

Town of Oak Bluffs
Finance and Advisory Committee
Thursday, January 31, 2019, 5:00 pm
Oak Bluffs Library Second Floor Conference Room

Present: Chair – Bill Vrooman, Bernie Crossland, Bob Gaffey*, Herbert Kiehn,
Maura McGroarty, Richard Weiss*, Mike Taus*, Walter Vail,

Absent: Ray Moreis,

Town: Selectman Jason Balboni, Town Accountant – Deb Potter,

Others: MVC – Curt Schroeder, Adam Turner

Dukes County Manager – Martina Thornton,

MVCS Director – Julie Faye, CFL Director – Leslie Clapp,

HAMV Director – Paddy Moore, Holly Bellebuono,

VHCAP Director – Sara Kuh,

Recorder - Marni Lipke

* Late arrivals or early departures,

noted solely to mark vote counts.

- The Oak Bluffs Finance and Advisory Committee (FinCom) came to order at 5:01PM.
(Recorder's Note: Discussions have been summarized and grouped for clarity and brevity.)

• Martha's Vineyard Commission (MVC) 2020 Budget Review

(See documents on file & below: Actions.)

- The budget was up 5.8% after several years of small increases or level funding. However as a small agency with substantial grant funding, Town assessments were up only 2.8%.
 - The FinCom explored the role of the MVC and its assessment formula, which was decided by the Towns—other methods were sometimes discussed. Director Adam Turner considered the MVC added capacity to Town planning in a number of ways:
 - regional mapping and strategic planning (e.g. climate change, affordable housing needs...)
 - nitrogen loading and pond/water quality preservation;
 - Massachusetts Dept. of Transportation grants, traffic planning and design;
 - master planning/statistical abstracts (demographics, income, non-profit mapping, etc.);
 - citizen planning trainings;
 - regional housing surveys (Housing Production Plans (HPP)).
 - Health insurance had been reduced from the original 7.5% projected increase, by Cape Cod Municipal Health Group (CCMHG).
 - 2.8% of the overall increase covered the mortgage on a workforce unit house, currently occupied by the Director.
 - Mr. Turner looked hard but unsuccessfully for affordable housing or year round rental. His rent covered the bulk of mortgage costs leaving a delta of \$15,000. Succession would be according to seniority and need. It was unclear if the property had guesthouse capacity.
 - This also fit affordable housing as one of the MVC principal areas of concern,
 - FinCom members suggested that:
 - the entire cost of the mortgage be born by the occupant;
 - Oak Bluffs get some compensation for the real estate tax revenue loss.
- Later the FinCom briefly speculated on whether Oak Bluffs should purchase staff housing.
- Maura McGroarty questioned the MVC grant to Healthy Aging Martha's Vineyard (HAMV) from taxpayer funds, however the grant was part of a State Department Local Technical Assistance (DLTA) grant. [The FinCom requested an accounting of MVC grant funding and expenditure.](#)

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- MVC had 11 employees with benefits, which were high due to the Dukes County Retirement System (DCRS) and including Other Post Employee Benefits (OPEB). The actuarial study reported ~ \$2 million OPEB liability. MVC was raising contributions at \$5,000 per year (now \$45,000). [The FinCom requested an accounting of MVC salaries.](#)
- Legal fees decreased in Fiscal Year 2019 (FY19) due to the completion of the Wampanoag casino and the Santander Bank cases, and were level funded for FY20.
- Travel/Conference covered trainings.

• Dukes County 2020 Budget Review Including Social Services

(See documents on file.)

The County had not increased its assessment in eight years and often returned residuals to Towns at the behest of the County Advisory Board (CAB). She outlined proposed articles:

- Martha's Vineyard Community Services (MVCS) based: Healthy Aging Martha's Vineyard (HAMV), First Stop and Counseling and Referral for the Elderly (CORE);
 - Center For Living (CFL) in a County-owned building;
 - two County departments: Social Services and Vineyard Health Care Access Program (VHCAP);
 - Substance Use Prevention;
 - County OPEB Trust contribution.
 - The \$100,000 OPEB Trust contribution was shifted from a budget line (previously \$150,000/yr.) in consequence of the loss of alarm fee revenue to the Sheriff's Dept. The FinCom noted that it was paying so many OPEB costs for other organizations that it was only able to afford \$30,000 contribution for the Town.
 - \$31,500 Substance Use Prevention was down from FY19 \$50,000, and did not cover any personnel. FY19 funds were used to facilitate an all Island school health/wellness curriculum and support police departments overdose antidotes, but the schools and police had now built costs into their FY20 budgets.
 - Dukes County lost ~ \$150,000 when the Sheriff's Dept. unilaterally captured alarm fees revenues—as was their legal right. Consequently after some hesitation the CAB approved a 5% administrative fee on all County sponsored non-profits, which had lately been multiplying steadily. The fee covered staff time on substantial paperwork and oversight.
 - VHCAP - About 35% of the Budget was grant funded to reduce Town spending:
 - Martha's Vineyard Hospital (MVH) contract for 5 hr./wk.;
 - Island Health Care federal funding;
 - sunsetting small grants (about \$5-8,000 loss).
 - VHCAP facilitated the insurance applications and the MassHealth connector, collaborating with or getting referrals from many other organizations.
 - The five staff were paid on the County scale including steps (Oak Bluffs did not have steps), and Cost of Living Adjustments (COLAs)
 - Social Services was level funded for FY20, with three part-time staff that covered the growing needs of a vulnerable population some of them long time Islanders (336 households in FY18 & 729 households so far in FY19):
 - fuel assistance,
 - Supplemental Nutritional Assistance Program (SNAP),
 - disability assistance,
 - referrals/resources re: homeless prevention/housing assistance, counseling, primary care...
- Ms. Thornton argued successfully with such regional organizations as Community Action Committee of Cape & Islands, South Shore Action and University of Massachusetts SNAP

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Outreach, for the Martha's Vineyard share of their grants, since for many years regional grants were primarily spent on Cape Cod. State reporting now requested efficiency/service data reports.

- Expressing confusion over the myriad of agencies and services Mike Taus [asked for an overview chart showing agencies, responsibilities and funding](#).
- MVCS was the Island's tax exempt social service safety net whose charitable mission was the behavioral needs of Island in terms of: outpatient treatments, marriage counseling, substance use, psychiatry, rape crisis/sexual assault, nurse practitioners, etc. It was certified to receive Medicare/Medicaid reimbursement, insurance (third party) payments, and was licensed as a Mass Health clinic, and Veterans outreach. Other programs included:
 - nationally accredited subsidized childcare for income eligible families;
 - Island Wide Youth Collaborative (IWYC) residential treatment, probation and referrals for emergency mental health and substance use;
 - recovery coaches and training to address the opiate crisis (partially supported by a United Way grant).

The State and Federal contracts noted above were designed for economies of scale populations of 50-60,000, not the Island population of 16,000 and carried severe regulatory restrictions that limited access. In addition State or federal funding did not cover elder care, except for some Councils on Aging (COA) support. Employee costs were determined by non-profit standards including salaries, benefits and occasional COLAs. Consequently MVCS had to be very aggressive in growth, grant applications and fundraising.

- CORE was started with and continued on a MVH grant that helped prevent emergency room visits for the elderly. It addressed isolated and frail elders in their homes with the goal of support and outpatient counseling.
- First Stop was a web based referral service for elder care that MVCS took over in 2017 and expanded to include all social services. MVCS was able to drop costs by splitting the service between three existing staff members with specific skills: technology, social service knowledge, and direct client contact.
- HAMV explored planning and research on quality life for elders. Until FY19 it was entirely volunteer staffed and grant funded (\$65,000), however the oversight committee determined volunteer labor was no longer feasible and hired staff. Studies showed Island elder growth to be far beyond State projections (1,628 OB residents in FY15 and 1,724 in FY17). Currently they were working with MVH and talking to contractors to develop a new nursing home site using the nationally popular greenhouse model (smaller individual units around shared common area and kitchen). Other initiatives included: elder housing and disability aids subsidy, falls prevention and advanced care planning for end-of-life care.
- CFL – (See 1/21/16 Minutes p.1-3 #2.) The budget showed a compilation of budgeted and true operating costs, assessed by the County 50/50 formula. Director Leslie Clapp appreciated the FinCom hard work and difficulties of six town funding.
 - CFL reduced its FY19 budget due to loss of the two County staff and administration was reorganizing staff for more efficiency, reducing personnel costs by \$50,000.
 - The program moved from two locations to its own building.
 - The loss of the COA meals program mandated a shift to in-house nutrition (temporarily by restaurant donation) which required a meals coordinator.
 - Building expense was reduced.
 - There were several unsuccessful attempts to rent the second floor (including below Fair Market Value) to help subsidize the CFL. Now, the Island Health Care clinic proposed using it for offices for a substance use disorder coordinator, recovery coaches, a public health nurse and two public health workers, however, although it made for efficient Island health resource use of space, financial compensation would be minimal.

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- The budget included the 5% County administrative fee.
- The FinCom noted the following issues with the CFL:
 - The original CFL/County contract and building purchase seemed convoluted and chaotic.
 - Staff benefits were originally set by County standards rather than non-profit standards. New staff configurations were discussed.
 - The program served 35 clients, not all of which came daily. The program could reach capacity (25 people per day, 5 days/wk.) without increasing the staff budget.
 - The Memory Café program was free to all, however all day program clients paid a fee (some COA/Medicare subsidized). Income was flat and fundraising had not grown as hoped.
 - The large increase was not sustainable within Town revenues.
- The FinCom considered the following overall issues.
 - Many of the Program and Agency buildings were in Oak Bluffs, so the Town was considering Payment In Lieu of Taxes (PILOTs) (see 1/24/19 Minutes p.3) to compensate for real estate tax loss.
 - Organizations seemed to overlap or duplicate services: for example: MVCS Veterans Outreach and Dukes County Veterans Agent; Dukes County Substance Use Prevention article and MVCS substance abuse prevention programs.
 - By inter-municipal agreement the Dukes County pass-through facilitated municipal support of non-profits, which was otherwise prohibited, however the new County 5% administrative fee compounded the 14% MVCS (covering facilities, communications, reporting, etc.). The County seemed to be charging funds for taxpayer funding.
 - The FinCom would discuss warrant article configuration at their next meeting (see below: Actions).

• **Approve Minutes (1/24/19)** - Tabled

• **Accountant's Comments** - None

• **Member Comments** - None

• **Public Comments** - None

• **Adjourn**

• **WALTER VAIL MOVED TO ADJOURN AT 7:48PM; BERNIE CROSSLAND SECONDED; MOTION PASSED UNANIMOUSLY.**

Meetings/Events:

OB FinCom - 5:00PM, Thursdays, February 7, 14, 21, 28, 2019 - OB Library

OB FinCom - 5:00PM, Thursday, March 14, 2019 - OB Library

AIFC 5:00PM, Thursday, March 28, 2019

Special & Annual Town Meetings - Tuesday, April 9, 2019 - MVRHS PAC

Action List

- **Bill** – contact County Manager re: OB Social Services articles protocol.

Ongoing Action List from previous meetings (cont.)

- **Future Agenda Items:**

Police Department Finances	Trash/Waste Analysis
Parking Mitigation Follow-Up	Reserve Fund Increase
Town Cleaning Services Analysis	Assessor's Office re: PILOTs
Auditor Management Letter Update	(January, March, June, September)

continued

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Documents on file:

- Agenda 1/31/19
- Sign In Sheet 1/31/19
- Vrooman/Brough cover email re: Fire Chief 1/28/19
- Town of Oak Bluffs Employee Organization Chart
- Vrooman/Potter cover email re: Harbor Fuel 1/30/19
- Town of Oak Bluffs Flexible Period Report (16 p.) 1/30/19
- Martha's Vineyard Commission, Three Year Comparison of Actual Expenses, For the Calendar Years 2018 (Unaudited), 2017 and 2016
- 6. MVC FY2020 Final Budget (3 p.) 1/17/19
- Yesterday, Today & Tomorrow 2018 Annual Report, MVCS (2 p.)
- Martha's Vineyard Community Services Town Funding Request 2020 (8 p.)
- Martha's Vineyard Center For Living Budget Narrative 50/50 Formula (County) (2 p.)
- Vrooman/Kristal emails re: Tisbury FinCom Center 4 Living and Community Services Review (2 p.) 1/18/19

• Minutes approved as amended by the OB FinCom 2/14/19.