

**Town of Oak Bluffs  
Finance and Advisory Committee  
Thursday, May 14, 2020 5:00 pm  
Via Zoom Conference**

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

Absent: Mike Taus,

Town: Town Administrator’s Office – Bob Whritenour,  
Town Accountant – Deb Potter, OBSC – Kris O’Brien,  
Technology - Carrie Blair, Library Director - Allyson Malik

Others: Mark Leonard – Resident & FinCom Candidate,  
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 5:02pm.  
(Recorder’s Note: Discussions have been summarized and grouped for clarity and brevity.)

**Fiscal Year 2020 (FY20) Budget Recommended Adjustments**

(See documents on file.)

Town Administrator Bob Whritenour thanked Town Accountant Deb Potter for her work on the finances, for coordinating with Departments and for an excellent memo.

- March/April local receipts 19% higher than FY19 due to robust motor vehicle excise taxes,
- Town philosophy to conservatively estimate local revenues with a 10 % cushion, and
- \$300,000 in un-budgeted short term rental taxes,

would result in a strong FY20 close, with no additional actions needed except 2 line items:

- salary adjustment increases, and
- \$75,000 Fire Dept. health insurance to cover an Ambulance Reserve shortfall.

**Fiscal Year 2021 (FY21) Budget Recommended Adjustments**

(See documents on file & 5/7/20 Minutes p.1.)

- Mr. Whritenour conservatively estimated FY21 local receipts to drop - \$500,000 from last year’s \$4,500,000, which added to the 10% under-estimation should give a cushion of -\$750-900,000. Therefore he proposed the following \$513,0000 in FY21 Budget reductions to preserve Free Cash and bolster Stabilization by \$300,000:
  - \$29,072 from FinCom Reserve Fund,
  - \$27,300 delayed implementation of Assistant Town accountant,
  - \$50,000 from Other Post Employee Benefits (OPEB),
  - \$10,000 from the Tax Title expense account,
  - \$10,000 from the Treasurer/Collector Professional/Technical account,
  - \$24,472 delayed implementation of Town Clerk Assistant,
  - \$2,600 from Planning Board training,
  - \$75,000 Residential Placement tuition shifted from Selectmen Unclassified to a Free Cash Warrant Article,
  - \$150,000 elimination of Cost of Living Adjustment (COLA) negotiations pool,
  - \$35,000 delayed implementation of Police Officer,
  - \$50,000 Martha's Vineyard Regional High School (MVRHS),
  - \$50,000 in Oak Bluffs School (OBS).
- School officials had been contacted. The Schools were embarked on a complex systemwide re-negotiation and re-budgeting process that was likely to generate more savings, but the time frame was unclear.

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- OBSC member Kris O'Brien understood that traditionally Residential Tuition was a warrant article but would convey any objections from the school community.
- The Town was looking to respectfully enter collective bargaining and contractual negotiations with no COLA pool. The line also contained some standard contractual benefits for Mr. Whritenour and some funds for the wage and classification plan implementation—deferred to FY21.
- Budget numbers did not currently reconcile but would be updated once the Budget and Articles were approved.
- It was suggested that greater funds be deposited in the FinCom Reserve Fund which would be more conveniently accessed than Stabilization (which required a 2/3 Town Meeting vote). Mr. Whritenour preferred not to commit Free Cash into the budget, as causing problems for the following years (see Minutes: 3/6/14 p.2 & 11/20/14 p.2), he also noted that any Stabilization spending would likely be for a major budget adjustment.
- The FinCom asked him to explain what they considered a low estimate of lost revenue. Some members felt that financial losses and troubles would be much greater.
- Loss of short term rental taxes would not affect the Town because they were not figured into budgeting.
- Property taxes were 80% of budgeted income and accounted by modified accrual. Delays in payments occasioned further Town revenues in punitive penalties and interest. The Massachusetts Dept. of Revenue (DOR) had forced annual re-evaluations so the Town would keep a close monitor on real estate values.
- Cash flow had not been an issue for many years; so far FY20 status was 82% of spending and 92% of collections. Low rate short-term borrowing (Revenue Anticipation Notes—RANs) were a standard option.
- Spring Harbor reservations had dropped but July and August were still full. Restaurants were adapting seating and take-out (see below: Actions). Excise revenue would continue. There was as yet no word from inns and hotels.
- Steamship Authority (SSA) ferry fee funds could drop given the low month but still had a residual from rollovers.
- Collective bargaining would face hard choices between foregoing COLAs or staff lay-offs. Other Towns were also working on this process, and seniors would not receive any social security increases.
- Given the conservative Town financial philosophy, Mr. Whritenour felt this was the best measure for FY21, building a cushion into every area of the budget leaving buffers in stabilization, local receipts and ferry fees. The situation continued to change rapidly and adjustments could be made at a fall STM.

**• Warrant Articles Recommended Adjustments**

(See documents on file & 5/7/20 Minutes p.2.)

Essential articles were retained while others were eliminated to streamline the meeting. In light of the changed financial situation the FinCom considered re-voting all articles, whether unchanged, new or amended.

Special Town Meeting Articles

- Old Article #1 - \$49,977 premium bond – unchanged
- Old Article #2 – deferred to shorten the meeting
- New Article #2 – \$50,000 Workmen's Compensation settlement – unchanged
- New Article #3 – \$100,000 health insurance shortfall, partially for Fire Dept. (see above p.1) and partially to cover municipal under-budgeting from changed personnel or shifts from individual to family coverage

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- Part of the Ambulance Reserve was voted to pay for a tower, since superseded by the Sheriff's communication system (see Minutes: 1/25/18 p.1, 2/28/19 p.6 #14). The Department was surveying ancillary costs and would have to officially notify the Town Accountant to release the funds—likely needed to pay for the ambulance retrofits (see below: #11/5).
- These STM articles addressed FY20 Budget issues. The Town was looking at grant moneys, for example, to retrofit and re-open the Town Hall and Library with Covid-19 safety measures. One of benefits of the STM articles would be to buffer any year-end closing problems occasioned by Town Meetings being so close to the end of the fiscal year. End-of-year transfers would still take place, but these measures and the spending freeze should reduce the list.

Annual Town Meeting Articles

- Old Article #1 – revised FY21 Budget,
- Old Articles #2 & #3 – standard revolving fund authorizations – unchanged
- Old Article #4 – \$35,000 in harbor repairs from Waterways - unchanged
- Old Article #5 – \$55,000 in library and bathroom renovations - deferred
- Old Article #6 – \$15,000 in Senior Center cabinets – deferred
- Old Article #7 – \$50,000 for Highway dump truck – needed but deferred
- Old Article #8 – \$32,000 for Shellfish truck – deferred
- Old Article #9 – \$25,000 in Ocean Park bandstand repairs – deferred
- Old Article #10 – \$50,000 OBS carpets – shifted to residual Bond funds
- Old Article #11/New Article #5 – \$100,000 from Ambulance Reserve for 5-yr. Ambulance equipment reconditioning – unchanged
- Old Article #12 – \$17,400 low speed police patrol vehicle – deferred
- Old Article #13/New Article #6 – \$75,000 from Wastewater Retained Earnings for unforeseen equipment breakdown repairs – unchanged
- Old Article #14 – \$40,000 for Zoning Bylaw review – deferred
- Old Article #15/New Article #7 – \$200,000 from Free Cash to Stabilization – might be amended to \$300,000
- Old Article #16/New Article #8 – reconstruction of Town Hall – unchanged, (see 5/7/20 Minutes p.2) – the FinCom pressed for a dollar amount before voting a recommendation,
- Old Article #17/New Article #9 – \$2,774,000 improvements to downtown – unchanged – business owners think it will improve business
- Old Article #18 – \$510,000 for construction of park & ride – deferred
- Old Article #19/New Article #10 – \$75,000 annually performed property re-evaluation – from separate fund, no budget impact unchanged, – (a residual in the account was the result of the Covid travel ban preventing the assessor from continuing his work)
- Old Article #20/New Article #11 – \$815,000 for Uncas Ave. lot – shift from Stabilization to borrowing,
- Old Article #21 & #22/New Article #12 & #13 – Community Preservation – unchanged,
- Old Article #23/New Article #14 – \$65,371 Dukes County Emergency system – unchanged,
- New Article #15 – \$75,000 for Residential Tuition – shift from Budget to Free Cash,
- Old Article #24/New Article #16 – \$87,499 for human services – unchanged,
- Old Article #25 – \$8,796 Dukes County shortfall – deferred to shorten meeting (possible return in fall Town Meeting),
- Old Articles #25 & #26 – \$8,796 Dukes County shortfall and stabilization fund – deferred to shorten meeting (possible return in fall Town Meeting),
- Old Article #27/New Article #17 – \$21,630 for Adult Community Education Martha's Vineyard (ACE MV) – unchanged,

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- Old Article #28/New Article #18 – \$28,316 MVRHS dust collection – unchanged,
- Old Article #29/New Article #19 – elected officials salaries – unchanged,
- Old Article #30/New Article #20 – elect Town officers on the ballot – unchanged,
- Old Article #31/New Article #21 – debt exclusion – unchanged,
- Old Articles #32 – stretch energy & solar bylaw code – deferred,
- Old Articles #33, #34, #35, #36, – petitioned articles - deferred till the fall,
- Old Article #37 – bylaw on plastic water bottles – deferred till the fall,
- Old Article #38 – petitioned article to withdraw from Landbank (illegal) – deferred.

• **Accountant’s Comments** – None

• **Public Comments**

- \* Mr. Whritenour and the FinCom thanked Carrie Blair for her technical help.
- Kris O’Brien thanked the staff and FinCom for their hard work during this crisis, particularly commending the financial power team of Bob Whritenour and Deborah Potter.

• **Member Comments**

- Maura McGroarty was looking to level fund as much as possible if not everything, expecting that FY21 would be difficult and FY22 even worse, and particularly asking such entities as ACE MV, Center For Living (CFL), Vineyard Health Care Access Program (VHCAP), Martha's Vineyard Commission (MVC) and Dukes County to reduce their budgets.

• **Adjourn**

• **WALTER VAIL MOVED TO ADJOURN THE FINANCE AND ADVISORY COMMITTEE MEETING AT 6:32PM; GREG THORNTON SECONDED; MOTION PASSED UNANIMOUSLY: BERNIE CROSSLAND—AYE, BOB GAFFEY—AYE, MAURA MCGROARTY—AYE, SHERRY COUNTRYMAN—AYE, WALTER VAIL—AYE, RICHARD WEISS—AYE, GREG THORNTON—AYE, BILL VROOMAN—AYE.**

**Meetings/Events:**

**OB FinCom - 5:00PM, Thursday, May 21, 2020 - Zoom**

BOS /Vote on Warrant – Monday, May 25, 2020

BOS Meeting – Tuesday, May 26, 2020

Deadline for Warrant Publication – Tuesday, May 26, 2020

Deadline for ATM Warrant – Tuesday, June 2, 2020

Special & Annual Town Meeting – Tuesday, June 16, 2020

Town Election –Thursday, June 18, 2020

**Action List**

- Bob W. – send FY19, FY20, FY21 local receipt analysis/projections before 5/21/30 meeting.
- Bob W. – ask for Town Hall Project dollar amount.

**Ongoing Action List from previous meetings**

• **Future Agenda Items:**

Trash/Waste Analysis

Reserve Fund Increase

Town Cleaning Services Analysis

Embarkation Fund Policy

**continued**

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**Documents on file:**

- Agenda 5/14/20
- Potter cover email re: Budget Updates 5/13/20
- Town of Oak Bluffs Accounting Memo re: Budget Updates (14 p.)
- Vrooman/McGroarty/Potter emails re: Budget Updates (2 p.) 5/14/20
- Vrooman/Whritenour emails re: Budget Updates 5/14/20
- Warrant for Special Town Meeting, Commonwealth of Massachusetts (3 p.)
- Warrant for Annual Town Meeting, Commonwealth of Massachusetts (18 p.)

- Minutes approved by the OB FinCom 5/21/20