted 0.48% of the increase:
 - PD for curriculum design accessibility;
 - matching portion of the MV Youth Workforce Development grant to advise students choosing trades or non-typical careers (i.e. other than 4 yr. college);
 - Early Childhood Education instructor—another non-typical career need indicated by research data—possibly in partnership with the Martha's Vineyard Community Services (MVCS) or a community college;
 - position in partnership with Shared Services Office on a 3 year grant to institute an MVRHS based health center;
 - position for bilingual/Portuguese speaking mental health services.
- Salary increases were often over 4%, comprising not only negotiated annual adjustment but also steps (seniority) and lane changes (degrees—Masters, PHD, etc.).
- The statutory assessment would not be available until the Governor's Budget was released—however the regional assessment was provided—which was within - 1% of the final assessment.
- The MVRHS carried significant contingency reserves first instituted in FY21. As the line was offset by Excess and Deficiency (E & D) it did not effect Town assessments. The reserve was used for unexpected expenses such as Residential Placements (tuition sometimes \$200,000) or aging facility problems. So far about \$180,000 of the FY21 \$600,000 total was spent to disinfect buses between each run and to pay the MVRHS share of asymptomatic testing costs.
 - Although the MVRHS received some State/Federal CARES Act funds they did not cover all Covid expenses.
 - The MVRHS worked in cooperation with elementary schools and Student Support/Special Education in estimating residential placement costs. Schools were responsible for such students until 22 yrs. of age.

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The 4 warrant articles (requiring all 6 Town approvals) were then reviewed and discussed.

- The MVRHS received a grant for up to \$500,000 (from Volkswagen settlement funds) and this \$261,000 article was for 2 electric buses (cost upwards of \$380,000 each) to start the conversion of the entire fleet. The trend was in line with the State shift away from gas/diesel vehicles (about \$100,000 each). There had been multiple discussions with the Vineyard Transit Authority (VTA) who were very enthusiastic about their own shift to an electric fleet. It was expected that further grants would be available in the future,

- MVRHS technology infrastructure was seriously outdated and during the pandemic it had been utilized in ways that were previously unimagined. Upgrades were needed in: networks, voice, security, services, cables—and a small contingency for unexpected hurdles—total cost \$656,000. The proposal was essential to keep the building going. The improvements would survive/be incorporated into a larger building project; for example cabling could be preserved through dropped ceilings and partial renovations.

- Although not an integral part of MVRHS operations, the MVRHS owned and was responsible for upkeep of the Superintendent's Shared Services Office building—in this case \$30,000 was needed for shingling repairs.

- The MVRHS carried almost \$1,000,000 in contributions to its Other Post Employee Benefits (OPEB) liability. Pressure among some MVRHSC members and Towns to reach the Actuarially Determined Employer Contribution (ADEC) (pay down in 30 yrs) within the next 5 to 7 years had recently pushed the MVRHS budget into 4-5% increases. The budgeted OPEB amount would remain, but the annual increase to reach ADEC in 5 years (\$302,500) was separated into a warrant article this year to:

- provide transparency and voter education;
- allow Towns to weigh in and speak to different ways to approach the issue;
- separate debt/liability pay-down from educational costs.

If approved the increase would be incorporated in the FY22 budget and future budgets. Supt. D'Andrea warned of the future struggle to re-incorporate ADEC increases into the budget if the article was defeated.

- The FinCom addressed MVRHS borrowing to cover some capital expenses, however the above items did not warrant bonding—which would also limit project choice. Larger capital outlays (e.g. building envelope, heating/ventilation/air conditioning (HVAC)) would require MVRHS bonding.

- The FinCom suggested reducing technology upgrade impact by spreading it over 3 years.

- The FinCom then addressed the ongoing issue of what they considered to be an inequitable capital assessment formula, and reluctantly noted rejection of capital articles as their only tool to bring other Towns to the table. Formula resolution was a major FY22 FinCom goal.

- School officials had been working hard on this issue with the Island FinComs for several years. They understood the different perspectives of the six Towns and urged the Island to come together for regional advocacy to support an equitable formula and begged anyone with possible a solution to contact the Superintendent.

- Administrators also emphasized their duty to keep the facility safe and reliable for the roughly 700 students and 200 staff who worked in it. Prin. Dingley stressed the importance of aesthetics and campus pride in educating students, pointing out the streamers, balloons and music that welcomed students back to school after the Covid-19 shutdown.

- Thanks were exchanged.

Adult Community Education Martha's Vineyard (ACE MV) Budget

ACE MV was the Request For Proposal (RFP) vendor for the All Island School Committee support of adult education, providing primarily workforce related courses in: hospitality, electrical, plumbing, carpentry, trades, teaching, etc. and in partnership with community colleges expanding into early education, healthcare, renewable energy and marine sciences. The FY22

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\$14,796 request was level funded with FY21. (FinCom had recommended \$10,000 for FY21 (see 2/20/20 Minutes p.3) but the Article was changed to the full amount and approved at Annual Town Meeting (ATM).

- MVRHS and ACE MV would each give - \$40,000 as matching funds for the MV Youth Workforce Development grant.
- In their first appeal, ACE MV had originally promised a one-time only request for Town funds (see 3/17/14 Minutes p.4 #1) and the FinCom asked if it would ever be self-sustaining. Executive Director Holly Bellebuono attested that ACE MV would be returning to the Towns every year—in this case for about 25% of their budget.
 - Most adult education across the Commonwealth was embedded in school budgets so that municipalities paid 100% of costs. A move to partner with the MVRHS was suspended by pandemic challenges and a change in ACE MV leadership.
 - Town residents showed desire and strong support for adult education past the age of 18 yrs.
 - Courses had to be affordable to the workforce, so tuition covered teaching and material expenses but did not encompass administrative or operating costs.
 - Tuition revenues dropped this year when Covid pandemic pressures (job losses, extra jobs needed to make ends meet, workers staying home with school-age children or elderly parents) forced students to drop courses.
 - ACE MV actively and successfully pursued other revenue sources: grants, business sponsors, individual donors.
- The FinCom thanked ACE MV representatives for their time, understood the importance of the program and requested a profit and loss statement and course catalog (see documents on file).

Accountant's Comments

Member Comments

In reviewing the grueling schedule, members agreed interviews with the following departments were unnecessary: Shellfish, Town Clerk and Treasurer/Collector, but asked to see: Building Dept., Library, Council On Aging (COA), Selectmen Unclassified, and another interview with Public Safety Chief Erik Blake—due to modifications of his requests (see 12/17/20 Minutes p.1-3).

Public Comments - None

Adjourn

MIKE TAUS MOVED TO ADJOURN THE FINANCE AND ADVISORY COMMITTEE MEETING AT 6:47PM; WALTER VAIL SECONDED; MOTION PASSED UNANIMOUSLY: 9 AYES, 0 NAYS, 0 ABSTENTIONS: BILL VROOMAN—AYE, WALTER VAIL—AYE, GREG THORNTON—AYE, MAURA MCGROARTY—AYE, MIKE TAUS—AYE, BERNIE CROSSLAND—AYE, SHERRY COUNTRYMAN—AYE, RICHARD WEISS—AYE, BOB GAFFEY—AYE.

Meetings/Events:

OB FinCom - TBD 5:00PM, Thursdays, January 21, 2021 - Zoom

OB FinCom - TBD 5:00PM, Thursdays, February 4, 11, 18, 25, 2021 - Zoom

Action List

- All - inform Chair of any Departments not requiring interviews.
- Bernie/Maura/Walter - inform Chair whether running for re-election, (final day to obtain nomination papers 2/23/21, submission deadline 2/25/21)
- Bob G. - revise Dept. schedule: COA, Library, Building, Selectmen Unclassified, Public Safety.

continued

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Ongoing Action List from previous meetings

- Bob G. – coordinate/schedule quarterly meetings with BOS.
- FinCom work with Bob W. on updating Town fee structure, licensing, BOH, etc.
- Future Agenda Items:
 - Trash/Waste Analysis
 - Town Cleaning Services Analysis
 - FinCom Membership
 - Reserve Fund Increase
 - Embarkation Fund Policy

Documents on file:

- Agenda 1/14/21
- OBS FY'22 Budget Analysis, Proposed #2, December 15, 2020
- Martha's Vineyard Regional High School District Budget for Fiscal Year'2022, Certified: 1/04/21 (11 p.)
- MVRHS FY22 Budget Highlights – Certified January 04, 2021 (2 p.)
- Gaffey/Bellebuono cover emails re: ACE P & L (4 p.) 1/16/20
- ACE MV, Inc. Stmt of OPS to Budget FY2021 (2 p.)
- ACE MV Employer Resource Course Catalog (5 p.)

• Minutes approved as amended by the OB FinCom 1/21/21