

Finance Committee Meeting
Minutes of Meeting 1-18-19

Aquinnah Town Hall Selectmen's Meeting Room

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

Also present: Town Treasurer Sibel Suman, Selectmen Gary Haley, Assessor Elise LeBovit, Assistant Assessor Angela Cywinski, Conservation Commission Chair Sarah Thulin, Assessor Marsha Shufrin, Selectmen Julie Vanderhoop, Town Administrator Jeffrey Madison*, Town Accountant Emily Day* and Board Administration Assistant Sophia Welch

- The meeting began at 9:30am

- First on the agenda was a review of minutes. Tom made a motion to approve the 5/21/18 minutes as presented. Motion was seconded by Mark. The Committee voted 3-0, the motion passed. Next, they reviewed the 12/10/18 minutes. Mark made a motion to approve the 12/10/18 minutes as presented. Motion was seconded by Tom. The Committee voted 3-0, the motion passed.

- Next the Committee reviewed the Special Town Meeting warrant articles. Allen informed the Committee that the free cash had been certified at approximately \$105,000 and was significantly less than the accumulative value of the proposed warrant articles. Jeffrey proposed that several free cash articles be addressed, and the others be deferred. The Committee reviewed the Special Town Meeting warrant articles pertaining to free cash requests.

Article 3 – Request for \$21,000 for town computer updates: Jeffrey informed the Committee that there is a loss of productivity due to computer failure which needs to be addressed before the summer. The request would address updating the town server, change programs to cloud based programs, standardizing the email system and replacing some of the older computers. The Committee requested to see a more formal and itemized proposal. Jeffrey noted that the \$21,000 estimate may be low. He asked Sophia to forward the proposal/estimate from MV Tech. The Committee asked if this warrant article addressed the computer needs of the Assessor office (an issue raised during previous budget seasons). Jeffrey stated that it would not. Angela stated that the Assessors have a separate server because the town server is inadequate and added that the Assessors will still be requesting money from Assessor overlay funds for software updates. The Committee confirmed that the article will address the needs of the Town and there are not separate needs for the Assessors that need to be addressed at this time. Allen suggested that the Committee defer action on the article until they are able to review the MV Tech proposal/estimate.

Article 2 – Request for \$46,000 to replace the old DPW vehicle: Jeffrey felt that the town can explore options to lease a new truck until the end of FY'20 which would decrease the \$46,000 expenditure. The Committee did not take any action on the article because it was their understanding that the article was to come off.

Article 4 – Request for \$5,500 for payment of a lease vehicle in Falmouth: Jeffrey informed the Committee that this request can be deferred. He has considered the option of taking funds from each department to cover the cost until the end of the fiscal year. Elise noted that no one has asked the Assessors to contribute any funds for the lease vehicle. Emily stated that leasing the car and paying for it with one article every year is the appropriate option, but for now it can be absorbed in the travel budget. The lease payment can be addressed during

budget season or be brought back on annual Town Meeting Warrant. The Committee did not take any action on the article because it was their understanding that the article was to come off.

Article 5 – Request for \$20,000 for plans related to construction of a Town Maintenance Dept. Building: The Committee did not take any action on the article because it was their understanding that the article was to come off. Jeffrey noted that a DPW maintenance building will need to be addressed in the future but can be deferred at this point.

Article 6 – Request for \$6,000 for an audio system in the Town Hall: The Committee did not take any action on the article because it was their understanding that the article was to come off.

Article 7 – Request for \$10,000 for a West Basin Shellfish Constable/Harbormaster shed: Jeffrey noted that this amount can be reduced to \$5,000. There was brief discussion on the need of the shed. The Committee agreed to re-review this article at the end of the warrant when they know the adjusted free cash expenditure.

Article 8 – Request for \$20,000 for sun/weather protection at the Lighthouse: Jeffrey noted that this amount can be reduced to \$10,000. Gary confirmed that the Lighthouse Committee had found an option that would cost approx. \$10,000. The committee agreed to re-review this article at the end when they know the adjusted free cash expenditure. Elise suggested that the Town look at using the Manning property as an entrance to the Lighthouse and Park area. The Committee felt that her suggestion would be under the authority of the Lighthouse Committee and that the role of the Finance Committee was to review the fiscal sense of the expenditure.

Article 11 – Request for \$12,000 to fund grant writing services: Jeffrey informed the Committee that the proposal would be to hire someone to assist in grant applications and grant administration. Angela wondered if the Selectmen considered having an existing town employee add this to their duties, which could cut down on the \$12,000 expense. Sophia, Sibel, Gary and Emily agreed that it would be best to hire someone who is already knowledgeable in grant writing.

- After all of the free cash articles were reviewed, the Committee found that the total proposed warrant was reduced to \$48,000. Allen made a motion to defer any action on article 3 pending review of the MV Tech estimate/proposal. Motion was seconded by Mark. The Committee voted 3-0, the motion passed. Mark made a motion to amend article 7 by reducing the \$10,000 expenditure for a Shellfish Constable/Harbormaster shed to \$5,000. Motion was seconded by Tom. The Committee voted 3-0, the motion passed. Tom made a motion to amend article 8 by reducing the \$20,000 expenditure for an all-weather protection covering at the Lighthouse to \$10,000. Motion was seconded by Mark. The Committee voted 3-0, the motion passed. Tom made a motion for the Finance Committee to approve article 11 for \$12,000 for grant writing services. Motion was seconded by Mark. The Committee voted 3-0, the motion passed. The Committee discussed article 2 (\$46,000 for a replacement DPW truck). Jeffrey made a recommendation to reduce the amount down to \$10,000-\$15,000 to accommodate for the lease of a truck. He stressed that DPW cannot go through a summer season without a second truck. The Committee was informed that there is only 1 truck working and during the summer season there are 3-4 DPW employees where a second truck is needed. The Committee felt that the lease option had not been fully vetted. Jeffrey confirmed that the \$46,000 figure would cover the payment of a new truck through a State program. Subject to the Selectmen determining the need for a new truck, the Committee agreed that they are in favor of the article. Tom made a motion to approve article 2 contingent on the Selectmen's determination of the need for a new truck. Motion was seconded by Mark. The Committee voted 3-0, the motion passed. The Committee confirmed that they approve of the expense up to \$46,000 and if it is determined that it is more prudent to proceed at a lower cost with a lease, that would also be

acceptable. Emily noted that the wording for the article should be amended on the Town Meeting floor to include "purchase or lease". With reductions in article requests and the deferral of other articles, the Committee found that the proposed warrant was now at \$94,000.

- Next, the Committee discussed the upcoming budget season. The Committee agreed to begin reviewing budgets on Friday, February 1st at 9:30am and proposed to meet two Fridays every month. Emily noted that she will have a shell of the budget for the first meeting. The Committee agreed that at the first budget meeting they will develop a formal set schedule with deadlines working backwards from the Annual Town Meeting date. The Committee asked Emily and Jeffrey to begin working on a schedule prior to the Feb. 1st meeting. Angela, Assistant Assessor, submitted a FY'19 Levy Limit worksheet to the Committee.

- Next, under New Business, the Committee briefly discussed the issue that has been raised by the Assessors regarding the impact on the Town of real-estate parcels going into tax exempt status primarily for conservation purposes. Allen noted that the Finance Committee had attended a Board of Assessors meeting where the BOA presented a variety of information and exhibits supporting the general proposition that the rate in which properties are going into conservation poses a threat on the tax base. Following that meeting, both Mark and Allen had posed further questions to the BOA. The Assistant Assessor responded to those questions with a lot of information. Allen stated that the issue before the Finance Committee is where, if anywhere, they should go with this issue. Mark stated that he was skeptical of the claim and has the understanding that there is not a rush to avoid paying taxes by exempting properties. He added that there are certain built in impediments to gaining exemption for your land. Allen thanked the Assist Assessor for providing the data. Allen outlined the number of abated properties for conservation between 2007 and present including the 5 projected this year (2007-2019 are the years that the Assistant has been a town employee). Allen noted that it is clear that the tax base is growing (notwithstanding the conversion of properties to conservation) and a good argument can be made that conservation enhances the growth of the tax base. The Committee agreed that they should be alert to the issue and be appreciative of the information provided but at this point there is no further movement on the issue and agreed to treat the matter as closed for now. Angela stated that about a third of land in town is exempt and the other two-thirds pays into the tax base. Allen stated that a substantial portion of the exempt land is Tribal property which the town has the benefit and responsibility of. Mark noted that the amount of conservation land in Aquinnah is in-line with every other town (approx. 20% in conservation lands).

- 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 10:30am.

Respectfully submitted, Sophia Welch, Board Administrative Assistant

FOR DIRECTOR OF ACCOUNTS APPROVAL

**Levy Limit
Fiscal Year 2019**

FOR BUDGET PLANNING PURPOSES

I. TO CALCULATE THE FY 2018 LEVY LIMIT

A. FY 2017 Levy Limit	3,814,195	
A1. ADD Amended FY 2017 Growth	0	
B. ADD (IA + IA1)*2.5%	95,355	
C. ADD FY 2018 New Growth	29,276	
C1. ADD FY 2018 New Growth Adjustment	0	
D. ADD FY 2018 Override	110,000	
E. FY 2018 Subtotal	<u>4,048,826</u>	
F. FY 2018 Levy Ceiling	18,746,147	I. <u>4,048,826</u> FY 2018 Levy Limit

II. TO CALCULATE THE FY 2019 LEVY LIMIT

A. FY 2018 Levy Limit from I	4,048,826	
A1. ADD Amended FY 2018 Growth	0	
B. ADD (IIA + IIA1)*2.5%	101,221	
C. ADD FY 2019 New Growth	29,452	
C1. ADD FY 2019 New Growth Adjustment	0	
D. ADD FY 2019 Override	325,000	
E. ADD FY 2019 Subtotal	<u>4,504,499</u>	
F. FY 2019 Levy Ceiling	18,645,091	II. <u>4,504,499</u> FY 2019 Levy Limit

III. TO CALCULATE THE FY 2019 MAXIMUM ALLOWABLE LEVY

A. FY 2019 Levy Limit from II.	4,504,499
B. FY 2019 Debt Exclusion(s)	112,947
C. FY 2019 Capital Expenditure Exclusion(s)	0
D. FY 2019 Stabilization Fund Override	0
E. FY 2019 Other Adjustment : Refuse District excludable debt	8,182
F. FY 2019 Water/Sewer	0
G. FY 2019 Maximum Allowable Levy	<u>4,625,628</u>

Add 2.6% 112,612.48
Circuit 15,000
* 4,632,111.48
↓
MAX
Levy 120,000
4,752,111.48

Signatures

Board of Assessors

Elise Lebovit, Elected Assessor , Aquinnah , aqassess@comcast.net 508-645-2306 | 12/11/2018 5:09 PM
Adam A Wilson, Elected Assessor , Aquinnah , aqassess@comcast.net 508-645-2306 | 12/11/2018 6:02 PM