

Finance Committee Meeting
Minutes of Meeting 4-20-18

Aquinnah Town Hall Selectmen's Meeting Room

Members present: Chairman Allen Rugg, Tom Murphy and Mark Foster

Also present: Town Administrator Jeffrey Madison, Town Accountant Emily Day, Town Treasurer Sibel Suman, Board Administration Assistant Sophia Welch

- The meeting began at 10:17am

- First on the agenda was the review of minutes. Tom made a motion to approve the 4/6/2018 minutes as presented. Mark seconded. The Committee voted 3-0, the motion passed.

- Next, the Committee discussed the Town Administrator's compensation. The Committee noted that they had taken Jeffrey's proposal under advisement (increase to 40hrs/week and pay increase to step 10). The Committee unanimously agreed that Jeffrey has been a great success and the Town has been greatly served with him as Town Administrator. However, the Town is faced with a challenging budget. Allen proposed to increase hours from 32 to 40 with a recommendation to increase pay from step 1 to step 5 (approx. annual compensation of \$101,000.00). Both Tom and Mark supported Allen's recommendation. Allen motioned to recommend an increase of 40hr/week and a step 5 increase for the Town Administrator. Motion was seconded by Tom. The Committee voted 3-0, the motion passed.

- Next the Committee discussed the Tri-Town conversion to the retirement system. Allen noted that the budget received from Tri-Town shows an approx. 30.95% increase (change in retirement plan). The requested supporting documents (how the change was accounted for) still has not been received. Jeffrey noted that the Committee needed to make a decision on the Tri-town budget. Allen motioned, without prejudice to revisiting the issue between now and the Town Meeting, that the Committee not recommend the Tri-Town budget request. Motion was seconded by Mark. The Committee voted 3-0, the motion passed. Allen stated that if there is no communication between Tri-Town and the Finance Committee, their action will be to oppose the proposed budget.

- Next, Emily presented the Town Retirement Assessment to the Committee. Emily informed the Committee that the assessment, a 5% increase over FY18, is \$182,519.00. In the past, if the entire assessment was paid within 15-30 days of the first of the fiscal year, a discount would be given. The Committee asked what the discount would be. Emily noted that she would like to reduce the budget to reflect the discount because the Town will be taking it. Tom made a motion that the Finance Committee endorse the budget regarding the Town Retirement Assessment as presented, if a discounted is realized prior to Town Meeting it should be reflected at the Town Meeting. Sibel informed the Committee that the \$182,519.00 already reflects the discount. Tom withdrew his prior motion and made a motion that the Finance Committee support the Town Retirement Assessment budget as presented. Motion was seconded by Allen. The Committee voted 3-0, the motion passed.

- Next, the Committee discussed the Police Department budget with the additional officer. There was discussion on the breakdown of overtime. The Committee reviewed the proposed budget with an additional officer and the FY17 payroll (salaries and overtime paid) presented by Sibel. There was discussion on hiring a third party to conduct an analysis because the Committee still had questions and concerns regarding the financial projections of hiring an

additional officer. Emily informed the Committee that the department traditionally comes in under budget every year (FY17 the department turned back approx. \$50,000.00 and in FY16 approx. \$35,000.00). She also noted that the department needs to inflate the budget because of the contractual agreements with the officers (budget for highest officer rate possible). After further review, the Committee agreed that they need to understand the methodology that was used to conclude the proposed budget and decide whether it is an appropriate expenditure for the Town. Without adequate assurance on the economics of adding a 4th officer, the Committee didn't feel that they could endorse the proposed budget until more information was received. Mark made a motion for the Committee to endorse the original budget from the March 9th, 2018 meeting and postponed the consideration of adding a 4th officer for future evaluation and more information. Motion was seconded by Tom. **The Committee voted 3-0, the motion passed.**

- Next, the Committee discussed the Board of Assessors proposed budget and the question of reducing the Assistant Assessors hours. Tom made a motion to accept the BOA recommendation to leave the Assistant Assessor at 32hrs/week. Motion was seconded by Allen. **The Committee voted 3-0, the motion passed.**

- Under Other Business, the Committee reviewed the warrant. Jeffrey presented an updated warrant to the Committee. There was discussion regarding article 1 ballot question 1 and article 5 (free cash used against override). Jeffrey informed the Committee of the slight changes made to the warrant from the prior meeting. The Committee reviewed and briefly discussed the 3 additional articles added to the warrant (article 32, 33 and 34). Tom made a motion to recommend article 34 (\$30,000.00 for a replacement boat to be used by the Shellfish Constable/Harbormaster). Motion was seconded by Allen. **The Committee voted 3-0, the motion passed.** The Committee discussed warrant article 33 pertaining to the Dukes County Regional Emergency Communication Center. Tom made a motion that the Committee not recommend article 34 (\$8,547.00 for the Dukes County Regional Emergency Communication Center). Motion was seconded by Allen. **The Committee voted 3-0, the motion passed.**

- Under Other Business, the Committee discussed the sail and swim program. Last year, free cash was used to pay for the program and an article had been put on the warrant. There was discussion on the remaining balance of free cash and whether the program could be paid out of free cash again. Tom made a motion to take \$16,000.00 out of free cash to apply towards the swimming and sailing program for the Town. Motion was seconded by Allen. **The Committee voted 3-0, the motion passed.**

- With no other business to discuss, a motion was made and seconded to adjourn. **The Committee voted 3-0 in favor. The motion passed.**

- The meeting ended at 11:36am.

Respectfully submitted, Sophia Welch, Board Administrative Assistant