

Town of Oak Bluffs Finance and Advisory Committee
Tuesday, June 7, 2022, 5:30pm
OB Town Hall Meeting Room/Zoom Conference

Present: Chair – **Sherry Countryman**, Vice Chair – **Richard Weiss, Bob Gaffey, Dion Alley, Maura McGroarty, Mimi Davisson, Mike Taus, Sean DeBettencourt**

Absent: **Reuben Fitzgerald**

Others: Deborah Potter – Town Administrator/Accountant (Zoom), Carrie Blair, Assistant Town Accountant (Zoom)

Juliet Mulinare – Recorder.

5:31 pm Ms. Countryman called the Oak Bluffs Finance and Advisory Committee meeting to order.

Approval of Minutes

The Committee reviewed the minutes from the May 19, 2022 meeting. Mr. DeBettencourt moved the minutes be approved, seconded by Mr. Taus.

Discussion: Members of the Committee suggested minor ways to improve the minutes, such as adding a list of the documents discussed and including a link to the zoom recording. Mr. Gaffey stated that he felt more detail of the discussion could be added to the last section: Accountant's Comments. The Committee members discussed the level of detail that should be included. It was decided that, because a zoom link to the recorded meeting is provided on the Town website, the minutes were an accurate summary of the 5/19/22 meeting and did not require additional information.

Ms. Countryman clarified that she had been made aware ahead of the meeting that two members would be leaving at 6:15pm and she wanted that reflected in the record.

A motion was made by Ms. Davisson to approve the 5/19/22 minutes as amended, seconded by Mr. Weiss. No further discussion, roll call vote:

Weiss – Aye, Gaffey – Aye, Alley – Aye, McGroarty – Aye, Davisson – Aye, Taus – Abstain,
DeBettencourt – Aye, Countryman – Aye (**7 – Aye, 1 – Abstain**).

Report on High School Funding Formula

Ms. Countryman reported that discussion on the capital funding formula for the High School was no longer needed as the ad hoc committee had reached an agreement at their last meeting. She said the discussion began with the proposed 75% [Per Pupil] / 25% [Equalized Value] formula that had been discussed at the previous meeting; the 75%/25% formula also included an additional 1% payback to the town, recognizing that both land and services are provided only by the Town of Oak Bluffs. Oak Bluffs Selectperson Packish told the Committee that he would like to see the formula at 60% [PP] / 40% [EV] but could live with a 70%/30% split, with the additional 1% back to the town. The ad hoc committee accepted those terms and voted unanimously to approve a 70/30 formula with 1% return to OB, which brings Oak Bluffs share of the capital costs to ~22.42%. The ad hoc Committee also decided to calculate this formula on a rolling average of every 5 years, instead of annually, to reduce fluctuation year to year. Finally, the Committee discussed capping the School's budget increase at 2.5% annually. Representatives from the School stated that this would be very difficult but were compelled to formulate a Memorandum of Understanding to the effect that should the School need to increase the budget beyond 2.5%, they would first reach out to the towns for approval to do so.

Ms. Davisson asked what the next step in the process is. Ms. Countryman said it would be to amend the Regional Agreement [for the High School]. The Committee discussed whether an amendment to the Regional Agreement would require a Town Meeting vote. Ms. Potter clarified that, eventually, any amendment to the Regional Agreement would have to go to vote in each of the six towns, but for now,

only a consensus among towns is needed in order to be eligible to submit an application for MSBA funding. Mr. Weiss stated that a consensus among the towns on the 70/30 formula bodes well for future discussions on adjusting the funding formula for the School's operating budget.

Discussion/Expectations for FY 2023

Ms. Countryman opened the discussion with her two main areas of focus, the first being a collaboration with the School Committee to discuss the 2.5% annual budget increase cap. She has asked two School Committee members to attend the June 30th FinCom meeting so everyone can get to know each other better. The second area of focus is the embarkation fees for the SSA. The statute currently in place allows the Town to charge a fee of \$.50 per ticket. In order to change that, the State Legislature would have to approve. Ms. Countryman said she would like for the Committee to do some research and come up with a formal recommendation to present to the Selectboard, which, if approved, can then be sent to the State. Ms. Countryman would like to form a sub-committee of three members to do the research looking at other towns with similar demographics and conditions, to see how the fee structures compare. She would like the sub-committee to then report back to the whole Committee on their findings. Mr. Weiss and Mr. Taus both volunteered to be on the sub-committee. Mr. Alley suggested engaging with a representative from the SSA now; Mr. Weiss stated that he wanted to be better informed on the issues before engaging with the SSA but did not rule out seeking information from the SSA. Ms. Countryman then volunteered to be the final member of the embarkation fee sub-committee.

The Committee moved on to discussion regarding the Harbor Committee. Ms. McGroarty stated that there was currently an opening on the Committee and the FinCom members agreed it would be advantageous to have someone join the Harbor Committee who could report back. The Committee discussed the increase in harbor fees that go into effect on July 1 of this year, and how those fees are collected,

Mr. Gaffey stated that he will speak with the Chairperson of the Harbor Committee and request he be appointed.

The Committee then moved onto discussion of Town fees in general and when the last time those were reviewed. Ms. Potter stated that the fee structures are set by town by-laws and state statute, any proposed changes would have to go to the voters. Ms. Countryman asked if it was a possibility for each of the departments with fees to research and find out when the fees were last reviewed/updated.

The Committee discussed where the fees are generated from and how much revenue is brought in. When asked for an estimate of how much revenue is generated through the fees, Ms. Potter responded that it's hard to present an aggregate amount because the fees are collected through multiple line items in the budget, but overall the amount is substantial, over \$500,000. Mr. DeBettencourt stated that the FinCom should have a handle on the intention of each of the fees and whether those intentions are met through collection. Ms. Countryman asked Ms. Potter if a comprehensive review would be worthwhile. Ms. Potter will inquire about when it was last performed and see if it needs to be done. Ms. Potter also stated that it would be a big ask to get the Departments to look into this now as the close of the fiscal year is fast approaching and everyone is busy. Ms. Potter provided clarification to the Committee on how the budget is built and that it is based on departmental expenditure requests, not revenue. Mr. Alley asked what the goal would be for conducting a review of the fees, Ms. Countryman responded that the goal is to make sure the fees are appropriate.

The Committee then discussed the Police and Fire Departments, including the number of officers currently employed, and the difficulties of finding staff, both full-time and seasonal.

Ms. Davisson stated that she had a couple ideas for areas to be researched. The first is determining the cost to OB for hosting the High School and the other non-profits. The other idea is to learn more about collaborating with other towns to reduce costs across the island. Ms. McGroarty said the island-wide MSBA collaboration is the first time all six towns have come together and could lead to other opportunities of collaboration amongst the towns. Ms. Davisson and Ms. McGroarty will look into this.

Mr. Alley briefed the Committee on the status of the negotiations with the School Union. He said the first round of arbitration was not successful so they are headed to State arbitration. Mr. Alley explained some of the offers put forth by the Town, which, so far, have been rejected by the Union. The negotiations with the Custodial Union have been more productive, but will depend on the outcome of the negotiations with the teacher's union.

Review of Open Meeting Law Complaint Filed by Deborah Potter on May 23, 2022

Committee members had already been made aware that Town Administrator/Town Accountant, Deborah Potter, submitted an Open Meeting Law Complaint against the FinCom for discussions about her at the previous meeting that were not included on the meeting agenda. Ms. Potter's complaint had been distributed to all FinCom members. To address the complaint, Ms. Countryman submitted the approval form to engage Town Counsel and received permission to do so through the Selectboard. Town Counsel drafted and provided a response letter that needs to be submitted to the Attorney General. After confirming that all Committee members had read the response, Ms. Countryman asked for a vote of approval to send to the State.

A motion was made by Ms. Davisson to approve the response letter, seconded by Mr. Taus. Mr. Gaffey stated that the complaint was filed against the whole Committee but he never had a say in whether to approve Ms. Countryman's initial inquiry regarding the dual role of Town Administrator/Town Accountant. Ms. Countryman responded that the complaint is based on the discussion the whole committee engaged in on May 19th. She also said that she didn't speak with the rest of the Committee about her initial inquiry because she thought there would be a simple answer. The Committee then discussed the latitude the Committee has to do their own research and the times when they are acting of their own accord vs. when they are representing the rest of the Committee. Mr. Gaffey expressed that he felt exposed by Ms. Countryman's actions and that a path he did not choose had been chosen for him; Mr. Alley agreed. Ms. Countryman stated that she has learned a lot and appreciates Mr. Gaffey's comments. She followed up by saying that she would like each of the Committee members to take a 90 minute online training class on the Open Meeting Law.

After discussion on the motion was completed, a roll call vote was taken to approve the response letter:

Weiss – Aye, Gaffey – Nay, Alley – Nay, McGroarty – Aye, Davisson – Aye, Taus – Aye, DeBettencourt – Aye, Countryman – Aye (**6 – Aye, 2 – Nay**).

Accountant's Comments

Ms. Potter clarified that she is still the Town Accountant until Ms. Blair's official start date of July 1. She has no comments other than an inquiry as to the date of the next meeting so that she can make sure the End of Year Transfers are in order. The Committee discussed the date of their next meeting, Ms. Countryman proposed the next meeting be on June 30th. Ms. Potter stated that the County has been waiting for an opportunity to present their request for funding to the FinCom and waiting until the 30th may adversely affect their year-end finances. The Committee then decided to meet next on Thursday, June 16th, 2022 at 5:00pm.

Adjournment

At 7:04pm a motion to adjourn was made and seconded. No further discussion, approved unanimously (**8 – Aye**).

The meeting was adjourned at 7:05pm.

Meeting Documents on File

1. Open Meeting Law Complaint Filed by Ms. Potter
2. FinCom Response Letter to Open Meeting Law Complaint
3. TA-ATA Report

Respectfully Submitted

Juliet Mulinare, Recorder

Minutes Approved: 6/23/2022