

Town and County of Nantucket  
Board of Selectmen • County Commissioners

James R. Kelly, Chairman  
Rick Atherton  
Robert R. DeCosta  
Matt Fee  
Dawn E. Hill Holdgate



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C. Elizabeth Gibson  
Town & County Manager

*AGENDA FOR THE MEETING OF THE  
BOARD OF SELECTMEN  
NOVEMBER 16, 2016 - 6:00 PM  
PUBLIC SAFETY FACILITY COMMUNITY ROOM  
4 FAIRGROUNDS ROAD  
NANTUCKET, MASSACHUSETTS*

- I. CALL TO ORDER*
- II. BOARD ACCEPTANCE OF AGENDA*
- III. ANNOUNCEMENTS*
  1. The Board of Selectmen Meeting is Being Video/Audio Recorded.
  2. Easy Street Bulkhead Reconstruction Project Ongoing; Easy Street Closed through End of December.
  3. Town Clerk: Voter Registration Deadline for December 6, 2016 Special Town Election is Wednesday, November 16, 2016 at 8:00 PM.
  4. 2017 Annual Town Meeting Warrant is Open for Citizen Warrant Article Submittals through November 21, 2016 at 4:00 PM.
- IV. PUBLIC COMMENT\**
- V. NEW BUSINESS\**
- VI. APPROVAL OF MINUTES, WARRANTS AND PENDING CONTRACTS*
  1. Approval of Minutes of February 3, 2016 at 6:00 PM; November 2, 2016 at 6:00 PM.
  2. Approval of Payroll Warrants for Weeks Ending November 6, 2016; November 13, 2016.
  3. Approval of Treasury Warrants for November 9, 2016; November 16, 2016.
  4. Approval of Pending Contracts for November 16, 2016.

***VII. CONSENT ITEMS***

1. Resignation: Council on Aging; Mosquito Control Commission.

***VIII. CITIZEN/DEPARTMENTAL REQUESTS***

1. Cheney Brothers Building: Request for Waiver of Building Permit Penalty Fee for 250 Polpis Road.
2. Finance Department: Request for Approval of 2016 Series A Refunding Bonds Sale for Nantucket Islands Land Bank per October 17, 2016 Special Town Meeting Approval.
3. Fire Station Work Group: Update on Progress and Request for Approval of Recommendation(s) for Procurement for Alternative Designs.
4. Request for Execution of Seller's Consent to Assignment of Rights to Purchase for Town-owned Yard Sale Parcel Known as 2 New Hampshire Avenue, Lots 20 and 21, Block 34 as Shown on Land Court Plan No. 2408-M, on file at the Nantucket County Registry of Deeds, Pursuant to Vote on Article 73 of 2007 Annual Town Meeting.

***IX. PUBLIC HEARINGS***

1. Public Hearing to Consider Joint Utility Petition for Verizon New England Inc. and National Grid/Nantucket Electric Company Plan # MA2016-09 to Relocate Poles # 28/17, 18, 19, 20, 22, 23, 24, 25, 26, 27, 28, 29, 30, 31 and 32 on Milk Street Extension from Intersection of Hummock Pond Road Easterly to a Point Approximately 420' Easterly of Intersection of Winn Street for Town Milk Street Extension Bike Path Project.
2. Public Hearing to Consider Application for New Common Victualler License for Nantucket Meat and Fish Market, Inc., John D. Ready, Jr., Manager, for Premises Located at 21 Old South Road.
3. Public Hearing to Consider Application for New Seasonal Wine/Malt Beverages Package Store License for Nantucket Meat and Fish Market, Inc., John D. Ready, Jr., Manager, for Premises Located at 21 Old South Road.
4. Public Hearing to Consider Amendments to Chapter 250 Harbors and Town Pier Regulations Relative to Request from Harbor and Shellfish Advisory Board, Pursuant to Chapters 2 (Administrative Procedures) and 137-3 (Wharves and Waterways) of the Code of the Town of Nantucket.

***X. TOWN MANAGER'S REPORT***

1. FY 2017 First Quarter Budget Reports: General Fund; Airport Enterprise Fund; Wannacomet Water Company Enterprise Fund; Siasconset Water Enterprise Fund.
2. Review of Proposed Liquor License Fees; Request to Schedule Public Hearing.

3. Review of Draft New and Updated Financial Policies for Town.

*XI. SELECTMEN'S REPORTS/COMMENT*

1. Discussion Regarding Residential Exemption and Tax Rate Shift Options.
2. Action on Disclosure by Non-Elected Municipal Employee of Financial Interest and Determination of Appointing Authority as Required by MGL Chapter 268A, §19.
3. Committee Reports.

*XII. ADJOURNMENT*

*\* Identified on Agenda Protocol Sheet*

**Board of Selectmen Agenda Protocol:**

- **Roberts Rules:** *The Board of Selectmen follows Roberts Rules of Order to govern its meetings as per the Town Code and Charter.*
- **Public Comment:** *For bringing matters of public interest to the attention of the Board. The Board welcomes concise statements on matters that are within the purview of the Board of Selectmen. At the Board's discretion, matters raised under Public Comment may be directed to Town Administration or may be placed on a future agenda, allowing all viewpoints to be represented before the Board takes action. Except in emergencies, the Board will not normally take any other action on Public Comment. Any personal remarks or interrogation or any matter that appears on the regular agenda are not appropriate for Public Comment.*

*Public Comment is not to be used to present charges or complaints against any specifically named individual, public or private; instead, all such charges or complaints should be presented in writing to the Town Manager who can then give notice and an opportunity to be heard to the named individual as per MGL Ch. 39, s 23B.*

- **New Business:** *For topics not reasonably anticipated 48 hours in advance of the meeting.*
- **Public Participation:** *The Board welcomes valuable input from the public at appropriate times during the meeting with recognition by the Chair. For appropriate agenda items, the Chair will introduce the item and take public input. Individual Selectmen may have questions on the clarity of information presented. The Board will hear any staff input and then deliberate on a course of action.*
- **Selectmen Report and Comment:** *Individual Selectmen may have matters to bring to the attention of the Board. If the matter contemplates action by the Board, Selectmen will consult with the Chair and/or Town Manager in advance and provide any needed information by the Thursday before the meeting. Otherwise, except in emergencies, the Board will not normally take action on Selectmen Comment.*

**EXHIBIT 1**  
**AGREEMENTS TO BE EXECUTED BY TOWN MANAGER**  
**UNLESS RESOLUTION OF DISAPPROVAL BY BOARD OF SELECTMEN**  
**November 16, 2016**

Type of Agreement/Description	Department	With	Amount	Other Information	Source of Funding
Professional Services Agreement	DPW	Kevin Martin	\$9,750	Restoration of Federal Street War Memorial (adjacent to Town Building)	DPW budget (funding meant to be offset with donations)
Professional Services Agreement	DPW	Woodard & Curran	Not to exceed \$70,000	Work related to compliance with Administrative Order of Consent (in connection with Flora St) for both Surfside WWTF and Sconset WWTF	Sewer Enterprise Fund
Professional Services Agreement	DPW	Woodard & Curran	\$6,500	Assist Town in establishing & implementing a compliant SPCC (Spill Prevention Containment & Correction) program for Sconset WWTF	Sewer Enterprise Fund
Professional Services Agreement	DPW	Woodard & Curran	\$25,000 (up to)	On-call engineering services	Sewer Enterprise Fund
Amendment to Professional Services Agreement	DPW	Greenman-Pedersen, Inc (GPI)	N/A	Scope change for Boulevard roadway improvement project to include addition of 15 site visits; also reallocates line item costs with no change to total dollars in contract	N/A

Professional Services Agreement	DPW	Greenman-Pedersen, Inc (GPI)	\$276,500	Survey, design & engineering services for reconstruction of portion of Lovers Ln, Okorwaw Ave & Monohansett Rd (Phase II of Surfside Area Road Improvement Project)	Article 10/2016 ATM
Professional Services Agreement	Our Island Home	VNA of Cape Cod, Inc.	\$1,000	One-year contract to arrange for provision by VNA for wound care and other nursing services to select residents of OIH in event such services are required	Our Island Home
Amendment to Professional Services Contract	PLUS	Blackwell & Associates	Increase contract from previously approved threshold of \$100,000 to \$200,000	Surveying, engineering and related services	PLUS and/or other Departmental budgets
Grant Award/Assurance	Airport	MassDOT	(\$63,825)	Airfield electrical vault modifications	MassDOT
Grant Award/Assurance	Airport	MassDOT	(\$31,950)	Interactive employee training system/upgrade public address & flight information display systems	MassDOT

**Katie Cabral**

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**From:** Libby Gibson  
**Sent:** Sunday, November 06, 2016 5:19 PM  
**To:** Katie Cabral  
**Subject:** Fwd: COA

Could you pls print this out, have TClerk "receive" it & give it to E for an agenda. THanks.

Sent from my iPad

Begin forwarded message:

**From:** Chuck Gifford <[cggiff3@yahoo.com](mailto:cggiff3@yahoo.com)>  
**Date:** November 6, 2016 at 4:24:58 PM EST  
**To:** Libby Gibson <[LGibson@nantucket-ma.gov](mailto:LGibson@nantucket-ma.gov)>  
**Subject:** COA

2016 NOV - 7 AM 9: 54  
NANTUCKET  
TOWN CLERK

Dear Libby,

I am writing to officially resign my position on the Council on Aging due to our departure from the island in December.

I have enjoyed and hopefully contributed to, the council and our Island's seniors.

All the best,

Chuck

Sent from my iPhone



**Erika Mooney**

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**From:** Charles Stott [stott.charles9@gmail.com]  
**Sent:** Thursday, November 10, 2016 10:36 AM  
**To:** Erika Mooney  
**Cc:** Kara Buzanoski; Roberto Santamaria  
**Subject:** Letter of Resignation

42 Long Pond Drive  
Nantucket, MA 02554  
November 10, 2016

Nantucket Board of Selectmen  
16 Broad Street  
Nantucket, MA 02554

Dear Board Members:

It is with great regret that I must submit a letter of resignation from the Nantucket Mosquito Control Project Board of Commissioners, effective December 1, 2016.

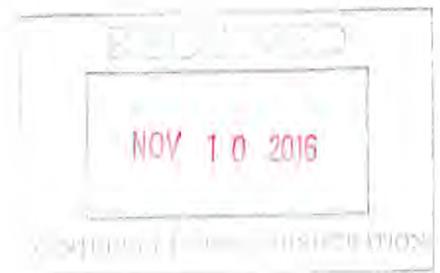
I have enjoyed being a member of the Board of Commissioners and have been pleased with the progress that has been made since Nantucket's mosquito control program began in 2012.

Thank you for providing me with the opportunity to serve in this capacity.

Sincerely,

Charles Stott

2016 NOV 10 AM 10:40  
NANTUCKET  
TOWN CLERK





Cheney Brothers Building 15A North Beach St. Nantucket, MA 02554

November 2, 2016

**Subject: Letter of Appeal Pursuant to 780 CMR R112 – Permit no. 1523-16**

Dear Board of Selectmen,

Cheney Brothers Building has been contracted to renovate and expand a large 6-structure compound at 250 Polpis Rd. The property has four existing buildings that are slated to be renovated and re-purposed, and two new structures are currently being built. Due to the size and complexity of this project, the Historic District Commission and Building Department approval processes have taken more than two years.

I have been contracted to complete this project in phases over the course of two years, with my client choosing to execute individual contracts for each building. Realizing how long it can take to process each permit application, I began the application process for the majority of the buildings well in advance of needing them per our phasing. This would give me the ability to begin work on each structure as soon as my client was ready to do so.

A couple months ago, I was notified by the Building Department that the permits for the Guest House, Garage, and Main House were approved and ready to be picked up. At that time, I picked up and paid for the Guest House permit only, as this is the structure that I was contracted to begin work on first, and I awaited confirmation from my client to proceed with the Garage and Main house before issuing payment for those permits as well.

My client recently gave me his approval to proceed with the Garage. On or around October 10th, my Project Manager began excavating for this structure knowing that the permit had been issued, but not realizing that it was not yet in hand. The extent of the excavation entailed a 32' x 36' hole, at a depth of 2', with no footings. It wasn't until the Project Manager called in a footing inspection for this structure (on October 13th) that he realized the \$860.00 permit fee had not yet been paid, and the permit was not actually on site.

At the point when the Building Commissioner, Steve Butler, realized a hole had been dug without the permit being on site, he issued a stop work order and levied a fine of 4x the permit fee, as he found Cheney Brothers in violation of 780 CMR R108.6 "Work Commencing Before Building Permit Issued." This was the following day, on October 14th.

It is my understanding that this penalty policy was instated to discourage individuals from starting work without the legal authority to do so. As a 16-year veteran of this island with more than 45 homes built

to date, I have found myself in the position of having to tell many clients that their projects could not start at their desired time, as I always follow the proper protocols set forth by the Building Commissioner and had to wait for permits to be formally issued and paid for.

I am hopeful that you will waive the penalty of \$3,440.00 for this violation. I had no need or intention to deceive the PLUS Department over a \$860.00 fee. The permit was issued and awaiting pickup for nearly two months prior to us starting any work; I simply forgot to pick it up.

On October 13th, within hours of realizing that this error had occurred and the permit had not yet been picked up, I remitted the necessary payment to the Building Department right away. Following this, as soon as I was informed by Steve Butler that I had been fined for the violation, I also paid this immediately to keep the job moving forward.

I trust you can appreciate that given the size and complexity of this project, this error was an honest mistake and was not an intentional diversion from the Building Department's protocols. I apologize for the incident, and have already made procedural changes within my office to ensure that this will not happen again on any future Cheney Brothers projects. Given this, I would be grateful if you would grant me a concession and waive the penalty in this case.

I appreciate your time and consideration.

Sincerely,

A handwritten signature in black ink, appearing to be 'Stephen Cheney', with a large, stylized initial 'S' and a long horizontal stroke extending to the right.

Stephen Cheney

COMMONWEALTH OF MASSACHUSETTS

MAP26 / PARCEL26/27

# TOWN OF NANTUCKET

## BUILDING DEPARTMENT

No. 1523-16

Office of the Building Inspector

Fee \$860.00

Oct. 13, 2016

# BUILDING PERMIT

THIS PERMIT CERTIFIES THAT MICHAEL COHEN HAS

PERMISSION TO CONSTRUCT A TWO CAR GARAGE WITH ATTACHED STORAGE SHED 860 SF  
LOCATED ON 250 POLPIS ROAD PROVIDED

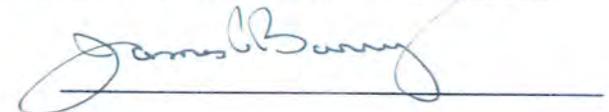
THAT THE PERSON ACCEPTING THIS PERMIT SHALL CONFORM TO THE TERMS OF THE APPLICATION ON FILE IN THE BUILDING DEPARTMENT AND TO THE PROVISIONS OF THE STATUTES AND THE ORDINANCES RELATING TO THE CONSTRUCTION, MAINTENANCE AND INSPECTION OF BUILDINGS IN THE TOWN OF NANTUCKET, AND THE MASSACHUSETTS STATE BUILDING CODE 780 CMR 8<sup>th</sup> EDITION.

A CERTIFICATE OF OCCUPANCY WILL BE ISSUED UPON RETURN OF THIS PERMIT ONLY AFTER ALL THE REQUIRED INSPECTIONS HAVE BEEN SIGNED AND DATED BY THE APPROPRIATE INSPECTOR.

THIS PERMIT SHALL BECOME INVALID SIX MONTHS FROM THE DATE OF ISSUE IF THE WORK PERMITTED HAS NOT COMMENCED OR IS NOT PROGRESSING CONTINUOUSLY TO COMPLETION AS FAR AS REASONABLY PRACTICABLE.

PERSONS CONTRACTING WITH UNREGISTERED CONTRACTORS DO NOT HAVE ACCESS TO THE GUARANTY FUND  
M.G.L. c142A

**THIS CARD MUST BE DISPLAYED IN A CONSPICUOUS PLACE ON THE PREMISES**



DEPARTMENT	PERMIT NUMBER	INSPECTOR	DATE
HEALTH	OK ABC 6/12/16	FINAL _____	_____
DPW/SEWER	_____	FINAL _____	_____
PLANNING BOARD	_____	FINAL _____	_____
PLUMBING	_____	ROUGH _____	_____
		FINAL _____	_____
WIRING	_____	TEMPORARY _____	_____
ALARM/LOW VOLTAGE	_____	SERVICE _____	_____
ROUGH	_____	ROUGH / BOND _____	_____
FINAL	_____	FINAL _____	_____
		ROUGH _____	_____
		FINAL _____	_____
		FINAL _____	_____
H D C	64168 8/4/16	FINAL _____	_____
FIRE DEPARTMENT		FUEL & MECH/ALARM _____	_____
SHEET METAL PERMIT	_____	ROUGH _____	_____
		FINAL _____	_____
ZONING		FINAL _____	_____
BUILDING		FOOTINGS _____	_____
TO CONSTRUCT A SINGLE STORY GARAGE		FOUNDATION _____	_____
860 SF		ROUGH _____	_____
		INSULATION _____	_____
		FIREPLACE _____	_____
		FINAL _____	_____

## Erika Mooney

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**From:** Steve Butler  
**Sent:** Thursday, November 03, 2016 2:07 PM  
**To:** Erika Mooney  
**Subject:** RE: memo please  
**Attachments:** 250 pOLPIS PERMIT 1523-16

Dear Board members,

I do not support the fee waiver. It is the responsibility general contractor to understand and to comply with the building code. The code has set forth this regulatory requirement in §110.R5.2.14 Responsibility of Each License Holder which explicitly states what is required of each construction supervisor's license holder. If a contractor delegates certain jobs to a Project Manager that individual then becomes the "licensee designee" who has the same responsibility. Starting construction without a permit is a fundamental violation of the code and grounds for license revocation (§110R5.2.8) that should be foremost in the licensee's mind. What is interesting to me is that the inspection was scheduled with a permit that was clearly already under way and shortly after the garage permit was issued the proper permit number substituted. Just to be clear, building permit applications are approved by an inspector, the applicant is notified but a permit is not issued until the fee is paid (see §R108.1) The attached letter gives the details of the building code violation, which while cured by the payment of the proper fee, to date has not been challenged by appeal.

Link to Construction Supervisors' License <http://www.mass.gov/eopss/docs/dps/buildingcode/inf3/110-0-r5-csl-and-military-service.pdf> you may have to cut and paste.

I will be unavailable for the meeting as I will be on vacation 11/7 – 11/18.

Stephen Butler  
Building Commissioner  
Town of Nantucket  
2 Fairgrounds Rd  
Nantucket, MA 02554  
508.325.7587

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**From:** Erika Mooney  
**Sent:** Thursday, November 03, 2016 10:58 AM  
**To:** Steve Butler  
**Cc:** Andrew Vorce; Leslie Snell  
**Subject:** memo please

Steve:

Please see attached request for a waiver of a penalty fee. Please prepare a memo to the BOS in response and have it to me by 11/9 for inclusion in the BOS packet for the 11/16 meeting. Thank you.

Erika

**PLEASE NOTE: Effective October 14, 2016, the Town Administration office will close to the public at noon on Fridays in order to work on weekly Board of Selectmen agenda packets and minutes.**

Erika D. Mooney  
Project Administrator  
Town of Nantucket  
16 Broad Street  
Nantucket MA 02554  
508-228-7266  
508-228-7272 Fax

110.R5: continued

**110.R5.2.3 License Approval.** A majority vote of the members of the BBRs shall be required to grant a license.

**110.R5.2.4 Expiration.** Licenses issued pursuant to these rules and regulations shall expire three years from the date of issuance, which shall be noted on said license and may be renewed. A renewal of an original license shall be for periods of two years and a renewal license shall expire two years from the date of issuance, which shall be noted on said license and may be renewed. A renewal license shall not be issued unless application therefore is made within one year of the date of expiration of the most recently issued license. Except as authorized by M.G.L. c. 147, § 62(b), if a licensee fails to renew his license within one year of the expiration date, such license may thereafter be renewed within two years of its expiration date upon the payment of a fee per 780 CMR 110.R5.3.5. Practice of construction supervision is prohibited with an expired license.

**110.R5.2.5 Fees.** Reserved

**110.R5.2.6 Procedure for Obtaining a License.**

**110.R5.2.6.1 Application.** License applicants meeting the qualifications of 780 CMR 110.R5.2.1 may submit an examination application per 780 CMR 110.R5.2.2 to the authorized testing agent of BBRs.

**110.R5.2.6.2 Forms.** It shall be the responsibility of the applicant to assure that the required forms are received by the testing agency. All forms shall be accompanied by the required license examination fee.

**110.R5.2.6.3 Records.** The BBRs shall keep a copy of the application and a computer file listing all licensed construction supervisors.

**110.R5.2.6.4 Examination Date.** Upon receipt of a fully completed application, an examination date shall be set by the authorized testing agency and the applicant so notified.

**110.R5.2.7 False Statements.** Any false statement on the application or references shall be sufficient reason to refuse to issue a license, or to suspend or revoke a license if issued.

**110.R5.2.8 Cause for Suspension or Revocation.** The following shall be grounds for reprimand, suspension, or revocation of a license:

1. the applicant made a false statement to the BBRs;
2. a licensee made a false statement to the BBRs;
3. any violation of 780 CMR;
4. work was performed without a building permit;
5. failure to fully cooperate with a BBRs investigation into a complaint;
6. failure to turn over a suspended or revoked license to the BBRs;
7. failure to abide by a mandate or order of the BBRs;
8. failure to properly supervise a project or be present at a work site as required by 780 CMR 110.R5.4;
9. failure to meet the requirements of 780 CMR 110.R5.4.

**110.R5.2.9 Procedure for Suspension or Revocation of License.**

**110.R5.2.9.1 Complaints.** All complaints relative to a license must be in writing on a form provided by the BBRs. Any person, including a *building official* or the BBRs itself, may file a complaint. All complaints must be received by the BBRs within three years of the date the parties entered into an agreement to perform the work requiring licensure pursuant to 780 CMR 110.R5.

**110.R5.2.9.1.1 Basis of Complaint.** Work related to a specific building permit that is deemed to not comply with 780 CMR or a consistent pattern of abuse relating to contractual arrangements between license holder and client shall be the basis of such complaint. Any work requiring a building permit, which is performed without such permit shall be considered cause for suspension or revocation.

**110.R5.2.9.1.2 Review and Investigation of Complaints.** The BBRs or its designee shall review every complaint filed. If the reviewer determined that the complaint alleges plausible potential violations of 780 CMR by the licensee, a hearing shall be convened. The BBRs may, if it elects, investigate a complaint prior to scheduling a hearing. Failure of a complainant to cooperate in the investigation shall be grounds for dismissal of a complaint.

Upon receipt of a complaint, the BBRs or its designee shall send a letter acknowledging receipt to the complainant, the licensee being complained of, and the appropriate municipal *building official*. A copy of the complaint and all attachment shall be mailed to the license holder with the acknowledgment letter.

110.R5: continued

**110.R5.2.9.3 Notice of Hearing.** If the *hearings officer* or the BBRs determined that a hearing shall be held to resolve a complaint, reasonable notice shall be provided to the complainant and the license holder. Mailing of the notice to the address on record with BBRs shall be deemed satisfactory notice to the license holder. The notice of hearing shall contain.

1. The name of the complainant.
2. The date, time and place of said hearing.
3. The location of the incident giving rise to the complaint
4. Notice that either party may view the BBRs's complaint file by appointment.

**110.R5.2.9.4 Hearings.** Hearings convened pursuant to 780 CMR 110.R5 shall be conducted pursuant to 801 CMR 1.02: *Informal/Fair Hearing Rules*. Any party may be represented by legal counsel. All parties shall be permitted to present an opening statement, testify on their own behalf, cross-examine all witnesses, present any relevant witness testimony, present any relevant documentary evidence, and offer a closing argument. The *hearings officer* may question any witness and include any records kept by the BBRs as exhibits. The *hearings officer* may conclude the hearing at any time and issue a decision based on the evidence presented.

If a licensee does not appear for the hearing, the *hearings officer* may conduct a hearing in their absence and render a decision based upon the evidence presented, but only after making a finding that the licensee was provided notice as required by 780 CMR 110.R5.2.9.3.

**110.R5.2.9.5 Decisions and Discipline of License Holders.** The *hearings officer* shall issue a written decision after the hearing. Decisions shall be issued in a reasonably prompt manner. The *hearings officer* may suspend a license for a fixed period of time, revoke a license permanently, or reprimand the licensee. In conjunction with these disciplinary measures, the *hearings officer* may order the license holder to retake the CSL examination. Any license that is suspended or revoked shall be forwarded to the BBRs immediately. A person whose license is revoked may apply in writing to the BBRs for reinstatement no sooner than two years from the date of the revocation.

**110.R5.2.10 Appeal.** Any person aggrieved by a decision of the *hearings officer* may, in writing, request review of said decision by the BBRs. The filing of such a petition shall not serve to stay any disciplinary action taken by the *hearings officer*.

The BBRs may review such decision at its discretion. Such review is an administrative review that shall be based solely on the administrative record and is not to be construed as a second Hearing on the same complaint(s). After review, the BBRs may either deny the petition or remand the matter to the *hearings officer* for further proceedings as directed. The filing of an appeal with the BBRs shall serve to toll the timing provisions of M.G.L. c. 30A, § 14 until such time as a final decision is rendered by the BBRs.

**110.R5.2.10.1 Appeal to a Court.** Any person aggrieved by a decision of the *hearings officer* or the BBRs may appeal such decision in conformance with M.G.L. c. 30A, § 14.

**110.R5.2.11 Change of Address.** The license holder shall have the responsibility of reporting any change of address and/or change of circumstance to the BBRs. The information on file at the BBRs shall be deemed accurate unless changed by the license holder.

**110.R5.2.12 On-site Presence of Supervisor.** A licensed construction supervisor or a licensed designee as defined shall be present on the site at some point to approve construction, reconstruction, alterations, removal or demolition involving the following work.

**Note.** Any licensed construction supervisor who contracts to do work for a homeowner shall be responsible for performing said work in accordance with 780 CMR whether or not the licensed contractor secured the permit for said work.

1. Foundation:
  - a. Preparation of bearing material;
  - b. Location of foundation;
  - c. Placement of forms and reinforcing materials (if applicable);
  - d. Placing of concrete (or setting of other foundation materials);
  - e. Setting weather protection methods (if required);
  - f. Installation of waterproofing and/or damp proofing materials; and
  - g. Placement of backfill.

**Note.** If groundwater is encountered in excavating for foundation placement, the licensed construction supervisor shall report its presence to the *building official* and shall submit a report detailing methods of remediation.

110.R5: continued

2. Structural frame:
  - a. Installation of joists, trusses and other structural members and sheathing materials to verify size, species and grade, spacing and attachment/fastening methods. (The licensed construction supervisor shall ensure that any cutting or notching of structural members is performed in accordance with requirements of 780 CMR)
  - b. Setting of masonry or other structural systems (if used).
3. Energy conservation: Installation of insulation materials, vapor and air infiltration barriers.
4. Fire protection: Installation of smoke, heat and carbon monoxide (CO) detectors and/or systems.
5. Special construction, including, but not limited to:
  - a. Chimneys;
  - b. Retaining walls over four feet in height above grade.

The *building official* may require a licensed construction supervisor or his or her licensed designee to be present on the building site at other points during the construction, reconstruction, alterations, removal or demolition work as he or she deems appropriate.

**110.R5.2.13 Lost/Stolen Licenses.** License holders are required to keep the license in their possession at all times during the course of construction work at any and all building sites. If said license is lost, stolen or mutilated, it shall be the responsibility of the license holder to notify the BBRs.

**110.R5.2.14 Requirement to Show License.** A *building official* may require the license holder to produce the license at any time on a job site.

**110.R5.2.15 Responsibility of Each License Holder.**

**110.R5.2.15.1 Responsibility for Work.** The license holder shall be fully and completely responsible for all work for which he/she is supervising. He/she shall be responsible for seeing that all work is done pursuant to 780 CMR and the drawings as approved by the *building official*.

**110.R5.2.15.2 Responsibility to Supervise Work.** The license holder shall be responsible to supervise the construction, reconstruction, installation, alteration, repair, removal or demolition for the category of license held involving any activity regulated by any provision of 780 CMR and all other applicable Laws of the Commonwealth even though he, the license holder, is not the permit holder but only a subcontractor or contractor to the *permit* holder.

**110.R5.2.15.3 Notification of Violations.** The license holder shall immediately notify the *building official* in writing of the discovery of any violations which are covered by the building permit.

**110.R5.2.15.4 Willful Violation.** Any licensee who shall willfully violate 780 CMR shall be subject to revocation or suspension of license by the *hearings officer*.

**110.R5.2.16 Permit Applications.** All building *permit* applications shall contain the name, signature and license number and the category of license so held of the construction supervisor who is to supervise those persons engaged in the work as defined in the building *permit*. In the event that such licensee is no longer supervising said persons, the work shall immediately cease until a successor license holder is substituted on the records of the building department.

**110.R5.2.17 Gender of Terms.** The term "he" as used in 780 CMR 110.R5 shall include the pronoun "he" and/or "she."

**110.R5.3 ADMINISTRATION**

**110.R5.3.1 Identification.** The BBRs shall issue a card or a certificate or other form of license identification.

**110.R5.3.2 Records of Licensees.** The BBRs shall maintain a computer listing ([www.mass.gov/dps](http://www.mass.gov/dps)) which will be available to the public at the office of the BBRs containing all licenses issued by the BBRs.

**110.R5.3.3 Examination.** The BBRs shall determine whether an examination shall be required, or shall be oral or written and shall determine the content of the examination, if applicable.

**Exception.** An individual holding a current certification per the requirements of 780 CMR 110.R7 shall be allowed to submit an application for the construction supervisor license without the need for examination.

110.R5: continued

**110.R5.3.4 Subject to Rules, Regulations and Procedures.** All persons licensed shall be subject to 780 CMR 110.R5, as well as other rules, regulations, and procedures promulgated by the BBRS.

**110.R5.3.5 Fees.** Any and all fees charged for licenses, examinations, renewals, and registrations shall be determined by the Commonwealth and enforced by the BBRS. Fees shall be established from time to time as necessary, and shall be paid in accordance with 801 CMR 4.02.

**110.R5. 3.5.1 Building Official Fees.** The BBRS shall grant a construction supervisor license without examination to an individual holding a current certification per the requirements of 780 CMR 110.R7. An individual seeking such license shall file an application to the BBRS and pay all appropriate license fees.

**5.4 CONTINUING EDUCATION**

**110.R5.4.1 Standards.** The BBRS may by rule adopt standards for continuing education requirements and course and instructor approval. The standards must include requirements for continuing education as applicable to buildings and building codes and referenced standards.

**110.R5.4.2 Hours.** A qualifying licensee must provide proof of completion of required hours of continuing education per two year license cycle in the appropriate category in which the licensee is licensed. Credit may not be earned if the licensee has previously obtained credit for the same course as either a student or instructor during the same licensing period. In accordance with M.G.L. c. 147, § 62 the BBRS may consider granting extensions of time to returning military personnel upon application therefore.

- |   |           |
|---|-----------|
| 1. Construction Supervisors License                                 | 12 Hours  |
| 2. Construction Supervisors License (One- and Two-Family Dwellings) | ten Hours |
| 3. Construction Supervisors Specialty License                       | six Hours |

**Exception.** *Building officials* who are certified and in good standing in accordance with 780 CMR 110. R7 are exempt from 780 CMR 110.R5.4.

**110.R5.4.3 Education Topics.** All Construction Supervisor License holders are required to complete the appropriate number of continuing education each two-year renewal cycle as described in 780 CMR 110.R5.4.2. The following hour(s) of continuing education topics are required:

- |   |          |
|---|----------|
| 1. Code Review                                    | one hour |
| 2. Workplace Safety                               | one hour |
| 3. Business Practices / Workers' Compensation     | one hour |
| 4. Energy (except Demolition Specialty License)   | one hour |
| 5. Lead Safe Practices (only first renewal cycle) | one hour |

The remainder credit hours to be completed by approved electives.

**110.R5.4.4 Accessibility.** To the extent possible, the BBRS shall ensure that continuing education courses are offered throughout the state and are accessible to all licensees.

**110.R5.4.5 Renewal of Approval.** The BBRS is authorized to establish a procedure for renewal of course approval.

**110.R5.4.6 Content.** Continuing education consists of approved courses that impart appropriate and related knowledge in the regulated industries. Courses may include relevant materials that are included in licensing exams subject to the limitations imposed in 780 CMR 110.R5.4.6, item 1. The burden of demonstrating that courses impart appropriate and related knowledge is upon the person seeking approval or credit.

Course examinations will not be required for continuing education courses unless they are required by the instructor.

Unless determined by the coordinator textbooks are not required to be used for continuing education courses. The coordinator must provide students with a syllabus containing, at a minimum, the course title, the times and dates of the course offering, the names and addresses or telephone numbers and email address of the course coordinator and instructor, and a detailed outline of the subject materials to be covered. Any written or printed material given to students must be of readable quality and contain accurate and current information.

Upon completion of an approved course, licensees shall earn one hour of continuing education credit for each hour approved by the BBRS. Each continuing education course must be attended in its entirety in order to receive credit for the number of approved hours. Courses may be approved for full or partial credit, and for more than one regulated industry.

## Erika Mooney

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**From:** Steve Butler  
**Sent:** Wednesday, October 19, 2016 3:21 PM  
**To:** 'Hana@cheneybrothersbuilding.com'  
**Subject:** 250 pOLPIS PERMIT 1523-16  
**Attachments:** 250 Polpis Rd

Good afternoon,

The stop work order placed on building permit 1523-16, see attached, is lifted you are free to resume work. Thank you for your prompt attention to this matter.

Stephen Butler  
Building Commissioner  
Town of Nantucket  
2 Fairgrounds Rd  
Nantucket, MA 02554  
508.325.7587

## Erika Mooney

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**From:** Steve Butler  
**Sent:** Friday, October 14, 2016 2:25 PM  
**To:** 'Stephen Cheney'  
**Subject:** 250 Polpis Rd

Good Afternoon,

It has come to my attention that the construction of a garage authorized by building permit 1523-16 was started prior to the issuance of the building permit. An inspection was scheduled for this morning, 10/14/16, using another permit number and later changed to the garage building after the permit was issued late yesterday afternoon. A site inspection this morning clearly shows that the hole was not dug and the footings formed within the period of time after the permit was issued and the inspection this morning, it was done some period of time prior.

Please be advise that you are in violation of 780 CMR R108.6 Work Commencing Before Building Permit Issued. The Town of Nantucket has established a Late Filing Fee to be accessed to permits where the work has started prior to the issuance of the permit, this is applicable in this case. The fee paid is \$860.00 the Late Filing Fee of 4 times the regular fee is \$3440.00 leaving a balance of \$2580.00. 780 CMR R108.1 states in part that " A permit shall not be valid until the fees prescribed by law have been paid." Therefore permit 1523-16 is no longer valid and all construction must cease upon this notice until the fee is paid in full.

Please be advised that if you are aggrieved by this decision of the Building Commissioner you may appeal pursuant to 780 CMR R112.

If you have any questions please contact me.

Stephen Butler  
Building Commissioner  
Town of Nantucket  
2 Fairgrounds Rd  
Nantucket, MA 02554  
508.325.7587

**From:** [Brian Turbitt](#)  
**To:** [Erika Mooney](#)  
**Subject:** vote  
**Date:** Thursday, November 10, 2016 11:06:28 AM  
**Attachments:** [60369369\\_1-Selectmen Vote \(NILB\) 2016A Refunding - 11.26.2016.docx](#)  
**Importance:** High

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Vote for Wednesday. We will need to insert the final number into the vote because it will not be known until Tuesday night.

- Thanks,  
Brian

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Brian E. Turbitt  
Director of Municipal Finance  
Town of Nantucket  
37 Washington Street  
Nantucket, MA 02554  
Office: 508-228-7200, Ext. 7031  
Fax: 508-228-7218

## VOTE OF THE SELECTMEN OF THE TOWN OF NANTUCKET

I, the Clerk of the Board of Selectmen of the Town of Nantucket, Massachusetts, certify that at a meeting of the board held November 16, 2016, of which meeting all members of the board were duly notified and at which a quorum was present, the following votes were unanimously passed, all of which appears upon the official record of the board in my custody:

Voted: to approve the pledging of the full faith and credit of the Town under Chapter 669 of the Acts of 1983 as amended to secure the principal of and interest on the 2016 Series A Refunding Bonds to be issued by the Nantucket Islands Land Bank (the "Land Bank") in an aggregate principal amount not to exceed \$\_\_\_\_\_ to finance the refunding of all of the Land Bank's \$15,095,000 2007 Series A Bonds (Full Faith and Credit Issue) dated December 1, 2007 maturing on and after December 1, 2018 in the aggregate principal amount of \$9,225,000, including all costs incidental or related thereto, pursuant to the Supplemental Trust Agreement to be dated as of December 15, 2016 among the Town, the Land Bank and U.S. Bank National Association, as Trustee (the "Supplemental Trust Agreement"), which Supplemental Trust Agreement is being entered into for the purpose of supplementing the Trust Agreement dated as of December 1, 2007, as amended and supplemented by the Supplemental Trust Agreement dated March 13, 2009, and as further supplemented by the Supplemental Trust Agreement dated February 23, 2012, each among the Town, the Land Bank and the Trustee.

Further Voted: to authorize the Finance Director or Treasurer of the Town to enter into on behalf of the Town the Supplemental Trust Agreement relating to the issue of the 2016 Series A Refunding Bonds substantially in the form submitted to and filed with the records of this meeting, subject to such changes as the Finance Director or Treasurer may approve, with the execution thereof being conclusive evidence of such approval.

Further Voted: to authorize the Finance Director or Treasurer of the Town to enter into on behalf of the Town the Amended and Restated Agreement as to Working Capital Reserve Account between the Land Bank and the Town substantially in the form submitted to and filed with the records of this meeting, subject to such changes as the Finance Director or Treasurer may approve, with the execution thereof being conclusive evidence of such approval.

Further Voted: that the Town Treasurer be, and hereby is, authorized to execute and deliver a continuing disclosure undertaking in order to assist the Land Bank in compliance with SEC Rule 15c2-12 in the form submitted to and filed with the records of this meeting, subject to such changes as the Finance Director or Treasurer may approve, with the execution thereof being conclusive evidence of such approval, for the benefit of the holders of the Bonds from time to time.

Further Voted: to authorize the Finance Director or Treasurer of the Town or any other Town official to execute on behalf of the Town any other agreement, document or certificate necessary in connection with the issue of the 2016 Series A Refunding Bonds.

I further certify that the votes were taken at a meeting open to the public, that no vote was taken by secret ballot, that a notice stating the place, date, time and agenda for the meeting (which agenda included the adoption of the above votes) was filed with the Town Clerk and a copy thereof posted in a manner conspicuously visible to the public at all hours in or on the municipal building that the office of the Town Clerk is located or, if applicable, in accordance with an alternative method of notice prescribed or approved by the Attorney General as set forth in 940 CMR 29.03(2)(b), at least 48 hours, not including Saturdays, Sundays and legal holidays, prior to the time of the meeting and remained so posted at the time of the meeting, that no deliberations or decision in connection with the sale of the Bonds were taken in executive session, all in accordance with G.L. c.30A, §§18-25 as amended.

Dated: November 16, 2016

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Clerk of the Board of Selectmen

AM 60369369.1

To: Nantucket Board of Selectmen  
From: Nantucket Fire Station Work Group  
Re: Review Status and Action Items  
Date: November 9, 2016

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### Summary

The bid for the new Fire Station project resulted in a lowest responsive and responsible bid of \$15,707,000. This figure was \$1,273,875 over the construction budget for the project. The Work Group was established to review the project to date and to discuss ways to reduce the project costs within the existing appropriation. At this point, the following areas have been identified as possible savings:

1. HVAC system redesign to an alternative system to geothermal expansion
2. Removal of paving and fencing from the scope of the bid (this work would still need to be completed at a later date)
3. Delivery of the project as a Modular construction project.

Each item is reviewed below and then overall options for moving forward noted.

### HVAC System

One of the major cost overrun items in the original bid was in the HVAC system. The system, as designed, was an expansion of the current geothermal system that is currently operating in the Police Station - a system that was specifically sized to be able to handle a future Fire Station addition. The original engineer's estimate for the HVAC system was \$1,352,000. The first filed sub bids came in at \$2,397,000. The subsequent rebid of the system reduced the cost to \$2,187,850. A number that was still almost \$834,000 over budget. Due to the high costs, KBA (Designer) discussed changing the system to a Variable Refrigerant Flow (VRF). The VRF is a "two pipe" system that regulates the flow of refrigerant between the interior fan coil units and exterior condensers (a less expensive system to construct). KBA was asked to evaluate certain key metrics in an effort to compare the system. Please see the table below with that data.

	<b>Geothermal System Expansion</b>	<b>New VRF System</b>
Purchase cost	\$2,187,850 (per bid)	\$1,150,000 (est.)
Operating cost per SF per year	\$3.00	\$3.00
Estimated operating cost per year	\$66,000	\$66,000
Payback (years)	9	3

The VRF system is a more economical alternative to connecting to the existing geothermal system.

## Removal of Fencing and Paving

After receipt of the bids, we were able to speak with the perspective low bidder, J&J Contractors. J&J indicated that the paving and fencing costs provided to them were extremely high compared to similar costs on the mainland. The paving was coming in at approximately \$700,000 with the fencing at approximately \$200,000. Those costs are then marked up by the General Contractor by approximately 5%.

As a cost saving alternative, we would suggest removing this work from the bid. This would result in the ability of the Town to procure these services directly from the vendors at a later time. The scopes of work are such that they would not impact the progress of the contractor on the building. Most importantly, the Town would save the markup that the GC would apply to this work. Furthermore, the Town could utilize its yearly paving contract as a means to achieve a potentially lower unit cost that would be extended to an off-island general contractor.

	Fencing and Paving by GC	Fencing and Paving by Town
Cost of Fencing	\$200,000	\$200,000
Cost of Paving	\$700,000	\$700,000**
Total Subcontractor Cost	\$900,000	\$900,000
GC Markup (assume 5%)	\$45,000	\$0
Total Cost to Town	\$945,000	\$900,000

**\*\*Cost of paving determined by existing Town contracts. This would also be affected by the scope of work being included in the paving bid (e.g. fine grading in addition to paving, etc.)**

It is important to note that even if the fencing and paving is removed from the project for rebid, it still needs to be a budgeted item for later, so true savings are only realized by no markup and any economy achieved through existing Town paving contracts.

Early tree clearing of the site was also discussed as this would save further markup as well as open the work up to local subcontractors working directly for the Town.

## Delivery of the Project as Modular Construction

There has been significant discussion about whether or not this project could be procured under the Commonwealth's Modular procurement law. Many in the group are familiar with the fire station project in Oak Bluffs that was built for \$409 per sf (total project cost) as compared to Nantucket's \$765 sf number. The idea behind modular construction is simple – any work that is built off site can be done at non prevailing wage rates. In Oak Bluffs, the Town benefited from a now-removed interpretation of the law that allowed pre-fabricated metal buildings to be considered modular construction, however this is no longer the case. (Our OPM attempted to contact Oak Bluff's OPM to discuss the actual construction cost per sf, however the Oak Bluffs OPM was unresponsive to VERTEX's request.)

We have had initial conversations with modular builders and believe it is possible for portions of the building to be constructed "off island". The details of such a plan however are left to the modular

builder and its team (including a new designer) and those strategies are not made clear until the Modular RFQ is opened and evaluated.

### Options Moving Forward

The Work Group feels that parallel paths should be taken at this time with both of the following options being pursued:

1. Redesign the project to accept the VRF HVAC system, remove the fencing and paving from the project for procurement later, proceed with the site clearing under a separate bid thereby allowing more local contractors to bid the work. This would also ultimately require re-qualification of all subcontractors and general contractors.
2. Concurrently prepare a new performance specification with site and layout plans for the Modular procurement of the project. Prequalification is not required for Modular procurement.

It would be our intention to receive Modular bids first and make a decision whether to move forward or not. If the Modular bids were not desirable, the project would be advertised and bid in the conventional manner. The Attorney General would frown upon trying to procure both methods at the same time.

There would of course be additional design costs to complete this work. Those are set forth as follows and are attached to this correspondence:

- Option 1 - \$187,500
- Option 2 - \$66,000

Below is an overall project estimate for Option 1 based upon the items discussed herein:

	Option 1	Option 2
Construction budget	\$ 15,707,000	<i>To be determined</i>
Base Designer fees	\$ 976,000	\$ 976,000
OPM fees	\$ 458,860	\$ 458,860
Other soft costs	\$ 440,140	\$ 440,140
Soft cost contingency	\$ 37,500	\$ 37,500
Construction contingency	\$ 654,375	\$ 654,375
Subtotal	\$ 18,273,875	<i>To be determined</i>
Less current budget	\$ (17,000,000)	\$ (17,000,000)
Overage	\$ 1,273,875	<i>To be determined</i>
Change of HVAC	\$ (950,000)	\$ (950,000)
Remove Fence and Paving	\$ (45,000)	\$ (45,000)
KBA additional costs	\$ 187,500	\$ 66,000
Overage / (Savings)	\$ 466,375	<i>To be determined</i>

As discussed, the Option 2 Modular cost is difficult to ascertain without the solicitation of bids through the RFQ process. In addition, it should be noted that escalation is assumed to be approximately 6-7% per year. Therefore, using a 6.5% escalation factor, Option 1's cost could increase by just over \$959,000 (i.e.  $(\$15,707,000 - \$950,000) \times 0.065 = \$959,200$ ). This would change the overage listed above to \$1,425,575 (i.e.  $\$466,375 + \$959,200 = \$1,425,575$ ).

#### **Action Items**

The Work Group is seeking the Board of Selectmen's approval for the expenditure of project funds to have KBA proceed with Option 1 and Option 2 in accordance with the attached proposals.

DRAFT

SELLER'S CONSENT TO ASSIGNMENT OF  
RIGHTS TO PURCHASE

Whereas, the Town of Nantucket, a Massachusetts municipal corporation, acting by and through its Board of Selectmen having an address of Town & County Building, 16 Broad Street, Nantucket, Massachusetts (the "Seller") awarded the rights to purchase two parcels (Lots 20 and 21, Land Court Plan 2408-M at the Nantucket Registry District of the Land Court) in said Nantucket (the "Yard Sale Parcel") to **Michael O'Horo and Susan Kiernan O'Horo**, ("Buyer") as the owner of 5 California Avenue, Nantucket as set forth in a letter to the Buyer dated June 18, 2015;

Whereas, the Buyer has entered into a Purchase and Sale Agreement with **George Jabren and Kaye Jabren** of 2679 Battle Overlook, Atlanta, GA 30327 (the "Assignee") to sell the Buyer's property at 5 California Avenue Road, Nantucket together with the rights to purchase the Yard Sale Parcel;

Whereas, the Award of the Yard Sale Parcel permits the Buyer to assign all of his rights and obligations under the Award, subject to the Seller's prior written consent, which may be withheld in the Seller's sole and absolute discretion;

Whereas, the Buyer desires to assign all of his rights and obligations under the Award to the Assignee;

Whereas, the Seller desires to permit the assignment of the rights pursuant to the Award to the Assignee, subject to the following terms and conditions;

Now, therefore, for and in consideration of the sum of One Dollar (\$1.00) and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Seller, the Buyer, and the Assignee agree to the foregoing and as follows:

Agreement

1. The Seller hereby agrees that the Buyer may assign all of his rights and obligations under the Award to the Assignee and agrees, after the date hereof, to recognize Assignee as Buyer for all purposes under or pursuant to the Award and pursuant to a Purchase and Sale Agreement to be executed by and between the Seller and the Assignee.
2. The Assignee accepts the foregoing assignment and, effective as of the date hereof, assumes and agrees to perform and be bound by all of the terms, covenants, and conditions prospectively to be observed or performed as Buyer under or pursuant to the Award and to a Purchase and Sale Agreement to be executed in substantially the same form attached to the Request for Proposals issued by the Seller for this Yard Sale Parcel.
3. The Assignee agrees that the Seller shall retain all deposits that Buyer has tendered under the Award in accordance with the terms and conditions of the Agreement. If the Assignee, as the Buyer under the Agreement, fails to consummate the transaction contemplated by the Agreement, all deposits (including interest thereon, if any) made by

the Buyer shall be paid by the Escrow Agent (as defined in the Purchase and Sale Agreement of the Yard Sale Parcel) to the Seller to be retained as liquidated damages in accordance with the Agreement.

4. Buyer hereby indemnifies and agrees to hold the Seller and its Board Members, officers, directors, shareholders and employees harmless of and from any and all loss, cost, expense, damage or liability (including, but not limited to reasonable attorneys' fees and expenses) which may be incurred by or asserted against any such party arising from or occasioned by any claim of any nature arising under the Agreement prior to the date hereof and not disclosed to Assignee.
5. This instrument shall be binding upon and shall inure to the benefit of the parties hereto and their respective successors and assigns.
6. The Agreement is ratified in all other respects, and time is still of the essence.

**THE REMAINDER OF THIS PAGE IS INTENTIONALLY LEFT BLANK**

COUNTERPART SIGNATURE PAGE  
TO  
SELLER'S CONSENT TO ASSIGNMENT OF  
RIGHTS TO PURCHASE

In Witness Whereof, the parties have caused this Consent to Assignment of Rights to be executed individually or by their respective duly-authorized representative officers, this \_\_\_\_ day of \_\_\_\_\_, 2016.

**Seller:** TOWN OF NANTUCKET  
By its Board of Selectmen

\_\_\_\_\_  
Rick Atherton

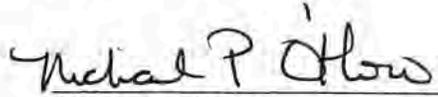
\_\_\_\_\_  
Robert DeCosta

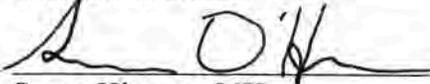
\_\_\_\_\_  
Dawn Hill Holdgate

\_\_\_\_\_  
Matthew G. Fee

\_\_\_\_\_  
Jim Kelly

**Buyer:**

  
\_\_\_\_\_  
Michael O'Horo

  
\_\_\_\_\_  
Susan Kiernan O'Horo

**Assignee:**

\_\_\_\_\_  
George Jabren

\_\_\_\_\_  
Kaye Jabren

COUNTERPART SIGNATURE PAGE  
TO  
SELLER'S CONSENT TO ASSIGNMENT OF  
RIGHTS TO PURCHASE

In Witness Whereof, the parties have caused this Consent to Assignment of Rights to be executed individually or by their respective duly-authorized representative officers, this \_\_\_\_\_ day of \_\_\_\_\_, 2016.

**Seller: TOWN OF NANTUCKET**  
By its Board of Selectmen

\_\_\_\_\_  
Rick Atherton

\_\_\_\_\_  
Robert DeCosta

\_\_\_\_\_  
Dawn Hill Holdgate

\_\_\_\_\_  
Matthew G. Fee

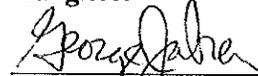
\_\_\_\_\_  
Jim Kelly

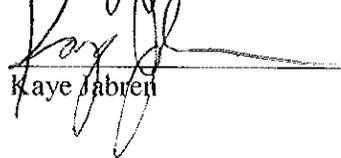
**Buyer:**

\_\_\_\_\_  
Michael O'Horo

\_\_\_\_\_  
Susan Kiernan O'Horo

**Assignee:**

  
\_\_\_\_\_  
George Jabren

  
\_\_\_\_\_  
Kaye Jabren



## Planning and Land Use Services

Building ▪ Health ▪ Historic District Commission ▪ Planning Board ▪ Zoning Board of Appeals

June 18, 2015

Michael & Susan O'Horo  
7 Wanders Drive  
Hingham, MA 02043

RE: 2 New Hampshire Avenue

Dear Mr. and Mrs. O'Horo :

The purpose of this letter is to inform you that the Board of Selectmen of Nantucket have been advised that you are the most advantageous proposer and will be awarded the surplus property identified as "2 New Hampshire Avenue, Lots 20 & 21, Blk 34 Plan No. 2408-M", as part of the Nantucket Yard Sale Program.

The Town will forward your proposal to our counsel to begin the preparation of legal documents necessary to convey the property. As stated in the Request for Proposals, you will be required to pay for these legal costs, as well as arrange for any actions necessary to combine the surplus parcel with your existing lot.

Please contact us in the upcoming weeks for more information on the procedure of conveyance. Otherwise, we will contact you at some point in the future to close out this matter.

If you should have any questions, please do not hesitate to contact me at 508-325-7587 or [avorce@nantucket-ma.gov](mailto:avorce@nantucket-ma.gov). Thank you.

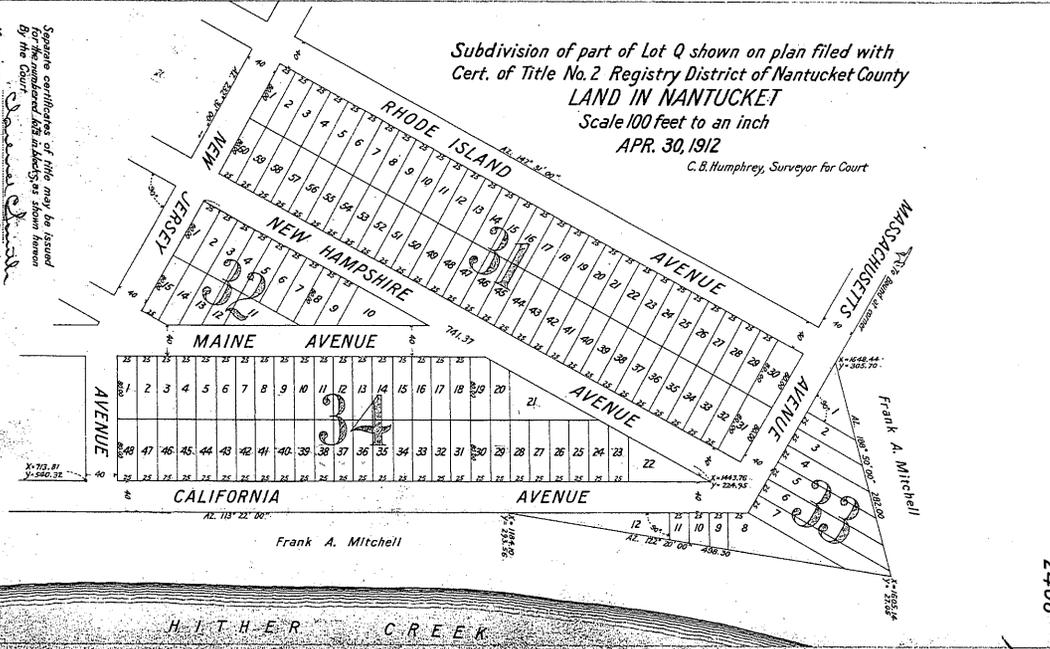
Sincerely,

Andrew V. Vorce  
Director of Planning

cc: Town Counsel

Separate certificates of title may be issued for the numbered lots in blocks as shown herein by the Court Recorder.  
Eg. 11, 12, 13, 14, 15, 16, 17, 18, 19, 20, 21, 22, 23, 24, 25, 26, 27, 28, 29, 30, 31, 32, 33, 34, 35, 36, 37, 38, 39, 40, 41, 42, 43, 44, 45, 46, 47, 48, 49, 50, 51, 52, 53, 54, 55, 56, 57, 58, 59, 60, 61, 62, 63, 64, 65, 66, 67, 68, 69, 70, 71, 72, 73, 74, 75, 76, 77, 78, 79, 80, 81, 82, 83, 84, 85, 86, 87, 88, 89, 90, 91, 92, 93, 94, 95, 96, 97, 98, 99, 100, 101, 102, 103, 104, 105, 106, 107, 108, 109, 110, 111, 112, 113, 114, 115, 116, 117, 118, 119, 120, 121, 122, 123, 124, 125, 126, 127, 128, 129, 130, 131, 132, 133, 134, 135, 136, 137, 138, 139, 140, 141, 142, 143, 144, 145, 146, 147, 148, 149, 150, 151, 152, 153, 154, 155, 156, 157, 158, 159, 160, 161, 162, 163, 164, 165, 166, 167, 168, 169, 170, 171, 172, 173, 174, 175, 176, 177, 178, 179, 180, 181, 182, 183, 184, 185, 186, 187, 188, 189, 190, 191, 192, 193, 194, 195, 196, 197, 198, 199, 200, 201, 202, 203, 204, 205, 206, 207, 208, 209, 210, 211, 212, 213, 214, 215, 216, 217, 218, 219, 220, 221, 222, 223, 224, 225, 226, 227, 228, 229, 230, 231, 232, 233, 234, 235, 236, 237, 238, 239, 240, 241, 242, 243, 244, 245, 246, 247, 248, 249, 250, 251, 252, 253, 254, 255, 256, 257, 258, 259, 260, 261, 262, 263, 264, 265, 266, 267, 268, 269, 270, 271, 272, 273, 274, 275, 276, 277, 278, 279, 280, 281, 282, 283, 284, 285, 286, 287, 288, 289, 290, 291, 292, 293, 294, 295, 296, 297, 298, 299, 300, 301, 302, 303, 304, 305, 306, 307, 308, 309, 310, 311, 312, 313, 314, 315, 316, 317, 318, 319, 320, 321, 322, 323, 324, 325, 326, 327, 328, 329, 330, 331, 332, 333, 334, 335, 336, 337, 338, 339, 340, 341, 342, 343, 344, 345, 346, 347, 348, 349, 350, 351, 352, 353, 354, 355, 356, 357, 358, 359, 360, 361, 362, 363, 364, 365, 366, 367, 368, 369, 370, 371, 372, 373, 374, 375, 376, 377, 378, 379, 380, 381, 382, 383, 384, 385, 386, 387, 388, 389, 390, 391, 392, 393, 394, 395, 396, 397, 398, 399, 400, 401, 402, 403, 404, 405, 406, 407, 408, 409, 410, 411, 412, 413, 414, 415, 416, 417, 418, 419, 420, 421, 422, 423, 424, 425, 426, 427, 428, 429, 430, 431, 432, 433, 434, 435, 436, 437, 438, 439, 440, 441, 442, 443, 444, 445, 446, 447, 448, 449, 450, 451, 452, 453, 454, 455, 456, 457, 458, 459, 460, 461, 462, 463, 464, 465, 466, 467, 468, 469, 470, 471, 472, 473, 474, 475, 476, 477, 478, 479, 480, 481, 482, 483, 484, 485, 486, 487, 488, 489, 490, 491, 492, 493, 494, 495, 496, 497, 498, 499, 500, 501, 502, 503, 504, 505, 506, 507, 508, 509, 510, 511, 512, 513, 514, 515, 516, 517, 518, 519, 520, 521, 522, 523, 524, 525, 526, 527, 528, 529, 530, 531, 532, 533, 534, 535, 536, 537, 538, 539, 540, 541, 542, 543, 544, 545, 546, 547, 548, 549, 550, 551, 552, 553, 554, 555, 556, 557, 558, 559, 560, 561, 562, 563, 564, 565, 566, 567, 568, 569, 570, 571, 572, 573, 574, 575, 576, 577, 578, 579, 580, 581, 582, 583, 584, 585, 586, 587, 588, 589, 590, 591, 592, 593, 594, 595, 596, 597, 598, 599, 600, 601, 602, 603, 604, 605, 606, 607, 608, 609, 610, 611, 612, 613, 614, 615, 616, 617, 618, 619, 620, 621, 622, 623, 624, 625, 626, 627, 628, 629, 630, 631, 632, 633, 634, 635, 636, 637, 638, 639, 640, 641, 642, 643, 644, 645, 646, 647, 648, 649, 650, 651, 652, 653, 654, 655, 656, 657, 658, 659, 660, 661, 662, 663, 664, 665, 666, 667, 668, 669, 670, 671, 672, 673, 674, 675, 676, 677, 678, 679, 680, 681, 682, 683, 684, 685, 686, 687, 688, 689, 690, 691, 692, 693, 694, 695, 696, 697, 698, 699, 700, 701, 702, 703, 704, 705, 706, 707, 708, 709, 710, 711, 712, 713, 714, 715, 716, 717, 718, 719, 720, 721, 722, 723, 724, 725, 726, 727, 728, 729, 730, 731, 732, 733, 734, 735, 736, 737, 738, 739, 740, 741, 742, 743, 744, 745, 746, 747, 748, 749, 750, 751, 752, 753, 754, 755, 756, 757, 758, 759, 760, 761, 762, 763, 764, 765, 766, 767, 768, 769, 770, 771, 772, 773, 774, 775, 776, 777, 778, 779, 780, 781, 782, 783, 784, 785, 786, 787, 788, 789, 790, 791, 792, 793, 794, 795, 796, 797, 798, 799, 800, 801, 802, 803, 804, 805, 806, 807, 808, 809, 810, 811, 812, 813, 814, 815, 816, 817, 818, 819, 820, 821, 822, 823, 824, 825, 826, 827, 828, 829, 830, 831, 832, 833, 834, 835, 836, 837, 838, 839, 840, 841, 842, 843, 844, 845, 846, 847, 848, 849, 850, 851, 852, 853, 854, 855, 856, 857, 858, 859, 860, 861, 862, 863, 864, 865, 866, 867, 868, 869, 870, 871, 872, 873, 874, 875, 876, 877, 878, 879, 880, 881, 882, 883, 884, 885, 886, 887, 888, 889, 890, 891, 892, 893, 894, 895, 896, 897, 898, 899, 900, 901, 902, 903, 904, 905, 906, 907, 908, 909, 910, 911, 912, 913, 914, 915, 916, 917, 918, 919, 920, 921, 922, 923, 924, 925, 926, 927, 928, 929, 930, 931, 932, 933, 934, 935, 936, 937, 938, 939, 940, 941, 942, 943, 944, 945, 946, 947, 948, 949, 950, 951, 952, 953, 954, 955, 956, 957, 958, 959, 960, 961, 962, 963, 964, 965, 966, 967, 968, 969, 970, 971, 972, 973, 974, 975, 976, 977, 978, 979, 980, 981, 982, 983, 984, 985, 986, 987, 988, 989, 990, 991, 992, 993, 994, 995, 996, 997, 998, 999, 1000.

Subdivision of part of Lot Q shown on plan filed with  
Cert. of Title No. 2 Registry District of Nantucket County  
**LAND IN NANTUCKET**  
Scale 100 feet to an inch  
APR. 30, 1912  
C. B. Humphrey, Surveyor for Court



2408 M

H I T H E R C R E E K

Frank A. Mitchell

Lot No. .... on plan filed with Certificate.  
No. .... and this Certificate applied as to such Lot.

**Nantucket Registry District**  
May 4, 1912

RECEIVED FOR REGISTRATION  
9 O'CLOCK ..... m. to ..... m.

Attest: *Lamilton Parker*  
Assistant Recorder

### **RFP ASSIGNMENT**

For and in consideration of the mutual agreements contained herein and for other good and valuable consideration paid, the receipt and sufficiency of which are hereby acknowledged, Michael O'Horo and Susan Kiernan O'Horo (the "Seller/Assignor"), and George Jabren and Kaye Jabren (the "Buyer/Assignee"), hereby agree that if the Buyer purchases from the Seller that certain parcel of land, together with the buildings thereon, located in Nantucket, Nantucket County, Massachusetts, now known and numbered as 5 California Avenue, Nantucket, MA (being Lots 24-30, Block 34, shown on Land Court Plan 2408-M) as evidenced by Certificate of Title No. 24396 at Nantucket Deeds (the "Premises"), now owned by the Seller, all upon the terms and conditions set forth in that certain purchase and sale agreement entered into by the Seller and the Buyer dated August 16, 2016, as the same may be amended and extended by the parties from time to time (the "P&S"), then, notwithstanding any provision of the P&S to the contrary, at the time for the closing under the P&S, the Buyer shall assume the obligations of the Seller for a certain "Request for Proposal ("RFP") Property identified as 2 New Hampshire Avenue (Lots 20 and 21, Block 34, Plan No. 2408-M) as part of the Nantucket Yard Sale Program, and the Seller shall assign to the Buyer all of the Seller's rights and obligations thereunder, for consideration of One Dollar (\$1.00). The parties agree to request from the Town of Nantucket a "Seller's Consent to Assignment of Rights to Purchase" immediately following the delivery of the Deed. Parties at the time of delivery of the deed shall enter into an Escrow Agreement at the time of closing in the form attached hereto as Exhibit A in the amount of \$25,000.00 to be deposited by the BUYER in good funds at the time of closing.

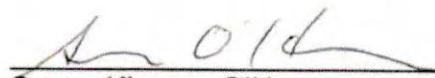
The obligations of the Buyer under the P&S shall be conditional upon the Seller fulfilling the Seller's obligations hereunder, and the Seller's obligations hereunder shall be conditional upon the Buyer purchasing the Premises pursuant to the P&S.

Executed and sealed as of September 21, 2016.

SELLER:



Michael O'Horo

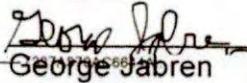


Susan Kiernan O'Horo

BUYER:

DocuSigned by:

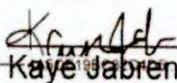
9/21/2016



George Jabren

DocuSigned by:

9/21/2016



Kaye Jabren

## EXHIBIT A

### ESCROW AGREEMENT – “RFP”

This Agreement is made as of September 21, 2016 by and between **Michael O’Horo and Susan Kiernan O’Horo** (the “SELLER”) and **George Jabren and Kaye Jabren** (the “BUYER”) and Parker Scheer LLP (the “Escrow Agent”) as follows:

#### Recitals

Pursuant to and RFP Assignment dated August 16, 2016 (the “Assignment”), the Seller and the Buyer have agreed to escrow funds in consideration of certain obligations of the parties pertaining to the Assignment. The “Request for Proposal (“RFP”) Property is identified as 2 New Hampshire Avenue (Lots 20 and 21, Block 34, Plan No. 2408-M) as part of the Nantucket Yard Sale Program (the “Premises”).

#### Covenants

For good and valuable consideration including the mutual promises contained herein, the receipt and sufficiency of which are hereby acknowledged, the Seller and the Buyer each hereby agree as follows:

1. The Seller and the Buyer each agree that the sum of **\$25,000.00** (the “Escrowed Funds”) shall be paid into escrow by the BUYER at the time of delivery of the deed for 5 California Avenue, Nantucket, MA pursuant to the P & S.

2. Said Escrowed Funds shall be held in escrow until such time as the Town of Nantucket consents to “Assignment of Rights to Purchase” to the Buyer, at which time the Escrowed Funds shall be released to the Buyer, but no later than March 31, 2017. If the Town does not consent to “Assignment of Rights to Purchase” the “RFP” property to the Buyer or its assignee by March 31, 2017, or such later date as the parties may agree, the escrow funds shall be released to the Seller.

3. It is understood and acknowledged that these funds are being held by Escrow Agent solely as an accommodation to the parties. In dealing with and disbursing such funds, Escrow Agent shall not be liable for any damage, liability or loss arising out of or in connection with the services rendered by the Escrow Agent pursuant to this Agreement, except for damage, liability or loss resulting from the willful or negligent misconduct of the Escrow Agent or his/her employees. The Escrow Agent shall be under no liability or obligation to take any action under or in respect to this Agreement, which in his opinion shall be likely to involve expenses or liability to the Escrow Agent, other than holding the Escrow Funds as provided herein, and disbursing the Escrow Funds as herein above provided, unless the Escrow Agent shall be paid the

amount of such expenses or be furnished security reasonably satisfactory to him or her against such liability and expense. In the event of any litigation between Buyer and Seller as a result of which Escrow Agent incurs any attorney's fees, costs or expenses relative to his or her obligations under this Agreement, then such fees, costs and expenses shall be paid equally by the Buyer and Seller.

4. The parties acknowledge and agree that the Escrow Agent shall have no obligation or liability with respect to insuring the Escrow Funds or with respect to the solvency of the depository institution, or otherwise, with respect to the appropriateness of the solvency of the depository institution, or otherwise with respect to the appropriateness of the depository institution for purposes of the deposit(s) contemplated hereby. Further, the parties understand that the Escrow Agent assumes no responsibility for, nor will they hold the Escrow Agent liable for, any loss occurring which arises from the fact that (a) the amount of the account or accounts contemplated hereby may cause the aggregate amount of the individual depositor's account or accounts to exceed \$100,000.00, (b) that this excess amount is not insured by the FDIC, or (c) that Federal Deposit Insurance is not available on certain types of bank instruments.

5. No funds shall be disbursed without the written permission of all parties to this agreement or their attorneys. In the event of any disagreement hereunder, or in the absence of any written instructions, Escrow Agent shall retain the Escrow Funds pending written instructions mutually given or, in the sole discretion of the Escrow Agent:

(a) pay said funds in to a Court of competent jurisdiction, and commence an interpleader action, deducting first any reasonable legal fees incurred in doing so, or

(b) submit the dispute for at least three (3) hours of mediation to MCA Dispute Resolution, a subsidiary of the Real Estate Bar Association of Massachusetts, Inc., or to another mediator as the parties may agree. Mediation sessions shall be conducted within seven (7) days of the date on which the mediator receives a request for mediation from the Escrow Agent. The rules and procedures of MCA Dispute Resolution or such alternative mediator shall govern the mediation, and the costs and fees of MCA Dispute Resolution or such other mediator shall be shared equally by the Seller and Buyers.

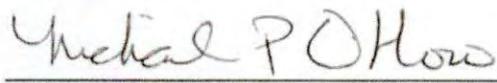
Any agreement resolving the dispute which is signed by the Seller and Buyer pursuant to a mediation conference, shall be binding upon the parties thereto. In the event that the Seller and Buyer are unable to resolve their dispute by mediation, either party shall be entitled to proceed to litigation or if mutually agreeable, other dispute resolution procedures.

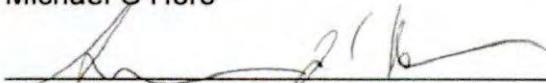
In the event that either party proceeds to litigation as provided herein, the Escrow Agent may deduct any reasonable legal fees incurred as Escrow Agent, and the amount to be deducted shall be assessed the party commencing litigation.

The Escrow Agent is acting independently as such, notwithstanding that the Escrow Agent is attorney for the Buyer. In the event of any dispute, all parties shall have separate, independent counsel.

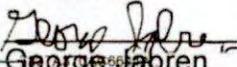
Executed and sealed as of September 21, 2016.

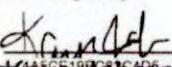
**SELLER:**

  
\_\_\_\_\_  
Michael O'Horo

  
\_\_\_\_\_  
Susan Kiernan O'Horo

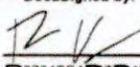
**BUYER:**

DocuSigned by: \_\_\_\_\_ 9/21/2016  
  
George Jabren

DocuSigned by: \_\_\_\_\_ 9/21/2016  
  
Kaye Jabren

**ESCROW AGENT:**

Parker Scheer LLP

DocuSigned by: \_\_\_\_\_ 9/21/2016  
  
Ryan P.B. Kelly, Esq.

## UTILITY PETITIONS DEPARTMENTAL COMMENTS

APPLICANT: Verizon

TYPE: Multiple Pole Relocation

SITE ADDRESS: Milk Street

HEARING DATE: November 16, 2016

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### COMMENTS

NPD: NPD has no concerns with this petition. Verizon may be required to have a police detail on this project if it will entail work in the roadway. -Chief Pittman

FIRE: NFD has no objections or comments. -Chief Rhude

PLANNING: No comments. The proposal looks like we had discussed.

- Mike Burns

DPW: The DPW is all set with this proposed pole relocation work being done in conjunction with the Milk St bike path. - Kara Buzanoski

WWCO: Wannacomet water has no objection to this petition. However, the area where the poles are to be relocated is where the water main is located so we would like to be notified at least 48 hours before the start of the work. -Bob Gardner

D. FREDERICKS: No Response

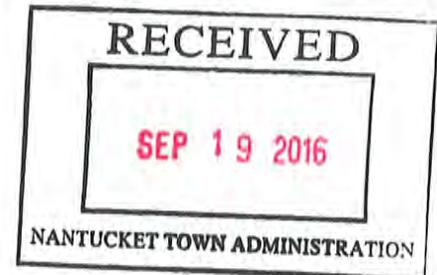


385 Myles Standish Blvd  
Taunton, MA 02780-7327

Outside Plant Network Engineering

March 4, 2016

Town of Nantucket  
Attn: Board of Selectmen  
16 Broad Street  
Nantucket, MA 02554



Dear Selectmen,

Enclosed you will find petition # MA2016-09 from Verizon New England Inc. and Nantucket Electric Company, proposing to relocate poles along Milk Street Extension in Nantucket, MA for a proposed bike path. Please present at your next Board meeting for usual course of action relative to granting.

This petition does require a hearing and notice to the abutters.

Sincerely,

Verizon New England Inc.  
Attn: Daryl Crossman - ROW  
385 Myles Standish Blvd  
Taunton, MA 02780

(774) 409-3191 - Office  
(508) 823-2361 - Fax  
daryl.crossman@verizon.com - Email

PETITION FOR JOINT OR IDENTICAL POLE LOCATIONS

March 4, 2016

To the Board of Selectmen

in NANTUCKET, Massachusetts

VERIZON NEW ENGLAND INC. and NANTUCKET ELECTRIC COMPANY request permission to locate poles, wires, cables and fixtures including the necessary anchors, guys and other such sustaining and protecting fixtures to be owned and used in common by your petitioners, along and across the following public way or ways:

**This petition proposes the relocation of poles #28/17, 18, 19, 20, 22, 23, 24, 25, 26, 27, 28, 29, 30, 31, 32 on Milk Street Extension, from the intersection of Hummock Pond Road, Easterly to a point approximately 420' Easterly of the intersection of Winn Street.**

**This work is required to relocate the pole line which is in conflict with the extension of the Cisco Bike Path along Milk Street Extension.**

Wherefore they pray that after due notice and hearing as provided by law, they be granted joint or identical locations for and permission to erect and maintain poles, wires and cables, together with anchors, guys and other such sustaining and protecting fixtures as they may find necessary, said poles to be erected substantially in accordance with the plan filed herewith marked-VZ N.E. Inc. No. MA2016-09 Dated 02-24-2016.

Also for permission to lay and maintain underground laterals, cables and wires in the above or intersecting public ways for the purpose of making connections with such poles and buildings as each of said petitioners may desire for distributing purposes.

Your petitioners agree that space shall be reserved and maintained for the limited purpose of attaching one-way low voltage fire and police signaling wires owned by the municipality or governmental entity for public safety purposes only.

VERIZON NEW ENGLAND INC.

By Dayl Crossman  
Rights of Way- Agent

Dated this 4 day of MAR, 2016

NANTUCKET ELECTRIC COMPANY

By Cheryl Raymond  
Rights of Way- Agent SUPERVISING Lead Engineer

Dated this 12 day of SEPT, 2016

**ORDER FOR JOINT OR IDENTICAL POLE LOCATIONS**

By the Board of Selectmen of the Town of **NANTUCKET**, Massachusetts.

Notice having been given and a public hearing held, as provided by law,  
IT IS HEREBY ORDERED:

that **VERIZON NEW ENGLAND INC.** and **NANTUCKET ELECTRIC COMPANY** be and they are hereby granted joint or identical locations for and permission to erect and maintain poles and their respective wires and cables to be placed thereon, together with anchors guys and other such sustaining and protecting fixtures as said Companies may deem necessary, in public way or ways hereinafter referred to, as requested in petition of said Companies dated the **4<sup>TH</sup>** day of **MARCH 2016**.

All construction under this order shall be in accordance with the following conditions:

Poles shall be of sound timber, and reasonably straight and shall be set substantially at the points indicated upon the plan marked-VZ N. E. Inc. No. **MA2016-09** in a package Dated **02/24/2016** - filed with said petition.

The following are the public ways or parts of ways along which the poles above referred to may be erected, and the number of poles, which may be erected thereon under this order:

**This petition proposes the relocation of poles #28/17, 18, 19, 20, 22, 23, 24, 25, 26, 27, 28, 29, 30, 31, 32 on Milk Street Extension, from the intersection of Hummock Pond Road, Easterly to a point approximately 420' Easterly of the intersection of Winn Street.**

**This work is required to relocate the pole line which is in conflict with the extension of the Cisco Bike Path along Milk Street Extension.**

Also that permission be and hereby is granted to each of said Companies to lay and maintain underground laterals, cables and wires in the above or intersecting public ways for the purpose of making connections with such poles and buildings as each may desire for distributing purposes.

I hereby certify that the foregoing order was adopted at a meeting of the Selectmen in the Town of NANTUCKET, Massachusetts held on the \_\_\_\_\_ day of \_\_\_\_\_ 2016.

---

Clerk of Selectmen

We hereby certify that on \_\_\_\_\_ 2016, at \_\_\_\_\_ o'clock \_\_\_\_\_ m., at the \_\_\_\_\_ a public hearing was held on the petition of the VERIZON NEW ENGLAND INC. for permission to erect the poles, wires, cables, fixtures and connections described in the order herewith recorded, and that we mailed at least seven days before said hearing a written notice of the time and place of said hearing to each of the owners of real estate (as determined by the last preceding assessment for taxation) along the ways or parts of ways upon which the Companies are permitted to erect poles, wires, cables, fixtures and connections under said order. And that thereupon said order was duly adopted.

\_\_\_\_\_  
Town Clerk of the Town of NANTUCKET, Massachusetts

CERTIFICATE

I hereby certify that the foregoing is a true copy of a joint location order and certificate of hearing with notice adopted by the Town Council of the Town of NANTUCKET, Massachusetts, on the \_\_\_\_\_ day of \_\_\_\_\_ 2016, and recorded with the records of location orders of said Town, Book \_\_\_\_\_, Page \_\_\_\_\_, this certified copy is made under the provisions of Chapter 166 of General Laws and any additions thereto or amendments thereof.

Attest:

\_\_\_\_\_  
Town Clerk



39 MILK ST EXT  
Parcel # 56/214

79 MILK ST EXT  
Parcel # 56/213

77 MILK ST EXT  
Parcel #56/212

75 MILK ST EXT  
Parcel # 56/211

HANTHORNE LANE

See conduit petition#  
MA2016-11

Pole #34/12

Pole #32/11

Pole #28/32  
new

136'

Pole #28/31  
new

131'

Pole #28/30  
new

321'

HUMMOCK POND ROAD

MILK STREET EXTENSION

91' +/-

24'

27'

Pole #28/32  
remove

Pole #28/31  
remove

Pole #28/30  
remove

Bike path Easement area

40 MILK ST EXT  
Parcel # 56/291

Serving Area Interface

78 MILK ST EXT  
Parcel # 56/6/2

74 MILK ST EXT  
Parcel # 56/6/1

HUMMOCK POND ROAD

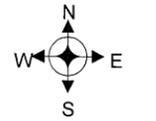
#34 HUMMOCK POND RD  
Parcel # 56/82

VZ NE INC. No\_MA2016-09  
MUNICIPALITY NANTUCKET  
DATE: 02-24-2016  
PLAN FOR: POLE RELOCATIONS - MILK STREET EXT

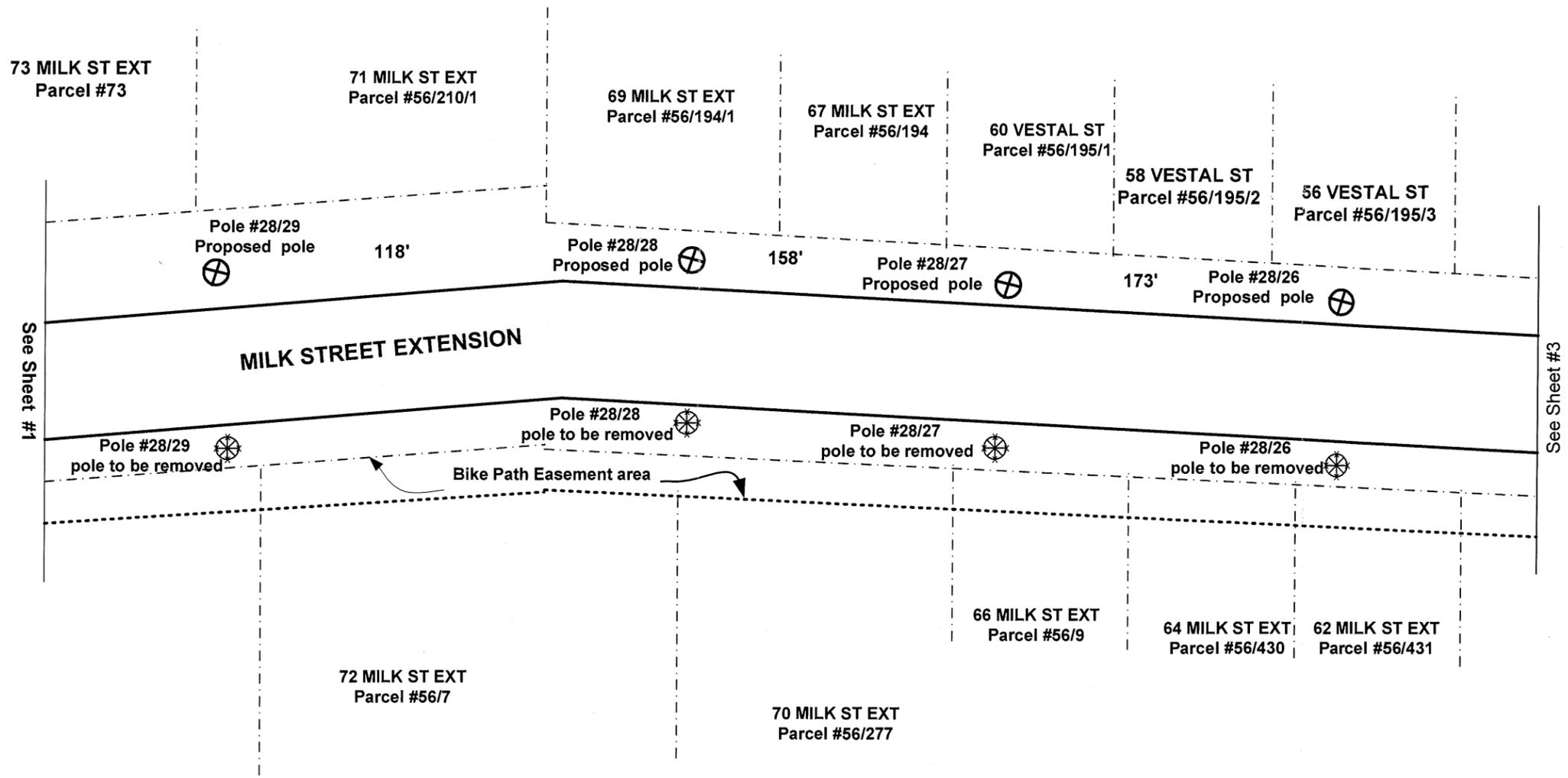
See sheet 2

DATED 02-24-2016

PLAN FOR POLE RELOCATIONS ON MILK STREET EXT

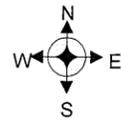


- ⊗ EXISTING POLE
- ⊗ POLE TO BE REMOVED
- PROPOSED POLE



VZ N.E. INC. No. MA2016-09 MUNICIPALITY NANTUCKET PLAN FOR POLE REPLACEMENTS AND RELOCATIONS ON MILK STREET EXT

DATED 02-24-2016



15 WINN ST  
PARCEL # 56/195

59 MILK ST EXT  
PARCEL # 56/209

WINN STREET

53 MILK ST EXT  
PARCEL # 56/208

51B MILK ST EXT  
PARCEL #56/206/2

51A MILK ST EXT  
PARCEL #56/206/1

125' 126' 132' 123'

(See petition MA2016-10)

265' / 4" pvc conduit

122'

18'

POLE #28/19  
relocate

POLE #28/18  
Relocate  
Back 2'

POLE #28/25  
PROPOSED POLE

POLE #28/24  
PROPOSED POLE

POLE #28/23  
PROPOSED POLE

POLE #28/22  
PROPOSED POLE

120'

MILK STREET EXTENSION

POLE #28/20  
relocate

See Sheet 2

MILK STREET EXTENSION

POLE TO BE REMOVED

POLE #28/24  
POLE TO BE REMOVED

POLE #28/23  
POLE TO BE REMOVED

POLE #28/22  
POLE TO BE REMOVED

18'

BIKE PATH EASEMENT AREA

PROSPECT HILL CEMETARY ASSN  
PARCEL 56 / 276

51 MILK ST EXT  
PARCEL # 56/206

49 MILK ST EXT  
PARCEL #56/202

47 MILK ST EXT  
PARCEL #56/201

159'

POLE #28/17  
Relocate  
Back 2'

MILK STREET EXTENSION

BIKE PATH EASEMENT AREA

PROSPECT HILL CEMETARY ASSN  
PARCEL 56 / 276

A

A

A

SARAH F. ALGER, P.C.

ATTORNEYS AT LAW

TWO SOUTH WATER STREET • NANTUCKET, MASSACHUSETTS • 02554  
TELEPHONE: 508-228-1118 FACSIMILE: 508-228-8004

SARAH F. ALGER  
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CHRISTINE A. JENNESS  
caj@sfapc.com

FIVE PARKER ROAD • POST OFFICE BOX 449  
OSTERVILLE • MASSACHUSETTS • 02655  
TELEPHONE: 508-428-8594 FACSIMILE: 508-420-3162

JOHN R. ALGER  
1931-2007

November 8, 2016

Erika D. Mooney,  
Project Administrator  
Board of Selectmen  
Town of Nantucket  
16 Broad Street  
Nantucket, Massachusetts 02554

Re: Nantucket Meat & Fish  
Market, Inc.  
21 Old South Road  
Nantucket, Massachusetts

Dear Erika:

I am enclosing in the above matter a Common Victualler License Application, as well as a narrative describing the project.

Please place this matter on the agenda for their meeting on November 16, 2016.

If you have any questions or need anything further, please let us know.

Thank you for your attention to this matter.

Sincerely,

*Sarah F. Alger /hvj*

SFA/hv

Enclosure

cc: Nantucket Meat & Fish Market, Inc.

## The Nantucket Meat and Fish Market

We are excited at the possibility of bringing our family's market to the Nantucket community. We are a small specialty gourmet food market that provides everything a shopper needs to create a meal. We cater to the busy family or individual who may not have time to wander through a larger grocery store for one meal. We focus primarily on produce, meat, seafood, sushi, prepared foods, baked goods, beer and wine, and a selection of grocery items that our customers can take home to cook dinner. Our goal is to make buying and preparing dinner easy, not only by being a one-stop location, but by also offering products that are ready to be cooked at home, such as marinated or seasoned meats.

We source the best products that we can find locally and globally and are always looking to work with local vendors, fishermen, and farms. In the mornings, as our bakery is bringing out freshly baked breads for the market, we offer a selection of coffees, pastries, and sandwiches, similar to the operation at the Stop & Shop and Bartlett Farm Market. Our market essentially provisions all of the items that you would find on the outer walls of a large grocery store; that is, what would be needed for a meal, rather than what is needed to get through a week or to stock a home. We try to take it one step further, for example by having our fish and meats already marinated, seasoned, and ready for the grill.

Having beer and wine available at the market gives the shopper the option to grab a bottle of wine or a six pack of craft beer to accompany dinner. Our craft beer selection is primarily six and twelve packs of New England and local beers, while our wine selection is focused on fine wines. At our current location on the Vineyard, we do not see shoppers making special trips to our market just to purchase beer or wine, and we do not anticipate that the Nantucket market will be any different. We are not trying to be a package store and are not an option that would come to mind for a customer looking to solely purchase alcohol. The area of the market devoted to beer and wine sales is very small, but it is an important part of being an all-inclusive location to pick up dinner. Our goal is to make it possible to stop at our market to purchase everything needed for a complete, wholesome meal, rather than having to drive and park in three or more different locations.

The market operating hours will be 6:00 a.m. to 8:00 p.m., seven days a week. We will require all employees during the summer months to use alternate transportation, such as the NRTA. In our leases, we will be limiting our tenants to one vehicle per apartment. Our plan is to lease three of the four apartments, keeping one for our use.

TOWN OF NANTUCET

2016 COMMON VICTUALLER (CV)

NEW OR TRANSFERRED LICENSE APPLICATION

Business Name of Applicant: NANTUCKET MEAT + FISH MARKET

D/B/A: \_\_\_\_\_

Business Owner's Name: JOHN/SEAN READY Cell: 802-233-2222  
802-999-5231

Business Manager's Name: JOHN READY Cell: 802-233-2222

Business Street Address: 21 OLD SOUTH ROAD

Business Mailing Address: 21 Old South Road

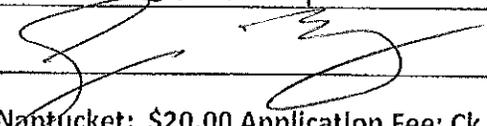
Business Telephone: \_\_\_\_\_

Email Address: (Please use an email address that will be monitored year-round by Owner or Manager): johnreadyjr@gmail.com / sready100@gmail.com

Federal Tax I.D. # of Business: 81-3236790

Opening Date: MAY 2017 Days/Hours of Operation: 7 days wk - 6:00 a.m - 8:00 p.m

Type of Business: Market - GROCERY

Signature of Applicant:  Date: 10/16/16

Check Payable to Town of Nantucket: \$20.00 Application Fee: Ck #: \_\_\_\_\_

Check Payable to Town of Nantucket: \$50.00 Yearly Licenses Fee: Ck #: \_\_\_\_\_

Check Payable to Inquirer and Mirror: \$266.90 Legal Notice Fee: Ck #: \_\_\_\_\_

Note: Nantucket Town Bylaw requires holders of certain categories of licenses and permits to be current on payment of various municipal charges. If a license or permit applicant has neglected to pay any "local taxes, fees, assessments, betterments or other municipal charges", such licenses or permits are subject to non-renewal or revocation by the Board of Selectmen. Please contact the Tax Collector office (508-228-7200 x7047 or x7048) to determine your current payment status before picking up your new/transferred CV license.

Approved: \_\_\_\_\_ Date: \_\_\_\_\_

SECTION II

DEPARTMENTAL PRE-APPROVAL FORM (4 INSPECTION DEPARTMENTS)

THIS FORM MUST BE SIGNED BY THE FOLLOWING DEPARTMENTS AND RETURNED TO LICENSING AT LEAST 1 WEEK (7 DAYS) PRIOR TO THE SCHEDULED PUBLIC HEARING. THESE SIGNATURES INDICATE ONLY THAT A CV LICENSE MAY OPERATE AT THAT SPECIFIC LOCATION.

ADDITIONAL FINAL INSPECTION DOCUMENTS ARE REQUIRED BEFORE RELEASE OF LICENSE:

- 1) A COPY OF THE APPLICANT'S "CERTIFICATE OF INSPECTION" (COI) SIGNED BY BUILDING AND FIRE DEPARTMENTS (EXPIRED COI'S WILL NOT BE ACCEPTED).
- 2) A COPY OF THE APPLICANTS "HEALTH CERTIFICATE" SIGNED BY THE HEALTH DEPARTMENT. NO LICENSES WILL BE RELEASED UNTIL THESE VALID CERTIFICATES HAVE BEEN FILED WITH THE LICENSING OFFICE AT 4 FAIRGROUNDS ROAD.

BUSINESS NAME OF APPLICANT: Nantucket Meats + Fish Market

BUSINESS D/B/A (Doing Business As): \_\_\_\_\_

STREET ADDRESS OF BUSINESS: 21 Old South Road

EMAIL ADDRESS OF BUSINESS: johnreadyjr@gmail.com BUSINESS TELEPHONE: \_\_\_\_\_

MANAGER'S NAME: John Ready, Jr. CELL PHONE: 802-233-2222

HEALTH DEPARTMENT: 3 E. Chestnut Street: Approved:  Not Approved: \_\_\_\_\_

COMMENTS: Pending Final Inspection

SIGNATURE: [Signature] DATE: 11/10/16

BUILDING DEPARTMENT: 2 Fairgrounds Road: Approved:  Not Approved: \_\_\_\_\_

COMMENTS: \_\_\_\_\_

SIGNATURE: [Signature] DATE: 11.10.16

ZONING ENFORCEMENT: 2 Fairgrounds Road: Approved:  Not Approved: \_\_\_\_\_

COMMENTS: accessory take-out

SIGNATURE: [Signature] DATE: 11/10/16

FIRE DEPARTMENT: 131 Pleasant Street: Approved:  Not Approved: \_\_\_\_\_

COMMENTS: \_\_\_\_\_

SIGNATURE: [Signature] DATE: 11/10/16

## Board of Selectmen Liquor License Public Hearing Process

---

### Liquor License Public Hearing Process

1. The chairman opens the public hearing and may outline the procedure to be followed.
2. The applicant reviews their pending application.
3. Public comment is taken.
  - If applicable, read into record any written objections received from school, church or hospital located within 500 feet.
4. The chairman invites questions from the Board and closes the public hearing.
5. The Board makes a decision to approve or deny.
6. Pursuant to MGL c. 138, §23 and Ballarin v. Licensing Board of Boston, denials must be based on reasonable grounds; ABCC and courts prefer findings based on:
  - the appropriateness of a liquor license at a particular location
  - the number of existing dispensaries in Town
  - the views of the inhabitants of the locality in which a license is sought
  - traffic, noise, size (typically applies to a new location)
  - the sort of operation that carries the license
  - the reputation of the applicant
7. A written decision is required to be sent to the applicant. No need for reasons if the application is simply approved, but if there is a denial or conditions are imposed, the reasoning for this is required to be in the decision. Therefore, the Board should vote on basis for denial or conditions as well [concerns with traffic, another licensee located adjacent to property, limiting hours, etc.].



# LIQUOR LICENSE APPLICATION

Applicant: Nantucket Meat & Fish Market, Inc.  
d/b/a Nantucket Meat & Fish Market

License Types: Common Victualler  
Seasonal/Package Store/Beer & Wine

Location of Premises: 21 Old South Road

BOS Review Date: November 16, 2016

## **Background:**

Applicant is building a Food Market at 21 Old South Road at Amelia Drive. This is a new establishment with no history of a Liquor License. Fingerprint clearance for the proposed License Manager, John D. Ready, Jr. has been received.

## **Licensing Recommendation:**

- 1) There are no objections to the Common Victualler and Liquor License application from Building, Fire, Zoning and Health – all pre-approvals have been obtained and final inspections will need to be completed and approved before a final license is issued.
- 2) Per Special Permit #20-15, the allowed hours of operation of the market are 6am – 8:00 pm, seven days a week. The Liquor License would have to reflect a closing time of no later than 8pm and no liquor sales before 10am on Sunday. The Board may also restrict Sunday Sales to begin no earlier than noon.
- 3) The Licensing and Police Departments have some concerns on the issuing of another Package Store License in this area and offer the following considerations:
  - **Licensed Premises:** If approved, the area allowed for liquor sales must be clearly defined on the license and maintained by the Licensee. Any expansion of the area would require additional application to BOS and the ABCC. The requested area is outlined on the attached floor plan and is as follows: Wine display 4'x12' (48sf); Beer/Wine Cooler 3.5'x10' (35sf); Wine cooler 54"x31" (12sf).
  - **Location:** Attached is a map of the current Package Store Licenses within a .5 mile radius of the applicant. There are already 5 Annual Licenses that include: The Islander; Annye's Whole Foods; Old South Liquors; Nantucket Wine and Spirits; Lucky's.

- **Quota System:** As we approach the quota of Seasonal Package Store Licenses, we must consider the location of the final few licenses we can approve without special legislation required. See below for a review of the quota system:

The Massachusetts Liquor Control Act places a quota or limit on the number of alcoholic beverages licenses a city or town can issue. The quota is based on the population of the community as determined by the most recent federal census. As this application is for a Seasonal Off-Premise License, the following quota applies:

The LLA may issue a limited number of seasonal off-premises alcoholic beverages licenses based on an estimate of the temporary increase in resident population for the upcoming season as of July 10th. The LLA must set the estimate before March 1st of the calendar year, at a special meeting described in detail by M.G.L. c. 138, §17. The LLA must submit the estimate to the Commission prior to April 1st.

The LLA may issue off-premises seasonal licenses based on that estimate at the rate of one license for each 5,000 persons (or fraction thereof) and can be issued effective April 1st to November 30th until January 15th, or any portion thereof, as set by the LLA. **Currently, Nantucket's Seasonal population is set at approximately 65,000. At that count, the Seasonal quota would allow for a maximum of 13 off-premise Seasonal liquor licenses. We currently have 10 – allowing for a maximum of 2-3 new Seasonal licenses. Please note we are over our Annual Package Store quota.**



# 21 Old South Rd

Package Store Licenses in immediate vicinity of Nantucket Meat & Fish Market



Map data ©2016 Google 500 ft



## Meat&Fish Mkt-Seasonal-Package-Beer&Wine

21 Old South Rd  
Nantucket, MA 02554

## The Nantucket Meat and Fish Market

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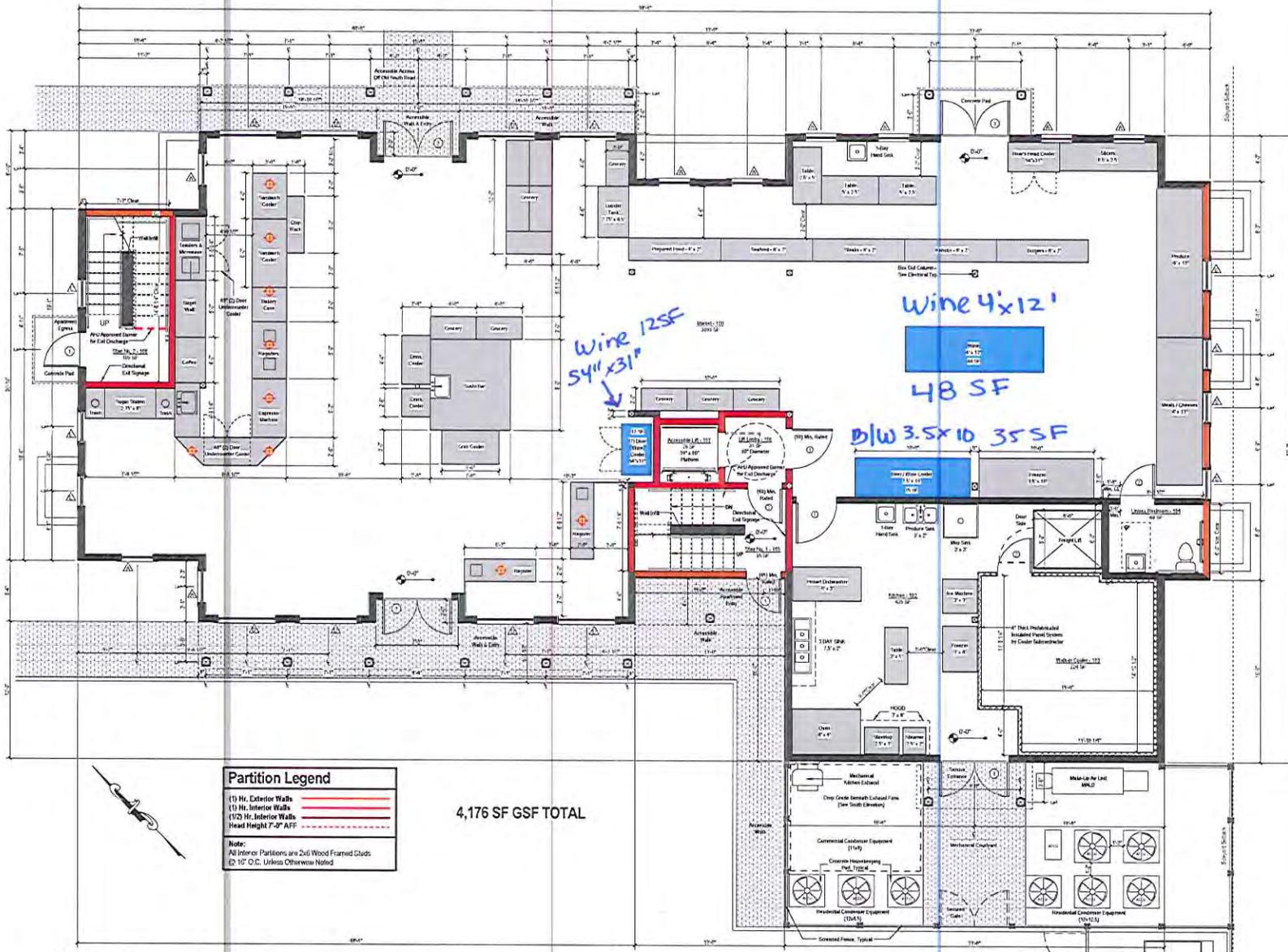
We source the best products that we can find locally and globally and are always looking to work with local vendors, fishermen, and farms. In the mornings, as our bakery is bringing out freshly baked breads for the market, we offer a selection of coffees, pastries, and sandwiches, similar to the operation at the Stop & Shop and Bartlett Farm Market. Our market essentially provisions all of the items that you would find on the outer walls of a large grocery store; that is, what would be needed for a meal, rather than what is needed to get through a week or to stock a home. We try to take it one step further, for example by having our fish and meats already marinated, seasoned, and ready for the grill.

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Client Set 11.08.16

Client Set



**Partition Legend**

(1) Hr. Exterior Walls	
(1) Hr. Interior Walls	
(1/2) Hr. Interior Walls	
Head Height 7'-0" AFF	

Note:  
 All Interior Partitions are 2nd Wood Framed Studs  
 @ 16" O.C. Unless Otherwise Noted

4,176 SF GSF TOTAL

1 First Floor Plan  
1/8" = 1'-0"

**1510**  
 The Nantucket Meat and Fish Market  
 21 Old South Road  
 Nantucket, MA 02554



First Floor Plan

**Site Information**

Map # Parcel	50094
Corner Conting	0%
Maximum Footing	10'
Front Setback	10'
Side/Rear Setback	5/10'
Lot Size	18,848 sq. ft.
Max. Lot Size	1,500 sq. ft.
Abandonment C.C.	40% up to 1,018 sq. ft.
Existing C.C.	0
Proposed C.C.	4,339 sq. ft.
Total Proposed C.C.	4,339 sq. ft.

Information for this site plan was taken from the Nantucket C.C. This drawing does not constitute a site plan. All site work should be verified by a registered land surveyor prior to construction.

Revisions

**A.1.1**  
**1510**

SARAH F. ALGER, P.C.

ATTORNEYS AT LAW

TWO SOUTH WATER STREET • NANTUCKET, MASSACHUSETTS • 02554

TELEPHONE: 508-228-1118 FACSIMILE: 508-228-8004

RECEIVED  
OCT 13 2016

BY: AL

SARAH F. ALGER  
sfa@sfapc.com

CHRISTINE A. JENNESS  
caj@sfapc.com

FIVE PARKER ROAD • POST OFFICE BOX 449  
OSTERVILLE • MASSACHUSETTS • 02655  
TELEPHONE: 508-428-8594 FACSIMILE: 508-420-3162

JOHN R. ALGER  
1931-2007

October 11, 2016

Erika D. Mooney,  
Project Administrator  
Board of Selectmen  
Town of Nantucket  
16 Broad Street  
Nantucket, Massachusetts 02554

Re: Nantucket Meat & Fish  
Market, Inc.  
21 Old South Road  
Nantucket, Massachusetts

Dear Erika:

I am enclosing in the above matter a Retail Alcoholic  
Beverages License Application.

Please place this matter on the agenda for review by the  
Board at its next meeting.

If you have any questions or need anything further, please  
let us know.

Thank you for your attention to this matter.

Sincerely,



SFA/hv

Enclosure

cc: Nantucket Meat & Fish Market, Inc.



The Commonwealth of Massachusetts  
 Alcoholic Beverages Control Commission  
 239 Causeway Street  
 Boston, MA 02114  
 www.mass.gov/abcc

APPLICATION FOR A RETAIL ALCOHOLIC BEVERAGES LICENSE

Please complete this entire application, leaving no fields blank. If field does not apply to your situation, please write N/A.

**1. NAME OF PROPOSED LICENSEE** (Business Contact)

This is the corporation or LLC which will hold the license, not the individual submitting this application. If you are applying for this license as a sole proprietor, not an LLC, corporation or other legal entity, you may enter your personal name here.

**2. RETAIL APPLICATION INFORMATION**

There are two ways to obtain an alcoholic beverages license in the Commonwealth of Massachusetts, either by obtaining an existing license through a transfer or by applying for a new license.

Are you applying for a new license  New  Transfer or the transfer of an existing license?  
 If applying for a new license, are you applying for this license pursuant to special legislation?  
 Yes  No Chapter  Acts of

If transferring, please indicate the current ABCC license number you are seeking to obtain:

If transferring, by what method is the license being transferred?

**3. LICENSE INFORMATION / QUOTA CHECK**

City/Town  On/Off-Premises

TYPE  CATEGORY  CLASS

**4. APPLICATION CONTACT**

The application contact is required and is the person who will be contacted with any questions regarding this application.

First Name:  Middle:  Last Name:

Title:  Primary Phone:

Email:

**5. OWNERSHIP**

Please list all individuals or entities with a direct or indirect, beneficial or financial interest in this license. An individual or entity has a direct beneficial interest in a license when the individual or entity owns or controls any part of the license. For example, if John Smith owns Smith LLC, a licensee, John Smith has a direct beneficial interest in the license.

An individual or entity has an indirect beneficial interest if the individual or entity has 1) any ownership interest in the license through an intermediary, no matter how removed from direct ownership, 2) any form of control over part of a license no matter how attenuated, or 3) otherwise benefits in any way from the licensee's operation. For Example, Jane Doe owns Doe Holding Company Inc., which is a shareholder of Doe LLC, the license holder. Jane Doe has an indirect interest in the license.

- A. All individuals listed below are required to complete a Beneficial Interest Contact - Individual form.
- B. All entities listed below are required to complete a Beneficial Interest Contact - Organization form.
- C. Any individual with any ownership in this license and/or the proposed manager of record must complete a CORI Release Form.

Name	Title / Position	% Owned	Other Beneficial Interest
JOHN D. READY, JR.	Stockholder <input type="text"/>	50	
SEAN E. READY	Stockholder <input type="text"/>	50	

**APPLICATION FOR A NEW RETAIL ALCOHOLIC BEVERAGES LICENSE**

**5. OWNERSHIP** (continued)

Name	Title / Position	% Owned	Other Beneficial Interest

**6. PREMISES INFORMATION**

Please enter the address where the alcoholic beverages are sold.

**Premises Address**

Street Number:  Street Name:  Unit:

City/Town:  State:  Zip Code:

Country:

**Description of Premises**

Please provide a complete description of the premises, including the number of floors, number of rooms on each floor, any outdoor areas to be included in the licensed area, and total square footage.

Floor Number	Square Footage	Number of Rooms
BASEMENT*	4,298	1
FIRST FLOOR	4,176	2
*STORAGE ONLY		

Patio/Deck/Outdoor Area Total Square Footage

Indoor Area Total Square Footage

Number of Entrances

Number of Exits

Proposed Seating Capacity

Proposed Occupancy

**Occupancy of Premises**

Please complete all fields in this section. Documentation showing proof of legal occupancy of the premises is required.

Please indicate by what right the applicant has to occupy the premises  Landlord Name

Lease Beginning Term  Landlord Phone

Lease Ending Term  Landlord Address

Rent per Month

Rent per Year

If leasing or renting the premises, a signed copy of the lease is required.

If the lease is contingent on the approval of this license, and a signed lease is not available, a copy of the unsigned lease and a letter of intent to lease, signed by the applicant and the landlord, is required.

Please indicate if the terms of the lease include payments based on the sale of alcohol:  Yes  No

## APPLICATION FOR A NEW RETAIL ALCOHOLIC BEVERAGES LICENSE

### 7. BUSINESS CONTACT

The Business Contact is the proposed licensee. If you are applying as a Sole Proprietor (the license will be held by an individual, not a business), you should use your own name as the entity name.

\* Please see last page of application for required documents based on Legal Structure \*

Entity Name:	NANTUCKET MEAT & FISH MARKET, INC.	FEIN:	81-3236790
DBA:		Fax Number:	
Primary Phone:	802 233-2222	Email:	sready100@gmail.com
Alternative Phone:	802 999-5231	Legal Structure of Entity	Corporation

**Business Address (Corporate Headquarters)**     Check here if your Business Address is the same as your Premises Address

Street Number:	21	Street Name:	21 OLD SOUTH ROAD
City/Town:	NANTUCKET	State:	MA
Zip Code:	02554	Country:	USA

**Mailing Address**     Check here if your Mailing Address is the same as your Premises Address

Street Number:		Street Name:	PO BOX 2165
City/Town:	EDGARTOWN	State:	MA
Zip Code:	02539	Country:	USA

Is the Entity a Massachusetts Corporation?	<input checked="" type="radio"/> Yes <input type="radio"/> No	If no, is the Entity registered to do business in Massachusetts?	<input type="radio"/> Yes <input type="radio"/> No
		If no, state of incorporation	<input style="width: 100%;" type="text"/>

**Other Beneficial Interest**

Does the proposed licensee have a beneficial interest in any other Massachusetts Alcoholic Beverages Licenses?     Yes     No    *If yes, please complete the following table.*

Name of License	Type of License	License Number	Premises Address
0			

**Prior Disciplinary Action:**

Has any alcoholic beverages license owned by the proposed licensee ever been disciplined for an alcohol related violation?

Date of Action	Name of License	State	City	Reason for suspension, revocation or cancellation

# APPLICATION FOR A NEW RETAIL ALCOHOLIC BEVERAGES LICENSE

## 7. MANAGER CONTACT

The Manager Contact is required and is the individual who will have day-to-day, operational control over the liquor license.

Salutation  First Name  Middle Name  Last Name  Suffix

Social Security Number  Date of Birth

Primary Phone:  Email:

Mobile Phone:  Place of Employment

Alternative Phone:  Fax Number

### Citizenship / Residency / Background Information of Proposed Manager

Are you a U.S. Citizen?  Yes  No

Do you have direct, indirect, or financial interest in this license?  Yes  No

Have you ever been convicted of a state, federal, or military crime?  Yes  No  
 If yes, attach an affidavit that lists your convictions with an explanation for each

If yes, percentage of interest

Have you ever been Manager of Record of a license to sell alcoholic beverages?  Yes  No

If yes, please indicate type of Interest (check all that apply):

If yes, please list the licenses for which you are the current or proposed manager:

Officer  Sole Proprietor  
 Stockholder  LLC Manager  
 LLC Member  Director  
 Partner  Landlord  
 Contractual  Revenue Sharing  
 Management Agreement  Other

Please indicate how many hours per week you intend to be on the licensed premises

### Employment Information of Proposed Manager

Please provide your employment history for the *past 10 years*

Date(s)	Position	Employer	Address	Phone
5/2011 - present	Owner	Edgartown Meat & Fish Market	Upper Main St, Edgartown, MA	
5/2007 - 5/2011	Principal	Shelburne Meat & Fish Market	Shelburne, VT	

### Prior Disciplinary Action of Proposed Manager

Have you ever been involved directly or indirectly in an alcoholic beverages license that was subject to disciplinary action? If yes, please complete the following:

Date of Action	Name of License	State	City	Reason for suspension, revocation or cancellation

**APPLICATION FOR A NEW RETAIL ALCOHOLIC BEVERAGES LICENSE**

**9. FINANCIAL INFORMATION**

Please provide information about associated costs of this license.

**Associated Costs**

A. Purchase Price for Building/Land	N/A (lease)
B. Purchase Price for any Business Assets	
C. Costs of Renovations/Construction	N/A (lease)
D. Purchase Price of Inventory	60,000
E. Initial Start-Up Costs	75,000
F. Other (Please specify)	
G. Total Cost (Add lines A-F)	135,000.00

Please note, the total amount of Cash Investment (top right table) plus the total amount of Financing (bottom right table) must be equal to or greater than the Total Cost (line G above).

Please provide information about the sources of cash and/or financing for this transaction

**Source of Cash Investment**

Name of Contributor	Amount of Contribution
John D. Ready, Jr.	135,000.00
Total:	135,000.00

**Source of Financing**

Name of Lender	Amount	Does the lender hold an interest in any MA alcoholic beverages licenses?	If yes, please provide ABCC license number of lender
Total:			

**10. PLEDGE INFORMATION**

Are you seeking approval for a pledge?  Yes  No

Please indicate what you are seeking to pledge (check all that apply)

- License  Stock / Beneficial Interest  Inventory

To whom is the pledge is being made:

Does the lender have a beneficial interest in this license?  Yes  No

Does the lease require a pledge of this license?  Yes  No

**APPLICANT'S STATEMENT**

I, SEAN D. READY the:  sole proprietor;  partner;  corporate principal;  LLC/LLP member  
Authorized Signatory

of NANTUCKET MEAT & FISH MARKET, INC., hereby submit this application for SEASONAL OFF-PREMISE WINE & MALT LIQUOR LICENSE  
Name of the Entity/Corporation Transaction(s) you are applying for

(hereinafter the "Application"), to the local licensing authority (the "LLA") and the Alcoholic Beverages Control Commission (the "ABCC" and together with the LLA collectively the "Licensing Authorities") for approval.

I do hereby declare under the pains and penalties of perjury that I have personal knowledge of the information submitted in the Application, and as such affirm that all statement and representations therein are true to the best of my knowledge and belief. I further submit the following to be true and accurate:

- (1) I understand that each representation in this Application is material to the Licensing Authorities' decision on the Application and that the Licensing Authorities will rely on each and every answer in the Application and accompanying documents in reaching its decision;
- (2) I state that the location and description of the proposed licensed premises does not violate any requirement of the ABCC or other state law or local ordinances;
- (3) I understand that while the Application is pending, I must notify the Licensing Authorities of any change in the information submitted therein. I understand that failure to give such notice to the Licensing Authorities may result in disapproval of the Application;
- (4) I understand that upon approval of the Application, I must notify the Licensing Authorities of any change in the Application information as approved by the Licensing Authorities. I understand that failure to give such notice to the Licensing Authorities may result in sanctions including revocation of any license for which this Application is submitted;
- (5) I understand that the licensee will be bound by the statements and representations made in the Application, including, but not limited to the identity of persons with an ownership or financial interest in the license;
- (6) I understand that all statements and representations made become conditions of the license;
- (7) I understand that any physical alterations to or changes to the size of, the area used for the sale, delivery, storage, or consumption of alcoholic beverages, must be reported to the Licensing Authorities and may require the prior approval of the Licensing Authorities;
- (8) I understand that the licensee's failure to operate the licensed premises in accordance with the statements and representations made in the Application may result in sanctions, including the revocation of any license for which the Application was submitted; and
- (9) I understand that any false statement or misrepresentation will constitute cause for disapproval of the Application or sanctions including revocation of any license for which this Application is submitted.

Signature:



Date:

9-27-16

Title:

PRESIDENT

Print Close Window

# Certificate of Completion

This Certificate of Completion of  
eTIPS Off Premise 3.0  
For coursework completed on October 11, 2016  
provided by Health Communications, Inc.  
is hereby granted to:

**John Ready**

Certification to be sent to:

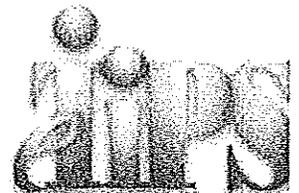
Nantucket Meat & Fish Market

21 Old South Rd

Nantucket MA, 02554-2820 USA



HEALTH COMMUNICATIONS INC.



This document is not proof of TIPS certification. It signifies only that you have completed the course. Valid certification documents will be forwarded to you.

**NANTUCKET MEAT & FISH MARKET, INC.  
21 OLD SOUTH ROAD  
NANTUCKET, MA 02564**

**CERTIFICATE OF VOTE**

At a meeting of the Shareholders and Board of Directors of NANTUCKET MEAT & FISH MARKET, INC. held on September 22, 2016 the following was adopted by unanimous vote:

VOTED: To apply to the Town of Nantucket and Commonwealth of Massachusetts Alcoholic Beverage Control Commission for a new §15 seasonal wine & malt beverages license at 21 Old South Road, Nantucket, MA 02564.

VOTED: To appoint JOHN D. READY of Edgartown, MA as Manager of NANTUCKET MEAT & FISH MARKET, INC. with as full authority and control of the premises described in the license of the Corporation and of the conduct of all business therein relative to alcoholic beverages as the licensee itself could in any way have and exercise if it were a natural person resident in the Commonwealth of Massachusetts and that a copy of this vote duly certified by the Clerk of the Corporation and delivered to said manager shall constitute the written authority required by G.L. 138, §26.

This is to certify that a majority of the shareholders and directors of NANTUCKET MEAT & FISH MARKET, INC., a corporation duly organized under the laws of the Commonwealth of Massachusetts, are citizens of the United States.

ATTEST:

  
John D. Ready  
Clerk

August 6, 2014

Mr. Edwin Lemberg  
53 Pochik Avenue  
Nantucket, MA 02554

Re: Application for Seasonal Off-Premises Wine/Malt Liquor License  
16A Amelia Drive - Notice of Decision

Dear Mr. Lemberg:

On July 23, 2014, the Nantucket Board of Selectmen conducted a hearing on your application for a seasonal off-premises wine and malt liquor license at the above location. The hearing on this application, originally filed March 14, 2014, had been continued four times at the request of you or your counsel and the Board voted to proceed with the hearing. After the hearing, the Board voted to deny your license application on the basis that a licensed establishment at this location would not serve the public need or convenience. The Board found that there is an annual off-premises licensed establishment immediately adjacent to your location at 14 Amelia Drive, and three additional off-premises establishments located within one mile of your location. The Board's Rules and Regulations Governing Alcoholic Beverages provide that establishments are to be encouraged where the applicant offers a unique establishment, compared to what exists in Nantucket at the time of the application, and discouraged where the proposed location duplicates what is presently located in the area. The Board's findings do not support the approval of this license. In addition, the Board received multiple letters in opposition to issuing a new license at this location.

Pursuant to Massachusetts General Laws Chapter 138, §67, you may appeal this decision to the Alcoholic Beverages Control Commission within five (5) days of your receipt of the decision.

Very truly yours,

Rick Atherton  
Chairman

cc: John B. Brescher, Esq.

license for the earliest possible date. Ms. Gibson said that would be 10 September 2014. Mr. Fee seconded. So voted 4-0.

6. 56 Centre Street: Request for Approval of License Agreement to Allow for Encroachment of Front Steps onto Town-owned Property. Mr. DeCosta moved to approve the license agreement for 56 Centre Street as presented; Mr. Fee seconded. So voted 4-0.

7. 21 Broad Street: Request for Approval of License Agreement to Allow for Encroachment of Exterior Sign over Town-owned Property. Mr. Butler noted the Building Department did issue a certificate of occupancy for the building but because the sign encroaches over the sidewalk a license agreement is needed. He added the sign is HDC approved. Mr. DeCosta moved to approve the license agreement for 21 Broad Street as presented; Mr. Glidden seconded. So voted 4-0.

8. Bartlett's Farm: Request to Hold Private Staff Party at Cisco Brewery on Wednesday, 20 August 2014 from 7:00 PM to 9:45 PM to Include Food and Entertainment. Mr. DeCosta moved to approve the request for a private party at Cisco Brewers for Bartlett's Farm as presented; Mr. Fee seconded. So voted 4-0.

#### VIII. TOWN MANAGER'S REPORT

1. Review of Preliminary FY 2016 Budget Timeline. Ms. Gibson reviewed the preliminary FY 2016 budget timeline, noting it may be adjusted as necessary. Some discussion followed. Mr. DeCosta moved to endorse the budget timeline as presented; Mr. Fee seconded. So voted 4-0.

2. Schedule Public Hearing Regarding Harbor Fuel Oil Corporation Fuel Storage License Renewal. Ms. Gibson noted the Town is in receipt of a request from Harbor Fuel to renew its fuel storage license and recommended 10 September 2014 for a public hearing date. Mr. DeCosta moved to schedule the public hearing for 10 September 2014; Mr. Fee seconded. So voted 4-0.

#### IX. SELECTMEN'S REPORTS/COMMENT

1. Ratification of 23 July 2014 Board Vote to Deny a Liquor License Application for Pour La Table. Mr. Glidden moved that the Board vote to ratify its decision of 23 July 2014, denying the application of Pour La Table, LLC for a seasonal wine and malt off-premises alcoholic beverages license for 16A Amelia Drive, and further vote to adopt the following findings in support of its decision: 1) the Board finds that such license will not serve the public need or convenience, as there are already ample licensed off-premises establishments in this area; 2) there is an annual licensed off-premises establishment immediately adjacent to the location at 14 Amelia Drive, and three additional annual licensed off-premises establishments all located within one mile of the location; 3) the Board's Rules and Regulations Governing Alcoholic Beverages provide that establishments are to be encouraged where the applicant offers a unique establishment, compared to what exists in Nantucket at the time of the application, and discouraged where the proposed location duplicates what is presently located in the area; the Board's findings do not support the approval of this license; and 4) the Board received multiple letters in opposition to issuing a new license at this location; Mr. DeCosta seconded. So voted 4-0.

2. Review Status of Siasconset Beach Preservation Fund (SBPF) Alternative Access Progress for Baxter Road and One Big Beach Easement Update. Attorney Steven Cohen, representing SBPF, noted that SBPF has been working on alternative access for Baxter Road and is trying to prevent the Town from having to lay out a new road and do takings by eminent domain. He said a way to avoid that is for voluntary easements and SBPF has been working with north Baxter Road abutters including the Sconset Trust and

**From:** [holly mcgowan](#)  
**To:** [Erika Mooney](#)  
**Subject:** ASAP Opposition Letter to new liquor license  
**Date:** Monday, November 07, 2016 4:09:34 PM  
**Attachments:** [ASAP 2016 Liquor letter.docx](#)  
[ASAP 2016 Needs Assessment FINAL Report 2.pdf](#)

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Dear Board of Selectmen,

This year, the Alliance for Substance Abuse Prevention, with the help of our Drug Free Communities grant consultant, Dr. Jeffrey Rodman, prioritized the top five Risk Factors for our youth and community.

Availability of Substances was identified as the number 2 priority. With 51 alcohol retail establishments, Nantucket rated as “excessively high” for availability of substances and is in fact higher than the state and national average.

We hope you will consider our letter and the data in the referenced and attached report when making your decision about whether to grant another liquor license.

Thank you for your consideration of our youth and the health of the Nantucket community,

Holly McGowan  
President, Alliance for Substance Abuse Prevention



The Nantucket Alliance for Substance Abuse Prevention, Inc.  
P.O. Box 2102 Nantucket, MA 02584  
[www.asapnantucket.org](http://www.asapnantucket.org)

To Members of the Board of Selectmen:

As board members of the Nantucket Alliance for Substance Abuse Prevention (ASAP), we are submitting this letter for the record to express our concern for and opposition to liquor sales being proposed for the new commercial development at 21 Old South Road. We have reviewed the plans filed by the applicant in advance of your meeting on November 16<sup>th</sup>, 2016 when the request will be considered during a public hearing.

Our board members are very concerned about the addition of a new liquor license in this location, which is in close proximity to other liquor license holders. We feel the new store “supplicates what is located in the area,” as per the Town of Nantucket Rules and Regulations Governing Alcoholic Beverages. Other stores offering liquor sales in close proximity to this location are the Islander and Annye’s Whole Foods, as well as Old South Liquors, Hatch’s, Nantucket Wine & Spirits, Cowboy’s Meat Market and Lucky’s.

Numerous studies show that underage and binge drinking is influenced by both the “formal” and “social” availability of alcohol in the community. Formal sources are defined as retail sales outlets, whereas social sources include friends, family and third parties. You can help to limit the formal sources by your careful consideration of projects that require new liquor permits such as this one.

We ask that you limit the first floor market to the sale of groceries and prepared foods on grounds that the service is not needed and not desired due to the concern for the well being of the community in which the store is proposed. Thank you for your public service and your recognition that decisions made in this regard can have a significant impact on our community.

On behalf of the ASAP Board of Directors,  
Holly McGowan, President  
Carrie Keves, Vice President

**Board of Directors**

Holly McGowan  
**President**

Janet Emack  
**Vice President**

Allan Bell  
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Michelle Olson  
Sophie Proch  
Caroline Richards  
John Rockett  
Stefan Silverio  
Linda Simmons

**Drug Free Communities  
Grant Staff**

Catherine Kelly  
**Project Coordinator**

**Working together  
to prevent and reduce substance abuse and  
underage use on Nantucket**

## **Nantucket Prioritized Risk Factors (One Page Summary)**

### **#1 - Family History of Substance Abuse (FAMILY)**

Indicators include the number of adults (18 and older) in state-supported AOD programs. Research shows a strong, consistent, and direct correlation between family history of AOD use and higher risk for youth to engage in problem behaviors such as drug abuse. When children are raised in a family or are around adults with a history of problem behaviors (e.g., violence or ATOD use), the children are more likely to engage in these behaviors. An astronomical number of heroin admissions in Massachusetts (all ages) accounted for 54.2% of the state's treatment admissions in 2014 undergirding Nantucket's 2015 PRIDE Survey results revealing across-the-board ATOD usage above the national average.

### **#2 - Availability of Substances (COMMUNITY)**

Indicators for this risk factor include the number of retail alcohol and tobacco sales outlets on record in relationship to the total population. The availability of cigarettes, alcohol, marijuana, and other illegal drugs has been related to the use of these substances by adolescents. Nantucket's 51 alcohol retail establishments is equivalent to 470 outlets per 100,000 total population, which is excessively high. The island's party culture, teens witnessing the privileges of wealth, and lax employment practices in which even the youngest teens work in the tourist industry make substances readily available.

### **#3 - Favorable Attitudes Toward the Problem Behavior (INDIVIDUAL)**

Indicators: attitudes regarding marijuana laws; disapproval of drug use for binge drinking, cigarettes, cocaine, marijuana; perceived harmfulness of use of alcohol, binge drinking, cigarettes, cocaine, marijuana. From 2015 PRIDE Data, since 2013, student's perception of risk or harm from all substances has decreased. The perception of risk or harm from alcohol and marijuana remains below national averages. From 2015 American Community Survey (ACS), a large number of respondents reported significant concern about the local drug and alcohol abuse issues, and many believe more than half of Nantucket's youth are using marijuana or alcohol

### **#4 - Community Laws & Norms Favorable to the Problem Behavior (COMMUNITY)**

Indicators include attitudes favoring gun control; average length of prison sentence; disposition of juveniles arrested; sentencing below federal guidelines; and school policies regarding alcohol, tobacco and drugs. Life on Nantucket is casual and fairly isolated. The island's population swells during tourist season. It is a party place. Heroin use on Nantucket has skyrocketed, especially during summer months. Parents often serve alcohol at the parties they host for their children, and other parents find this practice unobjectionable. Nearly 20% more high school seniors in Nantucket are currently using marijuana than their national counterparts. Many parents believe more than half of Nantucket's high school students are using marijuana. (ACS)

### **#5 - Favorable Parental Attitudes Toward the Problem Behavior (FAMILY)**

Indicators include adult alcohol-related arrests; adult property crime arrests; adult violent crime arrests; alcohol and tobacco use during pregnancy; and babies born affected by alcohol or other drugs. Astoundingly, 92% of ACS respondents agreed that "home parties for teens too often serve alcoholic beverages provided by adults." Furthermore, a majority of survey respondents believe there is "too little concern expressed by adults about the community's drug problem."

# Town of Nantucket Police Department

William J. Pittman  
Chief of Police

Charles Gibson  
Deputy Chief of Police



4 Fairgrounds Road  
Nantucket, Massachusetts  
02554-2804

Telephone (508) 228-1212  
Facsimile (508) 228-7246  
[www.nantucket-ma.gov/police](http://www.nantucket-ma.gov/police)

**TO:** Town Administration  
**FROM:** Deputy Chief Gibson  
**SUBJ:** Proposed Harbors & Pier Regulations  
**DATE:** November 10, 2016

The Town received a proposal from the Shellfish, Harbors Advisory Board (SHAB), in early September 2016 requesting changes to the existing Harbors and Town Pier Regulations Chapter 250. The Harbormaster was asked to review and submit responses to these proposed changes.

The SHAB proposal was technical and made changes to wording, sentence structure and paragraph organization. The SHAB proposal contained no easily defined new proposals, but rather reorganized and inserted language which often changed the scope of existing sections. The SHAB proposal did highlight some inconsistencies and forced the Harbormaster to closely scrutinize the existing regulations to ensure conformity with State law. I met with Ken Gullicksen, SHAB member and author of the SHAB proposal on October 19 to review the Harbormaster response to the SHAB proposal. Myself and the Harbormaster met with the entire SHAB board on November 1 to review the proposal.

At the SHAB meeting (which went over 3 hours), there was general agreement with the technical changes correcting language identified by the initial SHAB proposal and as further refined by the Harbormaster. SHAB voted to generally accept the Town's proposal. Mr. Gullicksen expressed reservations that that Town's proposal went further than what was voted by the SHAB board in April 2016 and I am still unsure as to what Mr. Gullicksen agrees to, or not.

Key issues that were discussed:

- SHAB proposed clarifying the issue of who can be on a mooring, rental moorings and the sharing of moorings. The Harbormaster inserted language to clarify transient boaters and further clarify time-sharing of moorings. Harbormaster clarified language to general agreement of SHAB.
- SHAB proposed deleting duplicitous language that is contained in Bylaw Chapter 137 and Regulation 250. The Harbormaster will propose a Town Meeting Bylaw amendment to the April ATM to clear that issue. Harbormaster clarified language to general agreement of SHAB.
- SHAB proposed changing language that allowed moorings to be forfeited if not used. Harbormaster rejected as to being impractical to enforce. Harbormaster did clarify existing language to be more precise. General agreement from SHAB.
- SHAB proposed allowing moorings to be transferred to another if holder has a slip. Harbormaster rejected as to form and regulations already allow sharing under specific conditions. Harbormaster did clarify existing language to be more precise. General agreement from SHAB.
- SHAB proposed changing language regarding eligibility for a mooring if a boat was sold, or if no boat was owned at time of permit issuance. Harbormaster clarified language to general agreement of SHAB.
- SHAB identified errors in the tables of mooring weights, chains and pennant sizes which Harbormaster agreed to.
- Harbormaster has revised sections of regulations to be in conformance with MGL c.91 and 310 CMR 9.7.
- Harbormaster has proposed elimination of Helix moorings as they are permanent and only Chapter 91 DEP can license permanent sea floor structures. SHAB took no position.
- Harbormaster has proposed elimination of "Waterfront Mooring" transfers as 310 CMR 9.07 prohibits transfers except to family members. SHAB took no position.
- Harbormaster proposes changes to slip lottery to have all applicants apply no matter if in prior year slip. SHAB did not review.
- Harbormaster proposes requiring full payment of commercial slips by June 1. SHAB did not review.
- Harbormaster proposes a \$25.00 slip lottery application fee. SHAB did not review.

**HARBOR MASTER REVIEW AND COMMENTS in blue,  
to be read with "2016 11 02 FINAL EDITS CHAPTER 250 Harbors-Town Pier Regulations AMENDED 20150805"**

Line Number	Regulation Section	TYPE	Description	Comment
18	250.1	NEW	Added definition for "BERTH"	From 301 CMR 9.07 to clarify differences between bottom moorings, slips docks etc.
34	250.1	NEW	Added definition for "HABITUALLY MOORED"	From GL 60B s.1 to clarify applicability of excise paments prior to mooring permit
40	250.1	CHANGE	New language	To clarify Town's authority under GL c.91 s.10A to only issue "temporary" moorings and to specify only mushroom or pyramid (DoMor) bottom anchors. Excludes Helix as they cannot be "temporary" under these regs. Also allows future use of Eco or Haslett environmental mooring systems if adopted.
45	250.1	NEW	Added definition for "MOORING PERMIT"	For claritiy under CH. 91 and to notethat there are "Rental Moorings" not subject to these regs.
58	250.1	NEW	Added definition for "RENTAL MOORING"	For claritiy under CH. 91 and to notethat there are "Rental Moorings" not subject to these regs.
64	250.1	NEW	Added definition for "TRANSIENT"	To clarify when using a mooring versus temporary anchoring by Harbor Master permission in section 250.2.13.
80	250.2	CHANGE	Added "and Waterways"	To clarify actual scope of section.
95	250.2.6	CHANGE	Modified section	Clarified section to be consistant with GL c.91 s.10C regulating who can tie up at Town piers
100	250.2.7	CHANGE	Added "and Waterways"	To apply same noise and behavior restriction at Town piers as to boats in mooring field
130	250.2.12	CHANGE	Added Boat Basin language	To clarify that a Liveaboard is permitted within the Nantucket Boat Basin
134	250.2.13	NEW	Added mooring requirement	Added language that requires any vessel in the harbor to be on a mooring. Exceptions for trailers, docked or transients longer than 48 hours.
149	250.3.1.2	CHANGE	Deleted "or any" and added "turning basin"	Clarification as to where moorings can and cannot be placed.
155	250.3.1.3	CHANGE	Replaced "within the Town" with "in Nantucket Waterways"	Housekeeping change
158	250.3.1.3	CHANGE	Deleted old weight ratings from table	Houskeeping, were not deleted in earlier version. New weights were always shown
159	250.3.1.4	CHANGE	Change in sentence case	Housekeeping change
165	250.3.1.4	CHANGE	Deleted old chain size from table	Houskeeping, were not deleted in earlier version. New sizes were always shown
170	250.3.1.5	CHANGE	Deleted old pennant line size from table	Houskeeping, were not deleted in earlier version. New sizes were always shown
186	250.3.1.7	NEW	Added "remove, relocate"	Authority always existed in MGL c91 s10A but added here for clarity

Line Number	Regulation Section	TYPE	Description	Comment
196	250.3.1.9	DELETE	Deleted the word "private"	For clarity since all moorings under the regs must be authorized by the Harbor Master and deleted reference to Helix moorings.
199	250.3.1.10	CHANGE	Modified paragraph for clarity	Simplifying mooring buoy standards
209	250.3.1.13	DELETE	Deletion of Helix type moorings	Per GL c91 s10A and 310CMR9.07 any permanent mooring can only be permitted by a DEP Ch 91 license or Army Corps permit. Town has no authority to allow any permanent bottom mooring.
213	250.3.1.14	DELETE	Deletion of Helix type moorings	Per GL c91 s10A and 310CMR9.07 any permanent mooring can only be permitted by a DEP Ch 91 license or Army Corps permit. Town has no authority to allow any permanent bottom mooring.
222	250.3.1.15	DELETE	Deletion of Helix type moorings	Per GL c91 s10A and 310CMR9.07 any permanent mooring can only be permitted by a DEP Ch 91 license or Army Corps permit. Town has no authority to allow any permanent bottom mooring.
225	250.3.1.16	DELETE	Deletion of Helix type moorings	Per GL c91 s10A and 310CMR9.07 any permanent mooring can only be permitted by a DEP Ch 91 license or Army Corps permit. Town has no authority to allow any permanent bottom mooring.
229	250.3.1.17	DELETE	Deletion of Helix type moorings	Per GL c91 s10A and 310CMR9.07 any permanent mooring can only be permitted by a DEP Ch 91 license or Army Corps permit. Town has no authority to allow any permanent bottom mooring.
231	250.3.1.18	DELETE	Deletion of Helix type moorings but allowing existing to remain if permitted	Per GL c91 s10A and 310CMR9.07 any permanent mooring can only be permitted by a DEP Ch 91 license or Army Corps permit. Town has no authority to allow any permanent bottom mooring.
234	250.3.2.1	CHANGE	Language to verify excise tax payment	Clarifies that in order to obtain a Mooring Permit, applicable excise taxes must be paid. Definition of applicability and "habitually moored" is from GL 60B.
247	250.3.2.5	CHANGE	Change and clarification language and removal of sentence to NEW section 250.3.2.6 below	Clarifies that if on the waiting list and comes up for an available mooring, permit won't be issued unless they actually own a boat and that the boat fits in the mooring spot that has become available. If the applicant does not like the spot, they don't have to buy a boat and can linger on the top of the list until a spot that they want becomes available. If they pass up a spot, the next in list line then gets a choice.
257	250.3.2.6	NEW	NEW and clarification language	Removal of sentence from prior section to a new section here for clarity. Covers a person who has a mooring permit but sells their boat. They don't lose the permit if they get a boat of the same size and type. This is to address a problem where someone has a mooring permit for 17 foot whaler at Children's Beach and then they upgrade to a 27 foot Regulator. They go on the waiting list if no space available.
263	250.3.2.7	CHANGE	Houskeeping change	Cleans up language here that is in strict conformance with 310 CMR 9.07 which prohibits non-family transfers.

Line Number	Regulation Section	TYPE	Description	Comment
266	250.3.2.8	CHANGE	Change and clarification language	Clarifies the prohibition of selling a mooring permit. Clarifies that an approved mooring handler can sub-let with Harbor Master approval. Ch c91 s.10A only empowers the Harbor Master to deal with mooring permits. Private sales or agreements are prohibited.
276	250.3.2.9	CHANGE	Houskeeping change	Clarifies language
321	250.3.3	DELETE	Deletes Waterfront Mooring transfers	State regulation 310 CMR 9.07 which prohibits any transfer to non-family members. The inclusion of a mooring permit in a property sale is prohibited. Generally a new property owner can get on the waiting list for a mooring permit and get the same location if in Pocomo or some other remote location. Areas like Hither Creek the new owner would have to wait on the list.
342	250.4.2.2	NEW	Adds 18 year old eligibility for slip	Contracts with minors are voidable with the Town, thus the requirement.
375	250.4.3.4	DELETE	Delete reference to B slip holder names automatically entered.	This was added for the transition to the A/B system. Needs to be deleted to ensure that only those persons interested are entered. Also requires updating of information and boat sizes.
411	250.4.4.3.1	CHANGE	Change paragraph reference	The existing paragraph reference was incorrect
449	250.4.6.3	CHANGE	Houskeeping change	Capitalization
478	250.5.3.3	CHANGE	Require full payment June 1	Clears up tracking payment issues
488	250.5.4.6	CHANGE	Add \$25.00 Fee	Would not apply until October 2017, would reduce duplicate lottery entries.
493	250.6.1.1	CHANGE	Houskeeping change	The Town adopts mooring regulations. Not "rules".
495	250.6.2.1	CHANGE	Houskeeping change	The Town adopts mooring regulations. Not "rules".
498	250.6.3.1	CHANGE	Houskeeping change	The Town adopts mooring regulations. Not "rules".
502	250.6.4.1	CHANGE	Houskeeping change	The Town adopts mooring regulations. Not "rules".

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**CHAPTER 250**  
**HARBORS AND TOWN PIER REGULATIONS**  
**TOWN OF NANTUCKET**  
**Adopted April 23, 2014**  
**Amended April 22, 2015; August 5, 2015**

The following Rules and Regulations are adopted pursuant to Nantucket Town By-Law Chapter 137 Section, as amended.

These Rules and Regulations shall be effective on August 27, 2015 and all previous rules and regulations of the Board of Selectmen hereunder, are repealed as of said date, subject, however, to the foregoing limitations.

(new text noted in Green text Underline, deleted text noted by ~~strike-out magenta color text~~). ANY ADDITIONAL OR DELETED SECTIONS SHOULD CAUSE ALL FOLLOWING SECTIONS TO BE RENUMBERED

**250.1 DEFINITIONS**

"BERTH" means any space wherein a vessel is confined by wet slip, dry stack, float, mooring, or other type of docking facility.

"COMMERCIAL USE", a vessel engaged in commercial trade or that carries passengers for hire.

"COMMERCIAL FISHING BOAT", a vessel which is used to engage in the industry or occupation devoted to the catching, processing, or selling of fish, shellfish, or other aquatic animals.

"DINGHY", a small self-propelled Vessel used for transportation to and from a dock or wharf, and/or between Vessels moored in the harbor.

"DIVER", includes swimmers using fins and/or masks and/or snorkel tubes or self-contained underwater breathing devices and may include those diving without aids, where the circumstances are appropriate.

"GRAY WATER", in Nantucket waters as defined above, gray water is a vessel's water/soap discharge, which is derived from galley, bath, showers, dishwashing and laundry equipment.

"IMMEDIATE FAMILY", parents, grandparents, children, sister, brother, and spouse.

"HABITUALLY MOORED", the place where the owner has usual mooring or dockage for the summer season.

"HARBOR MASTER", officer appointed by the Town to perform the duties of Harbor Master.

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Comment [CG(1)]: Definition from Waterways Regs 310 CMR 9.02 to clarify scope of authority of Harbormaster vis State CH 91

Comment [CG(2)]: MGL 60B s.1

38 "LIVEABOARD", a liveaboard is a person who sleeps aboard a vessel and the vessel is  
39 considered as a residence for any period of time as determined by the Harbor Master.

40 ~~-"MOORING", any space wherein a vessel is confined by wet slip, float, mooring, buoy,~~  
41 ~~rack, sling, haul-out, trailer or other type of docking facility. A means of temporarily~~  
42 ~~berthing a Vessel utilizing a dead weight, mushroom or pyramid type bottom anchor~~  
43 ~~affixed to a chain or other method approved by the Harbor Master, which is affixed to a~~  
44 ~~buoy.~~

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45 "MOORING PERMIT", annual permit issued by the Town of Nantucket for the placement  
46 and use of a Mooring in Nantucket Waterways pursuant to M.G.L. c.91. Mooring Permit  
47 does not include the Mooring License Agreement permitting the installation of Rental  
48 Moorings.

Comment [CG(3)]: This language is consistent with CMR and CH91 whereby Harbor master approves moorings. Allows future use of eco, haslett or other enviro mooring system as they develop.

49 "NANTUCKET WATERWAYS or WATERWAYS", includes all of the navigable waters  
50 within the boundaries of Nantucket County, which shall include all harbors, rivers, bays  
51 or ponds, including waterways which, from time to time, may be temporarily non-  
52 navigable by reason of low tides, drought or seasonal weather and water conditions.

Comment [CG(4)]: MGL 90-10A temporary shall mean for no longer than to the end of any given calendar year.

53 "PERSONS", includes an individual, corporations, societies, associations, partnerships,  
54 trusts or other business or corporate entity recognized by law as having the standing of a  
55 person.

56 "RAFT" or "FLOAT", a non-propelled floating craft, not intended for transportation  
57 purposes.

58 "RENTAL MOORING". Mooring installed and maintained by the Mooring Licensee  
59 pursuant to a Mooring License Agreement between the Mooring Licensee and the Town.

60 "RECREATIONAL VESSEL ", a vessel manufactured or operated primarily for pleasure.

61 "TOWN", Town of Nantucket, Massachusetts.

62 "TOWN PIER", municipal pier located at 34 Washington Street, to include timber pier  
63 and floating dock.

64 "TRANSIENT", a vessel visiting Nantucket Waterways for a short period of time not  
65 exceeding forty-eight (48) hours.

66 "VESSEL", ships and boats of all kinds, including barges, sailing vessels, watercraft and  
67 powerboats of any type or kind by whatever means propelled; every structure, designed,  
68 adapted, or capable of being navigated, towed or operated on water from place to place  
69 for the transportation of merchandise, people or for any other purpose.

70 "WAITING LIST", the official list of names of mooring permit applicants managed by the  
71 Town.

72 "WATER-DEPENDENT USES", those uses and facilities which require direct access to,  
73 or location in, marine or tidal waters and which therefore cannot be located inland,  
74 including but not limited to: marinas, recreational uses, navigational and commercial  
75 fishing and boating facilities, water-based recreational uses, navigation aids, basins, and  
76 channels, industrial uses dependent upon waterborne transportation or requiring large

77 volumes of cooling or process water which cannot reasonably be located or operated at  
78 an inland site.

79

80 **250.2 Town Wharf and Waterways Prohibited Activities**

81 250.2.1 Except in an emergency, no Vessels shall be made fast to any of the Town's  
82 wharves, floats or piers without the permission of the Harbor Master.

83 250.2.2 No person shall leave any Vessel, fishing equipment, fish or any other personal  
84 property upon Town landing places, floats, wharves or pier for longer than is  
85 necessary in the act of loading or unloading the same to and from Vessels or  
86 vehicles.

87 250.2.3 The Town shall not be responsible for any loss or damage to Vessels at the Town  
88 wharves, floats, pier or moorings. Owners will be held responsible for damage  
89 caused by them or their vessels to structures and pilings and related facilities  
90 owned by the Town.

91 250.2.4 No warp or line shall be passed across the channels or any dock so as to obstruct  
92 or interfere with vessels navigating in the area.

93 250.2.5 Except in an emergency, no Vessel shall fuel at any of the Town's wharves, floats  
94 or piers without the permission of the Harbor Master.

95 250.2.6 ~~Tug boats, cargo boats and any other Vessel used for commercial purposes~~  
96 ~~(other than charter boats and commercial fishing boats). Vessels~~ shall not be  
97 permitted to tie up or otherwise made fast moor at the Nantucket Town pier or  
98 wharves in Madaket, except by permission of the Board of Selectmen or as  
99 authorized by the Harbor Master, ~~as appropriate.~~

100 250.2.7 All Vessels using the Town wharves and Waterways shall observe all police, fire,  
101 health and sanitary regulations of the Town, and the owners or operators of such  
102 Vessels shall not permit acts contrary to good order, public safety or public health,  
103 including public profanity or obscene language or indecent exposure.  
104 Unnecessary noise, loud talking or playing of musical instruments between the  
105 hours of 11:00 p.m. and 8:00 a.m. is not permitted. No person upon such Vessel  
106 shall throw garbage, paper, refuse or debris of any kind into the harbor.

107 250.2.8 Commercial or business use of any Vessel or watercraft docked at any Town-  
108 owned dock, pier or wharf is prohibited, except that Charter or commercial fishing  
109 boats or other uses defined as "water dependent" as herein defined and provided  
110 that such uses and the vessels employed in such uses are first allocated dock  
111 space in accordance with these regulations.

112 250.2.9 No Vessel or watercraft of any kind whatsoever which is painted with paints  
113 containing butyltin compounds shall be permitted to moor in Town waters or tie up  
114 at the Town wharves, whether private or public.

115 250.2.10 Between October 15 and April 15, all Dinghies not servicing Vessels presently  
116 moored in the harbor shall be removed from any Town property.

**Comment [CG(5)]:** MGL 91 s. 10C  
Notwithstanding any contrary provision of law, the harbormaster of a city or town or whomsoever is so empowered by said city or town may authorize by written permit the stationing of commercial vessels to a public commercial dock, pier, wharf, float, raft or mooring, fixed or otherwise, within the territorial jurisdiction of such city or town upon such terms, conditions and restrictions as he shall deem necessary. He shall act on application for such permits within a period of seven days from his receipt thereof.

117 250.2.11 The Town may remove after October 30, any Dinghy left on Town property.  
118 Following such removal, the Harbor Master shall give notice of the removal as  
119 follows:

- 120 (a) if the owner is known, then by mail or hand-delivery;
- 121 (b) if the owner is unknown, then by publication in a newspaper of general  
122 circulation within the Town;
- 123 (c) if, after thirty (30) days following the publication or written notice, the  
124 owner has failed to claim the Dinghy and reimburse the Town for removal  
125 costs, the Dinghy may then, at the discretion of the Harbor Master, be  
126 sold at public auction to cover the costs of removal. If said auction  
127 produces surplus proceeds after payment of the costs of removal, said  
128 surplus shall be held in a separate account and be paid over to the owner  
129 upon proof of ownership.

130 250.2.12 There shall be no Liveboards at any Town Pier or Wharf. Liveboards shall only  
131 be allowed with in the Nantucket Boat Basin, or in Nantucket Waterways if the  
132 Vessel is tied to a Mooring that is authorized by the Town pursuant to these  
133 regulations. Vessels used as Liveboards that are anchored are prohibited.

134 ~~250.2.12~~250.2.13 Vessels using Nantucket Waterways for more than forty-eight (48) hours,  
135 which are not berthed or trailered, must utilize a Mooring which has been  
136 permitted under these regulations or a Rental Mooring. The Harbor Master may,  
137 in the event of no suitable berthing space being available, allow transient vessels  
138 to anchor in an approved area until such time as a berthing space becomes  
139 available.  
140

### 141 250.3 Moorings

#### 142 250.3.1 Mooring Equipment

143 250.3.1.1 All Moorings must be registered and a permit for the Mooring must be approved  
144 prior to the placement of the Mooring. No Mooring shall be placed by any person  
145 or Mooring Handler unless a Mooring Permit has been issued. The Harbor  
146 Master may authorize a temporary Mooring placement on a case by case basis  
147 pending issuance of a Mooring permit.

148 250.3.1.2 The location of all Moorings shall be determined from time to time by the Harbor  
149 Master. No Mooring shall be located in the main stream, ~~or any~~ channel or  
150 turning basin of any of the harbors of the Town, unless, in the opinion of the  
151 Harbor Master, the particular circumstances require it. Moorings shall be located  
152 so that Vessels lying on them shall not block any channel or approach to  
153 wharves or other Moorings in the vicinity or create any other hazard to  
154 navigation.

155 250.3.1.3 No Vessel shall use a Mooring ~~within the Town in~~ Nantucket Waterways unless  
156 the Mooring is in good condition and meets the following minimum standards  
157 unless otherwise determined by the Harbor Master:

158

Length of Boat	Mushroom Mooring	Concrete Block Mooring
Under 14'	<del>50 lbs.</del> -75 lbs.	Subject to individual approval by the Harbor Master
15' to 18'	<del>75 lbs.</del> -150 lbs.	
19' to 22'	<del>100 lbs.</del> -200 lbs.	
23' to 26'	<del>150 lbs.</del> -300 lbs.	
27' to 32'	<del>200 lbs.</del> -500 lbs.	
Over 32'	Subject to individual approval by the Harbor Master	

159 250.3.1.4 No Vessel shall use a ~~mooring~~-Mooring unless the Mooring chain is in good  
160 condition and that the length is at least the vertical height above the sea bottom  
161 to four feet above mean high water. Maximum length of chain shall be no more  
162 than 2.5 times the maximum depth of the water, except where the Harbor  
163 Master determines otherwise. All Mooring chains shall be of a grade suitable for  
164 Moorings and meet the following minimum size standards:

Length of Boat	Chain Minimum Size
10' to 23'	<del>3/8"</del> -1/2"
24' to 32'	<del>1/2"</del> -5/8"
Over 33'	<del>5/8"</del> -3/4" - 1" as determined by the Harbormaster

166 250.3.1.5 No Vessel shall use a Mooring pennant unless it is in good condition and of a  
167 type suitable for Moorings. The length shall be no longer than half the length of  
168 the vessel. Pennant line size shall be:

Length of Boat	Line Minimum Size
Up to 10'	<del>3/8"</del> -7/16"
11' to 23'	<del>7/16"</del> -1/2"
24' to 32'	<del>1/2"</del> -5/8"
Over 33'	<del>5/8"</del> -3/4"

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173 **NOTE:** The use of synthetic lightweight high-strength pennant lines such as  
174 Dyneema and Spectra may be used in lesser dimensional sizes  
175 provided that such use provides equal or greater tensile strength  
176 than the standard line sizes listed above.

177 250.3.1.6 Moorings shall be inspected by the Harbor Master, or by a designated  
178 representative at least once every two (2) years to determine their compliance  
179 with the regulations herein. Proof that the Mooring has been inspected is a  
180 requirement for a Mooring permit to be issued. If a permit is not issued pending  
181 an inspection, and a period of thirty (30) days elapses from the date that the  
182 permit is requested to be issued, the Harbor Master shall notify the permit holder  
183 by certified mail at the address appearing on the permit application that if the  
184 permit holder fails to provide proof of inspection within thirty (30) days, the  
185 Mooring permit will be forfeited.

- 186 | 250.3.1.7 The Harbor Master may [remove, relocate or](#) order the removal of any Mooring  
187 not in compliance with these regulations. The expense of such removal or  
188 relocation shall be the responsibility of the owner.
- 189 | 250.3.1.8 The Harbor Master may order the removal or relocation of any Mooring  
190 whenever, in the judgment of the Harbor Master, the safety of other Vessels or  
191 the optimum use of the area requires such action. The expense of such removal  
192 or relocation shall be the responsibility of the owner. Except when immediate  
193 removal is deemed necessary by the Harbor Master, an owner shall have at  
194 least fourteen (14) days to relocate or remove a Mooring when so ordered by  
195 the Harbor Master.
- 196 | 250.3.1.9 All ~~private~~ Moorings shall be removed from areas designated by the Harbor  
197 Master as shell fishing areas prior to October 15. ~~If the Mooring is a Helix type,~~  
198 ~~then the Mooring must be outfitted with a cap approved by the Harbor Master.~~
- 199 | 250.3.1.10 All ~~small mooring~~ Mooring buoys shall be  ~~painted~~ white and have a minimum  
200 one-inch blue band visible above the water. Buoys shall be marked with ~~the~~  
201  ~~permit~~ numbers assigned by the Harbor Master ~~Department~~. The numbers  
202  ~~and/or letters~~ shall be a minimum of three inches in height and be clearly visible  
203  ~~at all times~~. Mooring buoys shall be of customary shape and materials as  
204 determined by the Harbor Master.
- 205 | 250.3.1.11 Spar buoys shall be upright at all times and not less than 40° at any period of  
206 tide and not less than 18 inches exposed.
- 207 | 250.3.1.12 The Harbor Master may order the removal of any buoy deemed to be  
208 inappropriate in form, appearance or construction.
- 209 | 250.3.1.13 ~~No Helix type Mooring shall be installed in Nantucket Waterways after January~~  
210 ~~4, 2015. Helix type or any other permanent Mooring that has not been permitted~~  
211  ~~pursuant to Chapter 91 of the General Laws or received a permit from the U.S.~~  
212  ~~Army Corps of Engineers is prohibited.~~
- 213 | ~~250.3.1.14 The prohibition of Helix type Moorings in 250.1.13 may be waived by the~~  
214  ~~Harbormaster provided that:~~
- 215 | ~~• A Nantucket based Mooring handler has acquired the required~~  
216  ~~equipment to properly install, remove, relocate and service Helix~~  
217  ~~Moorings;~~
  - 218 | ~~• The Helix Mooring handler is in regular business and operation and~~  
219  ~~has on staff personnel capable of operating the Helix equipment, and;~~
  - 220 | ~~• The Helix Mooring handler has demonstrated to the Harbormaster~~  
221  ~~suitable capabilities and facilities to handle Helix Moorings.~~
- 222 | ~~250.3.1.15 Any waiver granted by the Harbormaster under 250.3.1.14 shall be valid for a~~  
223  ~~one (1) year period and may be continually renewed by the Harbormaster~~  
224  ~~provided that the conditions for waiver remain in force.~~
- 225 | ~~250.3.1.16 Any Helix Mooring installed under 250.3.1.14 must be equipped with a Hazelett~~  
226  ~~Conservation Elastic Mooring System or similar device approved by the~~

227 ~~Harbormaster if the Harbormaster determines that such use is practicable and~~  
228 ~~bottom conditions warrant such use.~~

229 ~~250.3.1.17 Any Helix Mooring located within the bounds of a designated scallop fishing~~  
230 ~~area must be removed prior to October 15 of each year.~~

231 ~~250.3.1.18~~250.3.1.14 Any ~~pre-existing~~ Helix Mooring ~~not permitted under section~~  
232 ~~250.3.1.13, that does not have a current Mooring Permit~~ shall be removed.

233 **250.3.2 Mooring Permits**

234 250.3.2.1 ~~To be eligible for a Mooring Permit, A~~ny vessel habitually moored in Nantucket  
235 ~~Waterways~~ shall ~~have paid any excise tax due pursuant to Chapter 60B of the~~  
236 ~~General Laws~~ ~~obtain a Mooring Permit from the Harbor Master.~~

237 250.3.2.2 All applications for a Mooring space in any Nantucket harbor or waterway shall  
238 be submitted to the Town on the Mooring Permit Application form. All  
239 information requested on the form must be supplied or the application may be  
240 rejected.

241 250.3.2.3 The Mooring Permit decal issued by the Town shall be firmly affixed to boat on  
242 the port side of the bow, or in the case of classic-design wooden sail boats, the  
243 port side of the mast.

244 250.3.2.4 Only the registered boat, displaying a current and valid mooring permit decal,  
245 which is owned by the person to whom the Mooring Permit was issued, shall  
246 fasten to the Mooring.

247 250.3.2.5 At the time of ~~the Mooring Permit application~~issuance, if the ~~Mooring Permit~~  
248 ~~holder applicant~~ does not ~~currently~~ own a Vessel or is not a person lawfully  
249 entitled to possession and use of a Vessel for the season for which a ~~mooring~~  
250 ~~Mooring Permit~~ is granted, no Mooring Permit will be issued. ~~If an individual~~  
251 ~~holds a valid Mooring Permit and sells his/her rights to the boat with the~~  
252 ~~intention of replacing it, he/she~~ ~~The mooring permit holder~~ will have twelve (12)  
253 months to ~~replace the~~ ~~acquire a~~ Vessel ~~of the same type and size as stated on~~  
254 ~~their Mooring Permit Application~~. If, at the end of twelve (12) months, the Vessel  
255 has not been ~~replaced~~~~obtained~~, the Mooring Permit shall be ~~forfeited~~ ~~and the~~  
256 ~~person will be placed at the bottom of the wait list.~~

Comment [CG(6)]: Section moved below for clarity

257 ~~250.3.2.6~~ If an individual holds a valid Mooring Permit and sells his/her rights to the boat  
258 ~~with the intention of replacing it with a Vessel of the same type and length,~~  
259 ~~he/she will have twelve (12) months to replace the Vessel. If, at the end of~~  
260 ~~twelve (12) months, the Vessel has not been replaced with a Vessel of the same~~  
261 ~~type and length, the Mooring Permit shall be forfeited and the individual will go~~  
262 ~~to the top of the waiting list for an appropriate mooring location.~~

Comment [CG(7)]: Allowing them to go to the top of the list is in recognition that they gave up a valid mooring space that they already had.

263 ~~250.3.2.6~~250.3.2.7 ~~o~~ ~~Permit for a Mooring~~Mooring Permit shall be transferable to  
264 another person, except to a person within the immediate family of the permit  
265 holder upon approval of the Harbor ~~Master~~.

Comment [CG(8)]: 310 CMR 9.07

266 ~~250.3.2.7~~250.3.2.8 The sale, rental or subletting of a ~~Mooring Permit issued pursuant~~  
267 ~~to these regulations~~ ~~Mooring by a Permit holder~~ is prohibited. However the  
268 Harbor Master may permit the time sharing of Moorings ~~in order to maximize the~~

269 | usage of the Mooring fields provided that upon payment of the Permit fee has  
270 | been paid by the Mooring Permit holder and the time share Vessel is of the  
271 | same type and approximate length of the Vessel shown on the Mooring  
272 | Permit in order to maximize the usage of the Mooring fields. Time sharing of a  
273 | Mooring shall be limited only to registered Mooring Handlers for Vessels less  
274 | than 26' in length. Vessels engaged in a time share situation shall comply with  
275 | marking and reporting requirements as determined by the Harbor Master.

276 | ~~250.3.2.8~~ 250.3.2.9 Mooring Permits ~~for the use of Mooring spaces~~ shall be for a  
277 | period of one year, or any fraction thereof, terminating on December 31 of each  
278 | year, unless earlier revoked by the Harbor Master, and shall be renewable  
279 | annually for one year. All Mooring Permit holders shall ensure annually that  
280 | their Vessel information, contact information, Mooring Handler and other  
281 | information as required by the Town is current and up to date. Failure to update  
282 | and/or review the information annually may result in the non-renewal of the  
283 | Mooring Permit until such information is verified.

284 | ~~250.3.2.9~~ 250.3.2.10 Payment for the annual Mooring Permit shall be paid in full by  
285 | January 1. If payment is not received by this date, the Town shall:

286 | ~~250.3.2.9.1~~ 250.3.2.10.1 Assess a late fee of \$25.00;  
287 | ~~250.3.2.9.2~~ 250.3.2.10.2 Send notice of non-payment by first class mail to the  
288 | address that the permit holder currently has on file advising them that  
289 | the permit will be forfeited if payment is not received by February 15.  
290 | ~~250.3.2.9.3~~ 250.3.2.10.3 If payment is not received by March 15, the Town shall  
291 | send notice by certified mail advising the Permit holder that their  
292 | Mooring Permit has been revoked.  
293 | ~~250.3.2.9.4~~ 250.3.2.10.4 If the Permit holder responds to the certified mail notice by  
294 | April 15, the Permit shall be reinstated for a \$100 fee and also upon  
295 | payment of the applicable Mooring Permit fee.  
296 | ~~250.3.2.9.5~~ 250.3.2.10.5 If no response is received, or full payment of late fees and  
297 | all Permit fees is not made by April 15, the Permit is forfeited and the  
298 | Mooring location will be offered to the next person on the waiting list.

299 | ~~250.3.2.10~~ 250.3.2.11 In areas where no additional Mooring spaces are available,  
300 | applicants shall be placed on a waiting list maintained by the Town.

301 | ~~250.3.2.11~~ 250.3.2.12 The waiting list shall include the names of applicants waiting for  
302 | Moorings in chronological order of application, regardless of the applicant's  
303 | preference for a particular Mooring location. The person at the top of the official  
304 | waiting list shall have priority to obtain the next available location, but may waive  
305 | the right to the next available location if it is not in a place convenient for him  
306 | without losing his place at the top of the waiting list. In the event of a waiver, the  
307 | next person on the list shall be offered the location, and if that person waives the  
308 | right to the location, the next successive person shall be offered the location  
309 | until someone in succession on the list elects to take the Mooring location.  
310 | Notice to the person entitled to the next available Mooring shall be in writing or  
311 | by any reasonable method.

312 | ~~250.3.2.12~~ 250.3.2.13 It shall be the responsibility of wait list applicants to notify the  
313 | Town of any address or information change. Notification of mooring availability  
314 | to wait list applicants shall be only to the information supplied to the Town on the

315 Mooring Permit application. The Town is under no obligation to seek out wait list  
316 applicants who fail to respond to notice of mooring space availability.

317 | ~~250.3.2.13~~250.3.2.14 Dinghies of less than 10' attached to permitted Moorings shall be  
318 exempt from the Permit requirements herein provided that the Mooring is  
319 properly permitted and there is a primary Vessel regularly attached to the  
320 Mooring which bears a valid Mooring Permit decal.

321 | ~~250.3.3~~ **Waterfront Moorings**

322 | ~~250.3.3.1~~ Moorings which are currently permitted and owned by property owners whose  
323 property has direct frontage and reasonable access to a Nantucket Waterway as  
324 determined by the Harbor Master, may transfer such Mooring to subsequent  
325 purchasers of the property. The transfer of the Mooring Permit shall only occur  
326 upon approval of the Harbor Master with considerations to Vessel type, size and  
327 coordination with other existing Moorings and upon payment of any applicable  
328 fees.

Comment [CG(9)]: Transfer of Moorings is governed by 310 CMR 9.07 (d) Only allows transfers to immediate family with approval of the Harbor Master.

329  
330 **250.4 Town Pier**

331 **250.4.1 Capacity and Slip Assignments**

332 250.4.1.1 The Standing or Fixed Pier has 55 slips which can accommodate recreational  
333 Vessels up to and including 30 feet in length. Three slips are designated for the  
334 Town for the pump-out and patrol boats. The Harbor Master may designate  
335 additional spaces for Town purposes as needed.

336 **250.4.2 Slip Assignments Revocable License**

337 | ~~250.4.2.1~~ Slips assignments to Vessels will be subject to a revocable license agreement  
338 between the Town and the Vessel owner. The revocable license agreement  
339 shall contain the terms of the agreement for the slip assignment. Failure to  
340 comply with the terms of the license agreement shall result in the termination of  
341 the license and forfeiture of the slip without refund.

342 | ~~250.4.2.1~~250.4.2.2 Only persons who are at least eighteen (18) years of age are  
343 eligible to enter the slip lottery and execute a slip license.

344 | ~~250.4.2.2~~250.4.2.3 Only Vessels with mechanical power are eligible for the slip lottery  
345 and slip assignment.

346 | ~~250.4.2.3~~250.4.2.4 The term of any revocable slip assignment license will be from  
347 May 1<sup>st</sup> through September 30<sup>th</sup> whether or not the revocable license is  
348 automatically renewable from year to year.

349 | ~~250.4.2.4~~250.4.2.5 No Vessel may be placed in a slip prior to May 1<sup>st</sup>, and no Vessel  
350 may remain in a slip after September 30<sup>th</sup> without permission of the Harbor  
351 Master. The permission of the Harbor Master notwithstanding, no additional  
352 rights or term of occupancy is to be implied as a result of the Harbor Master  
353 allowing early arrival or late departure from a licensed slip.

354 250.4.3 **Recreational Vessels**

355 250.4.3.1 Recreational Vessel slips are divided into two categories, 'A' and 'B'. Fifty (50)  
356 percent of the available slips will be designated as category 'A', and fifty (50)  
357 percent of the available slips will be designated as category 'B' for Vessels less  
358 than 30'. The Harbormaster shall determine the percentage of eligible slips  
359 available for a class 'A' or 'B' based on Vessel length. The intent is to evenly  
360 distribute the percentage available 'A' or 'B' classes based upon Vessel length  
361 recognizing that most slip locations are determined by Vessel size.

362 250.4.3.2 Category 'A' recreational slip assignments shall be awarded by lottery and be  
363 allowed a two (2) year slip license. The category 'A' revocable slip license will be  
364 renewable for the second year without participation in the lottery as long as the  
365 slip holder remains current with payments and is in compliance with all  
366 applicable rules, regulations and by-laws or unless otherwise cancelled by the  
367 Town of Nantucket or the license holder. When a category 'A' slip becomes  
368 available, its initial assignment shall be by lottery pursuant to paragraph  
369 250.4.3.4.

370 250.4.3.3 Category 'B' recreational slip assignments shall annually be awarded by lottery.  
371 The category 'B' revocable slip license will expire each year. They will not be  
372 renewable and any previous category 'B' holder must participate in the annual  
373 slip lottery.

374 250.4.3.4 The annual lottery will be held in October of each year. The date of the lottery  
375 shall be advertised for at least two (2) weeks to the lottery date. ~~The names of~~  
376 ~~current year Category 'B' slip holders shall be automatically entered.~~ Names of  
377 ~~new~~ applicants shall be entered based upon information provided to the Town  
378 on the slip assignment application form. Slip applications shall be accepted up  
379 to twenty-four (24) hours prior to the lottery provided that the new slip  
380 application fee has been paid.

381 250.4.4 **Commercial Use/Commercial Fishing Vessels**

382 250.4.4.1 Commercial Use/Fishing Vessels slips are divided into two categories, 'A' and  
383 'B'. Six (6) slips on the floating dock will be designated for each category for  
384 Vessels less than 40'. Commercial fishing Vessels 40' and greater and transient  
385 fishing Vessels will Moor at the end of the fixed pier and will not participate in  
386 the lottery. There is no guarantee of space on the fixed pier for commercial  
387 fishing Vessels 40' and greater or transient fishing Vessels. Accommodation of  
388 space for these Vessels will be made upon the determination of availability by  
389 the Harbor Master.

390 250.4.4.2 Category A

391 250.4.4.2.1 Six (6) Available spaces: Initial slip space is drawn at lottery. The  
392 revocable license will be renewable each year without participation in  
393 the lottery as long as the slip holder remains current with payments  
394 and is in compliance with all applicable rules, regulations and by-laws  
395 or unless otherwise cancelled by the Town of Nantucket or the license  
396 holder.  
397

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398 250.4.4.2.2 Eligibility: Any person wishing to apply for a Category 'A' Commercial  
399 Use slip must provide sufficient information which proves beyond a  
400 reasonable doubt that the applicant spends a major portion of their  
401 annual work time in water-based commercial industry and that greater  
402 than 60% of their annual income is derived from the commercial  
403 business. Proof of eligibility may include, but not necessarily be  
404 limited to:  
405 • Coast Guard Licenses and Inspection  
406 • Federal Tax Identification number and tax returns  
407 • State and Federal Commercial Fishing Licenses  
408 • Vessel size and equipment  
409 • Catch reports or fish sale reports  
410 • Other information that the Harbor Master may require

411 250.4.4.3 Category B

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412 250.4.4.3.1 Six (6) Available spaces: Category 'B' Vessel is drawn in the lottery  
413 annually pursuant to the procedures in paragraph [250.4.2.4](#) [250.4.3.3](#)  
414 [and 250.4.3.4](#). The revocable license is for one year.  
415

416 250.4.4.3.2 Eligibility: Any person wishing to apply for a Category 'B' Commercial  
417 Use slip must provide sufficient information which proves beyond a  
418 reasonable doubt that the applicant's Vessel spends a portion of their  
419 annual work time in the water- based commercial industry and that a  
420 portion of their annual income is derived from the commercial  
421 business. The applicant must provide a fishing license or equivalent  
422 and the Vessel must be registered or documented as Commercial.  
423 Proof of eligibility may include, but not necessarily be limited to:  
424 • Coast Guard Licenses and Inspection  
425 • Federal Tax Identification number and tax returns  
426 • State and Federal Commercial Fishing Licenses  
427 • Vessel size and equipment  
428 • Catch reports or fish sale reports  
429 • Other information that the Harbor Master may require

430 250.4.4.4 Eligibility for a handicap accessible slip requires the applicant be eligible for a  
431 State issued handicap parking sticker.

432 250.4.4.5 The Town may assess a commercial use user fee for Vessels utilizing the Town  
433 Pier, Children's Beach ramp and Barrett Pier in Madaket as a primary loading  
434 and off-loading point for customers and/or wares. The Town will require that  
435 any Commercial users subject to this fee be required to obtain an insurance  
436 liability policy naming the Town as an additional insured.

437 250.4.5 **Slip Assignment Wait list**

438 250.4.5.1 For Recreational Vessels, a wait list of twenty (20) will be drawn at the annual  
439 lottery. For Category B Commercial Use Vessels, a waitlist of three (3) will be  
440 drawn at the annual slip lottery.

- 441 **250.4.6 Floats and Rafts**
- 442 250.4.6.1 No Raft or Float shall be moored in Nantucket Waterways unless the location of
- 443 said Float or Raft has been approved by the Harbormaster and a Mooring
- 444 Permit issued by the Town.
- 445 250.4.6.2 Any vessel which is tied to a Raft or Float as a Moored Vessel shall have a
- 446 Mooring Permit for each individual Vessel so tied.
- 447 250.4.6.3 The Harbormaster shall make the determination of the maximum allowable
- 448 Vessels which may be tied to a Raft or Float. The Harbormaster may fine either
- 449 the ~~vessels~~ Vessels so tied and/or the Raft or Float owner in violation if the
- 450 number of Vessels so approved is exceeded.

451

452 **250.5 Fees**

453 **250.5.1 Mooring Fees**

454 250.5.1.1 Mooring Permit Renewal Fees per Season:

Length of Boat	Annual Fee
up to 16'	\$80.00
17' to 23'	\$100.00
24' to 32'	\$200.00
33' to 49'	\$300.00
Over 50'	\$500.00
Commercial Fishing	\$80.00
Livery/Rental	\$200.00
Boat Handler/Repair	\$175.00

- 455
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- 461 250.5.1.2 Raft or Floats shall be based upon the table in 250.5.1.1
- 462 250.5.1.3 Mooring Permit Application: \$25.00 payable at the time of Mooring Permit
- 463 application.
- 464 250.5.1.4 Mooring Permit Wait List: \$10.00 annually by those applicants wishing to remain
- 465 on the official waiting list.
- 466 **250.5.2 Town Pier Slip- Recreational Vessels**
- 467 250.5.2.1 Category 'A' \$100.00 per foot per season.
- 468 250.5.2.2 Category 'B' \$80.00 per foot per season.
- 469 250.5.2.3 Minimum per foot charge per season is twenty-two (22) feet.
- 470 250.5.2.4 Payment for Recreational 'A' slips shall be received by January 1 of each year.
- 471 250.5.2.5 Payment for Recreational 'B' slips shall be received within thirty (30) days
- 472 following the date of the lottery. If payment is not received by this date, the

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473 applicant will forfeit his slip and the next person on the waiting list will be  
474 chosen.

475 **250.5.3 Town Pier Slip- Commercial Use:**

476 250.5.3.1 Category A: ~~\$~~150.00 per foot per season.

477 250.5.3.2 Commercial Use Category B: ~~\$~~125.00 per foot per season.

478 250.5.3.3 ~~50% of p~~Payment for Commercial 'A' and 'B' slips shall be received by June 1;  
479 ~~the remaining 50% payment is due by August 1.~~

480 250.5.3.4 Refunds will not be provided.

481 **250.5.4 Other Fees:**

482 250.5.4.1 Commercial use Vessel fee for Town ramps and piers: \$100.00 per year.

483 250.5.4.2 Non-Resident Commercial Off-Load Fee: \$100.00 per year.

484 250.5.4.3 Transient Rate: \$15.00 per hour or \$75.00 per day.

485 250.5.4.4 Commercial fishing transient 50' or less: .75¢ cents per foot per night.

486 250.5.4.5 Commercial fishing transient 51' or greater: \$1.50 per foot per night, to be  
487 capped at \$100 per foot annually.

488 250.5.4.6 Slip Lottery Application Fee: ~~No Fee~~\$25.00

489

490 **250.6 Enforcement**

491 **250.6.1 Enforcement**

492 250.6.1.1 Harbor Master, Assistant Harbor Masters, Mooring Enforcement Officers and  
493 any Police Officer are authorized to enforce these ~~Rules and~~ Regulations.

494 **250.6.2 Non-Criminal Violation Citation**

495 250.6.2.1 Officers authorized to enforce these ~~Rules and~~ Regulations may use the  
496 Standard Town Non-Criminal Violation Notice for violations.

497 **250.6.3 Severability**

498 250.6.3.1 The provisions of these ~~Rules and~~ Regulations are hereby declared to be  
499 severable; and if any provision of the Rules and Regulations is invalid, such  
500 invalidity shall not affect or impair any other provision hereof.

501 **250.6.4 Penalties**

502 250.6.4.1 Whoever violates any of the provisions of the ~~Rules and~~ Regulations shall be  
503 punished by a fine amount of one hundred dollars (\$100.00) each day of  
504 continual violation constituting a separate offense.

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# Q1 / FY2017 General Fund Update

## Revenue For Quarter Ended September 30, 2016

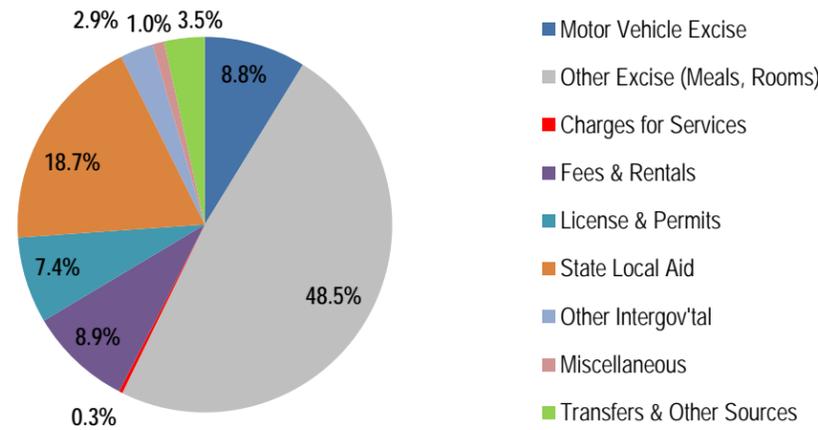
Revenue by Source	FY17 Budget	Q1 / FY17 Actual	Q1 / FY16 Actual	Q/Q (\$)	Q/Q (%)
Real Estate & Property Taxes	\$ 74,200,967	\$ 18,703,138	\$ 17,629,409	\$ 1,073,729	6%
Excise Tax - Motor Vehicles	2,150,000	385,571	268,589	116,982	44%
Excise Tax - Other (Meals, Rooms)	4,106,470	2,136,156	2,160,481	(24,325)	(1%)
Charges for Services	44,600	13,545	8,366	5,179	62%
Fees & Rentals	1,127,035	390,702	566,101	(175,399)	(31%)
License & Permits	1,457,050	327,881	387,789	(59,908)	(15%)
State Local Aid	3,178,487	823,777	539,982	283,795	53%
Other Intergovernmental	244,800	125,918	89,154	36,764	41%
Miscellaneous	342,535	44,241	97,377	(53,136)	(55%)
Transfers & Other Sources	-	154,825	35,521	119,304	336%
<b>Total</b>	<b>\$ 86,851,944</b>	<b>\$ 23,105,754</b>	<b>\$ 21,782,769</b>	<b>\$ 1,322,985</b>	<b>6%</b>

Revenue by Function	FY17 Budget	Q1 / FY17 Actual	Q1 / FY16 Actual	Q/Q (\$)	Q/Q (%)
General Government	85,965,904	22,861,015	21,358,849	\$ 1,502,166	7%
Safety & Protection	567,450	182,669	153,842	28,827	19%
Marine & Coastal Resource	211,150	38,701	123,917	(85,216)	(69%)
Maintenance	107,440	9,508	140,936	(131,428)	(93%)
Human Services	-	2,900	2,425	475	20%
Transfers & Other Sources	-	10,803	2,800	8,003	286%
<b>Total</b>	<b>\$ 86,851,944</b>	<b>\$ 23,105,596</b>	<b>\$ 21,782,769</b>	<b>\$ 1,322,827</b>	<b>6%</b>

Local Revenue by Dep't	FY17 Budget	Q1 / FY17 Actual	Q1 / FY16 Actual	Q/Q (\$)	Q/Q (%)
Town Administration	\$ 494,650	\$ 181,512	\$ 184,235	\$ (2,723)	(1%)
Finance & Operations	9,633,637	3,505,357	3,061,079	444,279	15%
Town Clerk	53,150	17,861	15,724	2,138	14%
Planning and Land Use Services	1,557,400	446,530	456,872	(10,342)	(2%)
Police	510,500	171,169	142,452	28,717	20%
Fire	56,950	11,500	11,390	110	1%
Marine & Coastal Resource	211,150	38,701	123,917	(85,216)	(69%)
Natural Resources	26,100	6,617	11,532	(4,915)	(43%)
Public Works (DPW)	37,940	685	117,223	(116,537)	(99%)
Town Gas	69,500	8,822	23,713	(14,891)	(63%)
Human Services	-	2,900	2,425	475	20%
Miscellaneous Recurring	-	2,800	2,800	-	-
Miscellaneous Non-Recurring	-	8,003	-	8,003	na
<b>Total</b>	<b>\$ 12,650,977</b>	<b>\$ 4,402,458</b>	<b>\$ 4,153,360</b>	<b>\$ 249,097</b>	<b>6%</b>

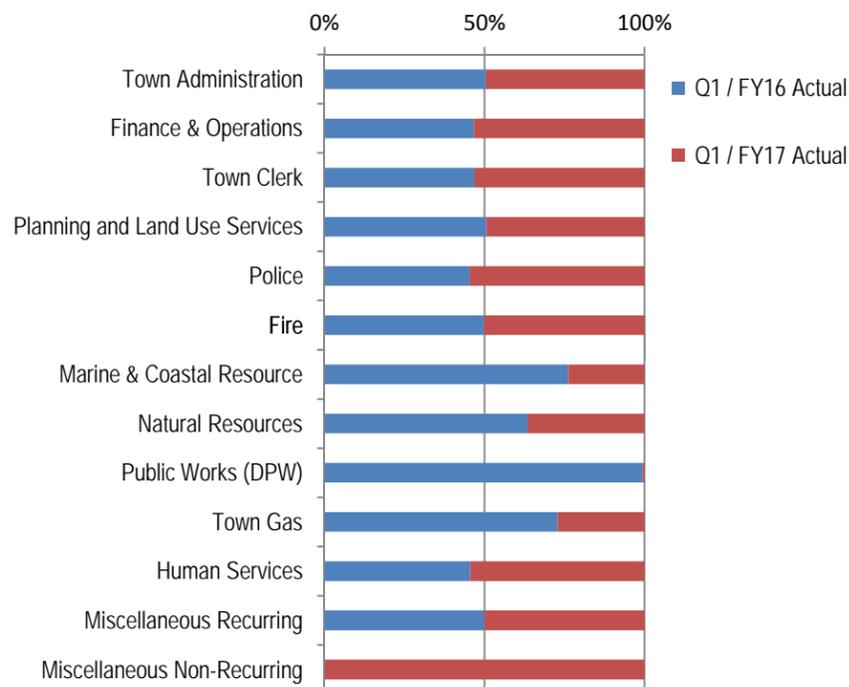
Total General Fund Revenue	FY17 Budget	Q1 / FY17 Actual	Q1 / FY16 Actual	Q/Q (\$)	Q/Q (%)
	\$ 86,851,944	\$ 23,105,754	\$ 21,782,769	\$ 1,322,985	6%

Q1 / FY17 Revenue by Source - Excluding Real Estate & Property Taxes



- Revenue excluding real estate and property taxes earned during Q1 is largely made up of excise taxes from the peak tourist season on the island. This quarter, revenue earned on rooms tax and meals tax were basically flat. In comparison, there was a 16% increase quarter-over-quarter during the same period last year.
- By contrast, there was a sharp increase to motor excise taxes collected as compared to the same quarter last year.

Revenue by Dep't - Excl. Real Estate & Property Taxes (Q1/FY17 vs Q1/FY16)



Q1 / FY17 Financial Highlights

- **Total General Fund Revenue** was up 6% quarter-over-quarter.
- FY2016 Revenue by Source - a slowing growth in major local receipts categories
  - Local receipts, including all excise taxes, charges for services, fees & rentals, as well as license & permits, were up 4% over Q1/FY16.
  - Motor vehicle excise taxes were up 44% over the same quarter last year, while meals & rooms taxes were down 1%.
  - Fees and Rentals were lower in Q1/FY17 because of a timing issue in the payments of slip rentals in FY16 (repairs to Town Pier).
  - Building Permits drove License & Permits somewhat lower.
  - State Local Aid was up materially over last year's first quarter but was normalized on an annualized basis.
  - Miscellaneous revenue was lower due to investment interest which will be recorded in Q2.

Important note: Revenue remains a projection until certified by the



# Q1 / FY17 General Fund Budget Update

## Operating Expenditures For Quarter Ended September 30, 2016

General Government	FY17 Budget	Q1 / FY17 Actual	Q1 / FY16 Actual	Variance to Budget	Q/Q (\$)	Q/Q (%)
Finance Committee	\$ 18,680	\$ 176	\$ 189	\$ (18,504)	\$ (13)	(7%)
Finance & Operations	2,370,839	448,757	390,792	(1,922,082)	57,965	15%
Human Resources	271,949	40,388	35,483	(231,561)	4,905	14%
Information Systems / GIS	955,059	293,767	115,180	(661,292)	178,587	155%
Legal / Town Counsel	468,602	2,861	19,925	(465,741)	(17,064)	(86%)
Moderator	1,680	-	-	(1,680)	-	na
Planning & Land Use Services	1,829,070	374,613	314,464	(1,454,456)	60,150	19%
Town Administration	1,604,876	337,674	239,232	(1,267,202)	98,442	41%
Natural Resources	654,052	121,378	96,349	(532,674)	25,029	26%
Town Clerk	343,360	78,637	53,103	(264,723)	25,534	48%
<b>Total</b>	<b>\$ 8,518,167</b>	<b>\$ 1,698,252</b>	<b>\$ 1,264,716</b>	<b>\$ (6,819,915)</b>	<b>\$ 433,536</b>	<b>34%</b>

Safety & Protection	FY17 Budget	Q1 / FY17 Actual	Q1 / FY16 Actual	Variance to Budget	Q/Q (\$)	Q/Q (%)
Emergency Management	\$ 7,075	\$ 1,238	\$ 696	\$ (5,837)	\$ 542	78%
Fire Department	2,992,011	590,101	509,854	(2,401,910)	80,247	16%
Police & Animal Control	6,070,403	1,240,818	1,154,903	(4,829,585)	85,914	7%
Street Lighting	165,000	13,097	15,673	(151,903)	(2,576)	(16%)
<b>Total</b>	<b>\$ 9,234,489</b>	<b>\$ 1,845,254</b>	<b>\$ 1,681,127</b>	<b>\$ (7,389,235)</b>	<b>\$ 164,127</b>	<b>10%</b>

Marine & Coastal Resources	FY17 Budget	Q1 / FY17 Actual	Q1 / FY16 Actual	Variance to Budget	Q/Q (\$)	Q/Q (%)
Marine Department	\$ 820,581	\$ 427,781	\$ 395,802	\$ (392,800)	\$ 31,978	8%
<b>Total</b>	<b>\$ 820,581</b>	<b>\$ 427,781</b>	<b>\$ 395,802</b>	<b>\$ (392,800)</b>	<b>\$ 31,978</b>	<b>8%</b>

Maintenance	FY17 Budget	Q1 / FY17 Actual	Q1 / FY16 Actual	Variance to Budget	Q/Q (\$)	Q/Q (%)
Gas / Town Vehicles	\$ 446,033	\$ 40,979	\$ 48,983	\$ (405,053)	\$ (8,003)	(16%)
Mosquito Control	105,063	23,492	59,132	(81,571)	(35,641)	(60%)
Public Buildings	1,198,038	150,369	172,874	(1,047,668)	(22,504)	(13%)
Public Works	2,958,805	695,020	597,462	(2,263,785)	97,558	16%
Snow & Ice Removal	151,590	-	-	(151,590)	-	na
<b>Total</b>	<b>\$ 4,859,528</b>	<b>\$ 909,860</b>	<b>\$ 878,451</b>	<b>\$ (3,949,668)</b>	<b>\$ 31,410</b>	<b>4%</b>

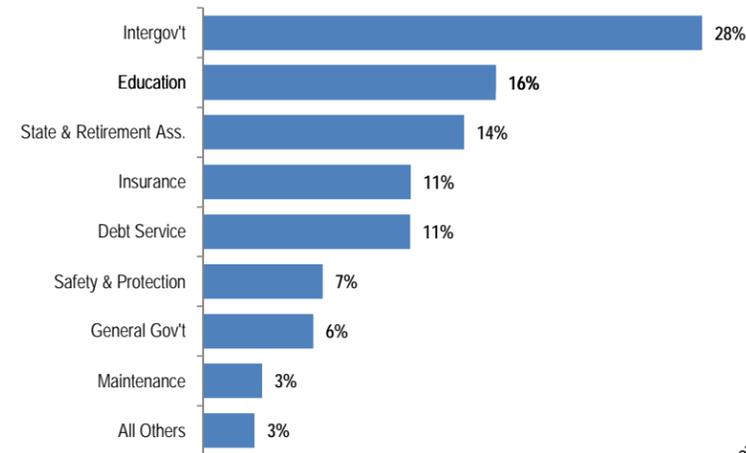
Human Services	FY17 Budget	Q1 / FY17 Actual	Q1 / FY16 Actual	Variance to Budget	Q/Q (\$)	Q/Q (%)
Human Services	\$ 436,967	\$ 62,444	\$ 54,311	\$ (374,524)	\$ 8,133	15%
<b>Total</b>	<b>\$ 436,967</b>	<b>\$ 62,444</b>	<b>\$ 54,311</b>	<b>\$ (374,524)</b>	<b>\$ 8,133</b>	<b>15%</b>

Culture & Recreation	FY17 Budget	Q1 / FY17 Actual	Q1 / FY16 Actual	Variance to Budget	Q/Q (\$)	Q/Q (%)
Atheneum	\$ 702,165	\$ 175,541	\$ 173,360	\$ (526,624)	\$ 2,182	1%
Town Clock	4,777	1,368	103	(3,409)	1,265	1,229%
Visitor Services	472,440	175,590	151,432	(296,850)	24,158	16%
<b>Total</b>	<b>\$ 1,179,382</b>	<b>\$ 352,499</b>	<b>\$ 324,895</b>	<b>\$ (826,882)</b>	<b>\$ 27,604</b>	<b>8%</b>

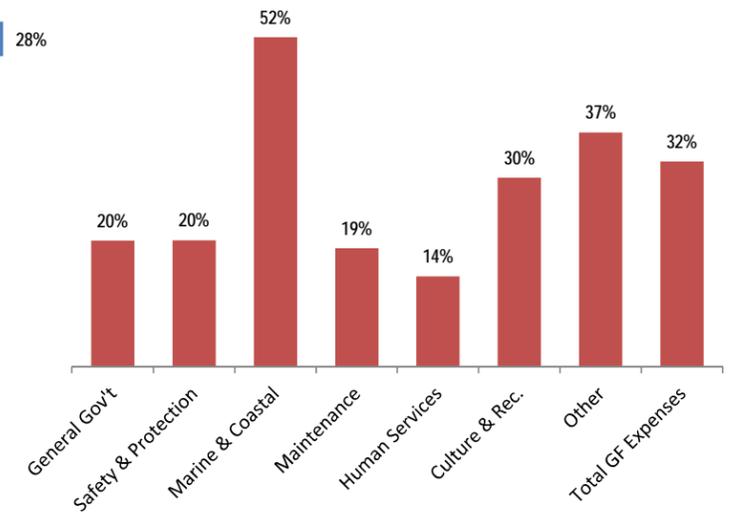
Other Expenditures	FY17 Budget	Q1 / FY17 Actual	Q1 / FY16 Actual	Variance to Budget	Q/Q (\$)	Q/Q (%)
Debt Service Principal	\$ 5,566,241	\$ 2,762,917	\$ 2,751,097	\$ (2,803,324)	\$ 11,820	0%
Debt Service Interest	1,513,824	431,185	513,680	(1,082,639)	(82,495)	(16%)
Group Insurance	12,052,110	2,183,159	1,508,687	(9,868,951)	674,472	45%
General Insurance	1,860,263	1,020,938	697,434	(839,325)	323,504	46%
State & Retirement Assessments	4,348,557	4,024,321	3,416,912	(324,236)	607,409	18%
Contractual Obligations	386,611	-	-	(386,611)	-	na
Intergovernmental	8,000,985	7,692,785	7,105,000	(308,200)	587,785	8%
Education	27,348,866	4,514,967	3,919,540	(22,833,898)	595,427	15%
<b>Total</b>	<b>\$ 61,077,457</b>	<b>\$ 22,630,272</b>	<b>\$ 19,912,351</b>	<b>\$ (38,447,185)</b>	<b>\$ 2,717,921</b>	<b>14%</b>

Total General Fund Expenses	FY17 Budget	Q1 / FY17 Actual	Q1 / FY16 Actual	Variance to Budget	Q/Q (\$)	Q/Q (%)
	\$ 86,126,569	\$ 27,926,361	\$ 24,511,652	\$ (58,200,208)	\$ 3,414,709	14%

Q1 / FY2017 Top Expenditure Breakdown



Q1 / FY2017 Expenditures as % of Budget Spent



Q1 / FY2017 Operating Expenditure Highlights

**Total General Fund Expenditures** during the first quarter were impacted by the timing of payments in categories such as (i) general insurance, (ii) group insurance, (iii) retirement assessments, and (iv) indirect costs.

**General Gov't** expenses in Q1/FY17 were up approx. \$433,000 over the same period last year. This change is mainly due to: (i) \$153,000 in professional services for IT/GIS, including the annual contract with MUNIS for \$113,000, (ii) professional services for Town Administration, including \$25,000 for the NRTA, \$25,000 for the Pond Coalition and \$29,000 for the purchase of 2 storage sheds for the Nobadeer Fields. A portion of the increase is also due to changes in staffing.

**Safety & Protection** incurred 10% more costs quarter-over-quarter. This increase is due to additional staff employed.

**Maintenance** expenses were up 4% over the same quarter last year. Although there was an increase in general repairs and maintenance costs, this was offset by lower electricity costs to public buildings (down 17%), custodial service costs and telephone charges.

**Culture & Recreation** expenses saw an overall decrease compared to the same quarter last year. Town clock rental fees were recorded for Q1/FY17 while there were none in Q1/FY16. Visitor services slightly higher expenses due to increases to seasonal and full-time staffing.

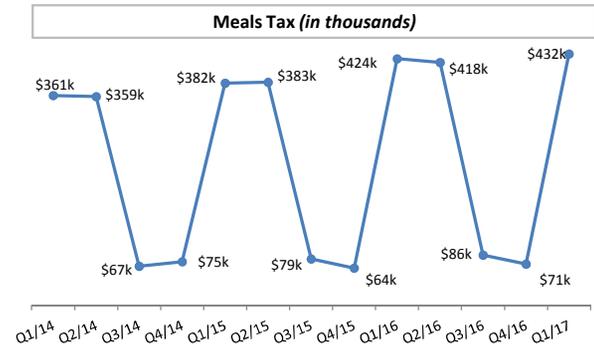
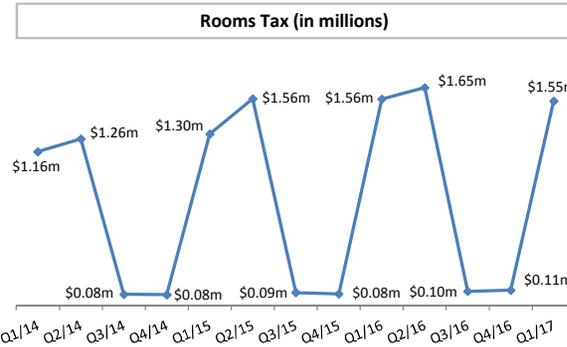
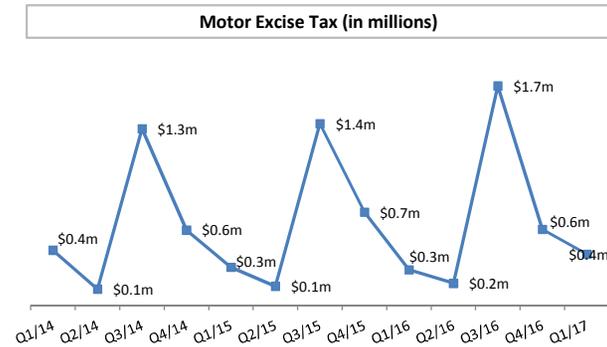
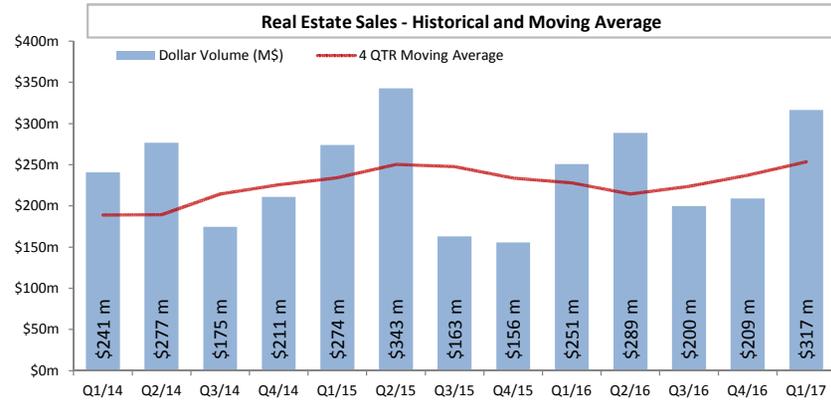
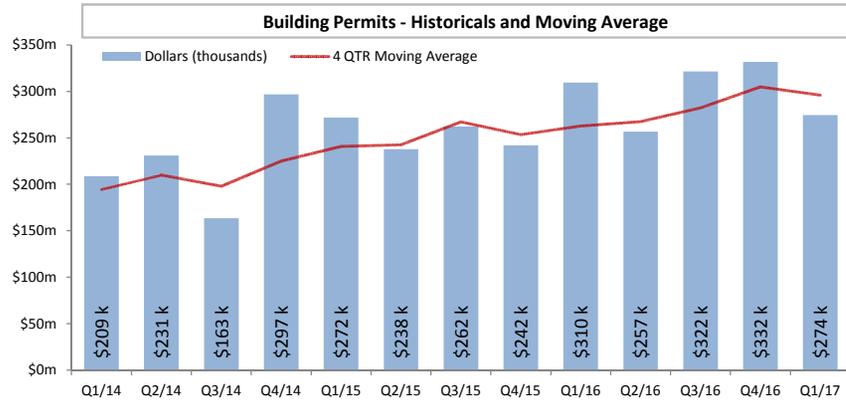
**Other Expenditures** were impacted by some timing differences between last year's first quarter and this year's.

**Important note:** A budget with carry forward includes any encumbrances of prior year funds into the next fiscal year and any ATM or Reserve Fund Transfers.

Town of Nantucket - Quarterly Municipal Watch

Local Receipts	Most Recent				Trend	
	Quarter	Q/Q <sup>(1)</sup>	LTM	Y/Y <sup>(1)</sup>	3-Mo	LTM
Building Permits	\$274,415	(11%)	\$1.2m	13%	●	●
Rooms Tax	\$1,547,159	(1%)	\$3.4m	3%	●	●
Meals Tax	\$432,066	2%	\$1.0m	6%	●	●
Motor Excise Tax	\$385,571	44%	\$2.7m	12%	●	●

Local Indicators	Most Recent				Trend	
	Quarter	Q/Q <sup>(1)</sup>	LTM	Y/Y <sup>(1)</sup>	3-Mo	LTM
Real Estate - Sales	\$317m	26%	\$1,014m	11%	●	●
Real Estate - Transactions	135	(2%)	535	10%	●	●
SSA Freight Revenue <sup>(2)</sup>	\$5.6m	6%	\$25.8m	6%	●	●
SSA Nantucket Passengers	314,692	(1%)	649,333	1%	●	●
Airport Landing Fees	\$3,225	9%	\$12,831	17%	●	●



National Leading Indicators	Current			Trend	
	Current	3-Mo	12-Mo	3-Mo	LTM
LIBOR T-Bill Yield Spread	0.55%	0.50%	0.21%	●	●
Sr Loan Officer Survey	1.5%	8.6%	(7%)	●	●
S&P 500 Performance	2,112	2,171	2,078	●	●
Weekly Initial Claims	257,750	259,750	267,500	●	●

**Details**

Aka TED Spread: difference between 3 mth LIBOR & 3 mth treasury bill. TED < 0.5% signals stability.

Fed Reserve survey: % of loan officers seeing tightening of loan standards for med/large companies.

S&P 500 index as proxy of performance of risky equity assets across different industries and sectors.

4-week average of unemployment insurance initial claims, a lower figure is positive.

**Local Update:** Local receipts data showed tapering of growth, particularly Rooms Tax (down 1% compared to Q1/FY16). Building Permits saw a 10%+ dip over Q1/FY16, although YTD (11/9) totals have surpassed last year's figure. Local indicators are seeing varying growth trends. Real estate sales still have momentum in dollar terms while transactions count was down over Q1/FY16.

**National News:** Similarly to last quarter, domestic growth remains a concern while interest rates are still nearing all-time lows. There is uncertainty as to the timing of potential rate hikes by the Fed.

<sup>(1)</sup> Current reading is compared to same period last year.

<sup>(2)</sup> SSA freight revenue is based on Q4/FY16.

**TOWN OF NANTUCKET  
AIRPORT - ENTERPRISE FUND**

	<b>Actual Q1/FY2017</b>	<b>Actual Q1/FY2016</b>	<b>BUDGET FY2017</b>
REVENUE (Includes Airport Revolving Fund)	\$ 7,757,129	\$ 7,819,183	\$ 8,006,467
EXPENSES (Includes Airport Revolving Fund)	4,293,463	4,315,488	9,231,480
NET EARNINGS	3,463,666	3,503,695	(1,225,013)
Transfer from Retained Earnings	1,122,573	828,843	1,122,573
NET EARNINGS	\$ 4,586,239	\$ 4,332,538	\$ (102,440)
Retained Earnings			
NET SOURCES/USES:			
FY2016 Encumbrance Carryforwards	0	0	102,440
Fuel Revolver Fund Balance Unavailable for Retained Earnings Calculation	(2,124,080)	(2,242,959)	0
Other: Transfer From Insurance Proceeds	0	0	0
FinCom GF Reserve Fund Transfer	0	0	0
Surplus(Deficit)	\$ 2,462,160	\$ 2,089,579	\$ (0)

<b>Certified Retained Earnings As of July 1, 2016</b>	<b>\$ 1,620,224</b>
Plus: Current Surplus(Less Current Deficit) as of 9/30/16	\$ 2,462,160
Less: Reserve for PFC Collections (cumulative to 9/30/16)	(1,266,064)
<b>Projected Balance as of 06/30/2017*</b>	<b>\$ 2,816,320</b>

*\*Revenues remain a projection, until certified by the the Department of Revenue, therefore this is only a projection as of this point in time, until Retained Earnings go through the Certification process.*



# Q1/FY17 Airport Enterprise Update

## Operating Revenue and Expenditures For Quarter Ended September 30, 2016

REVENUE	FY2017 Budget w/ Carryfwd	Q1/FY17	Q1/FY16	Variance to Budget	Variance to Q1/FY16	Q/Q (\$)	Q/Q (%)
Fixed Base Operations (FBO)	\$ 2,353,000	\$ 1,956,724	\$ 1,863,821	\$ (396,276)	\$ 92,903	\$ 92,903	5%
Revolver: Fuel Sales	-	4,000,000	4,355,615	4,000,000	(355,615)	(355,615)	(8%)
Jet Fuel Sales in Excess of Revolving Fund	2,000,000	226,413	-	(1,773,587)	226,413	226,413	na
Fuel Sales Gas and Diesel	-	-	80	-	(80)	(80)	(100%)
Passenger Facility Charge	434,050	251,111	287,632	(182,939)	(36,521)	(36,521)	(13%)
Rental Income	1,381,806	362,715	405,017	(1,019,091)	(42,302)	(42,302)	(10%)
Fee Income	1,149,461	689,504	635,126	(459,957)	54,378	54,378	9%
Vehicle Income	360,000	107,795	124,365	(252,205)	(16,570)	(16,570)	(13%)
Interest on Investments	23,000	-	9,294	(23,000)	(9,294)	(9,294)	(100%)
Other Income	305,150	162,867	138,233	(142,283)	24,634	24,634	18%
<b>Total Revenue*</b>	<b>\$ 8,006,467</b>	<b>\$ 7,757,129</b>	<b>\$ 7,819,183</b>	<b>\$ (249,338)</b>	<b>\$ (62,054)</b>	<b>\$ (62,054)</b>	<b>(1%)</b>

OPERATING EXPENDITURES WITHOUT DEBT	FY2017 Budget	Q1/FY17	Q1/FY16	Var to Budget	Var to Q1/FY16	Q/Q (\$)	Q/Q (%)
Payroll - Salary	\$ 3,152,950	\$ 796,463	\$ 667,836	\$ (2,356,487)	\$ 128,627	\$ 128,627	19%
Medicare P/R Tax Expense	45,700	11,549	9,684	(34,151)	1,865	1,865	19%
Medical Insurance	676,913	175,827	133,855	(501,086)	41,972	41,972	31%
Barnstable County Retirement	569,000	569,586	543,178	586	26,408	26,408	5%
Fixed Based Operatoin	755,500	362,777	404,536	(392,723)	(41,759)	(41,759)	(10%)
Revolver: Cost of Fuel	-	1,875,920	2,112,656	1,875,920	(236,736)	(236,736)	(11%)
Jet Fuel Expense in Excess of Revolving Fund	-	-	-	-	-	-	na
Operations	62,400	27,034	14,973	(35,366)	12,061	12,061	81%
Service & Maintenance	717,169	110,639	85,943	(606,530)	24,696	24,696	29%
Administration	1,331,017	177,589	176,362	(1,153,428)	1,226	1,226	1%
General Insurance	225,900	42,374	43,107	(183,526)	(733)	(733)	(2%)
Indirect Costs	200,000	50,000	-	(150,000)	50,000	50,000	na
Other	260,620	-	-	(260,620)	-	-	na
<b>Total Expenditures - Excluding Debt Service</b>	<b>\$ 7,997,168</b>	<b>\$ 4,199,756</b>	<b>\$ 4,192,130</b>	<b>\$ (3,797,412)</b>	<b>\$ 7,626</b>	<b>\$ 7,626</b>	<b>0%</b>

<b>Surplus (Deficit) - Excluding Debt Service</b>	<b>\$ 9,299</b>	<b>\$ 3,557,372</b>	<b>\$ 3,627,053</b>	<b>\$ 3,548,074</b>	<b>\$ (69,681)</b>	<b>\$ (69,681)</b>	<b>(2%)</b>
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DEBT SERVICE	FY2017 Budget	Q1/FY17	Q1/FY16	Var to Budget	Var to Q1/FY16	Q/Q (\$)	Q/Q (%)
Principal	\$ 839,000	\$ -	\$ 20,000	\$ (839,000)	\$ (20,000)	\$ (20,000)	(100%)
Interest	385,312	93,706	103,358	(291,606)	(9,652)	(9,652)	(9%)
Issuance Costs	-	-	-	-	-	-	na
BAN Costs, Principal, Interest	10,000	-	-	(10,000)	-	-	na
Other	-	-	-	-	-	-	na
<b>Total Debt Service</b>	<b>\$ 1,234,312</b>	<b>\$ 93,706</b>	<b>\$ 123,358</b>	<b>\$ (1,140,606)</b>	<b>\$ (29,652)</b>	<b>\$ (29,652)</b>	<b>(24%)</b>

<b>Surplus (Deficit) - Including Debt Service*</b>	<b>\$ (1,225,013)</b>	<b>\$ 3,463,666</b>	<b>\$ 3,503,695</b>	<b>\$ 4,688,680</b>	<b>\$ (40,029)</b>	<b>\$ (40,029)</b>	<b>(1%)</b>
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OTHER FINANCING SOURCES	FY2017 Budget	Q1/FY17	Q1/FY16	Var to Budget	Var to Q1/FY16	Q/Q (\$)	Q/Q (%)
General Fund Subsidy	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	na
FinCom Transfer	-	-	-	-	-	-	na
Transfer from Special Revenue Funds	-	-	-	-	-	-	na
FY2016 Encumbrance Carryforward	102,440	-	-	102,440	-	-	na
Fuel Revolver Fund Balance Unavailable for R/E Calculation	-	(2,124,080)	(2,242,959)	2,124,080	118,879	118,879	(5%)
Voted Use of Certified Retained Earnings - Operations	1,122,573	1,122,573	828,843	-	293,730	293,730	35%
<b>Total Other Financing Sources</b>	<b>\$ 1,225,013</b>	<b>\$ (1,001,507)</b>	<b>\$ (1,414,116)</b>	<b>\$ 2,226,520</b>	<b>\$ 412,609</b>	<b>\$ 412,609</b>	<b>(29%)</b>

<b>Total Surplus (Deficit) - Incl. Debt Service &amp; Other Financing Sources*</b>	<b>\$ -</b>	<b>\$ 2,462,160</b>	<b>\$ 2,089,579</b>	<b>\$ 6,915,200</b>	<b>\$ 372,580</b>	<b>\$ 372,580</b>	<b>18%</b>
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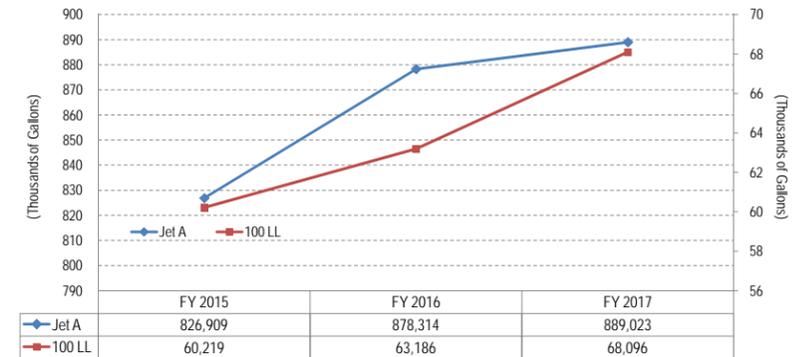
### BENCHMARKS

Target Debt to Operating Expense Ratio	12%	12%	12%
Current Debt to Operating Expense Ratio	15%	1%	2%

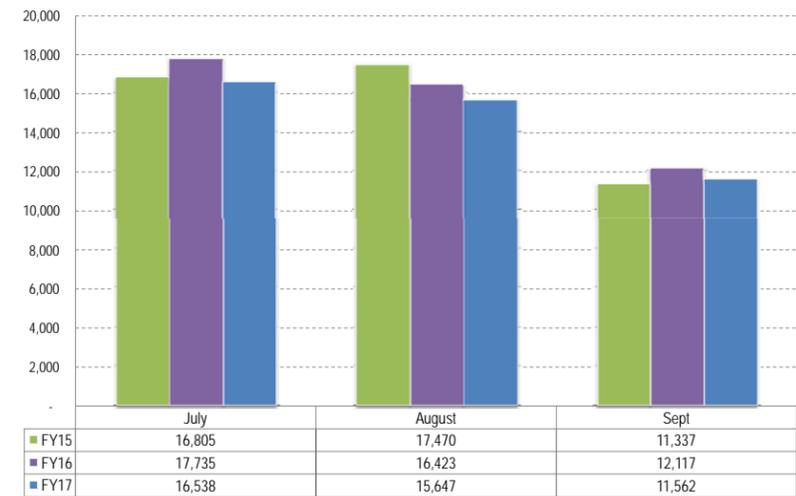
Certified Retained Earnings	\$ 1,620,224	\$ -	\$ -
% of Certified Retained Earnings Used for Operations	69%	-	-
% of Certified Retained Earnings Used for One Time or Capex	-	-	-

\*Note: Governments operate on a budgetary basis; therefore revenue earned in excess of the certified budget is not available to offset expenditures in the current fiscal year. Excess revenue and expenditure turnbacks must go through the State of Massachusetts retained earnings certification process before they can be appropriated at a subsequent annual and/or special town meeting. Once certified, retained earnings can only be appropriated at an annual and/or special town meeting.

### Fuel Gallons Sold - 1st Quarter (FY15 to FY17)



### Number of Airport Operations - 1st Quarter (FY15 to FY17)



### Aviation Fuel Revolving Fund - FY2016 vs FY2017

	FY2017	FY2016
Fuel Sales	\$ 4,226,413	\$ 4,355,615
Less: Fuel Purchases	(1,875,920)	(2,112,656)
<b>Gross Profit</b>	<b>2,350,492</b>	<b>2,242,959</b>
Revolver Purchase Cap	4,000,000	5,300,000
Less: Purchases	(1,875,920)	(2,112,656)
Unallocable Portion of Gross Profit	2,124,080	3,187,344
<b>Profit Applied to Operating Budget</b>	<b>\$ 226,413</b>	<b>\$ (944,385)</b>

**TOWN OF NANTUCKET  
WANNACOMET - ENTERPRISE FUND**

	<b>Actual Q1 / FY17</b>	<b>Actual Q1 / FY16</b>	<b>BUDGET FY2017</b>
REVENUE	\$ 2,445,866	\$ 2,062,432	\$ 5,535,256
EXPENSES	1,037,091	1,220,723	5,590,221
NET EARNINGS	1,408,775	841,710	(54,965)
Transfer from Retained Earnings	-	-	-
NET EARNINGS	\$ 1,408,775	\$ 841,710	\$ (54,965)
Retained Earnings			
NET SOURCES/USES:			
FY2016 Encumbrance Carryforwards	-	-	54,965
FinCom GF Reserve Fund Transfer	-	-	-
Surplus(Deficit)	<u>\$ 1,408,775</u>	<u>\$ 841,710</u>	<u>\$ (0)</u>

**Certified Retained Earnings as of July 1, 2016** **\$ 2,639,663**

Plus: Current Surplus(Less Current Deficit) as of 9/30/16 \$ 1,408,775

***Projected Balance as of 6/30/17\**** **\$ 4,048,438**

***\*Revenues remain a projection, until certified by the the Department of Revenue, therefore this is only a projection as of this point in time, until Retained Earnings go through the Certification process.***

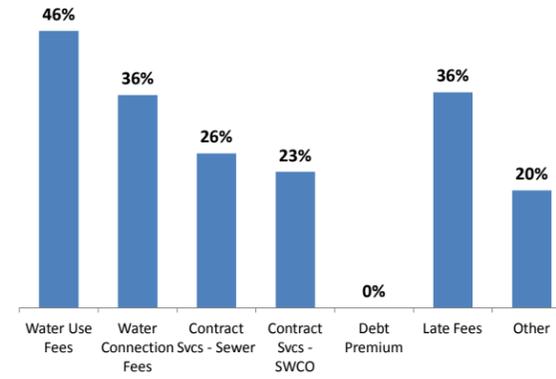


# Q1 / FY2017 Wannacomet Enterprise Fund Budget Update

Operating Revenue and Expenditures For Quarter Ended September 30, 2016

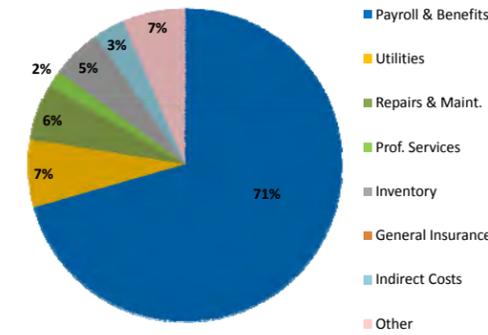
REVENUE	FY2017 Budget w/ Carryfwd	Q1 / FY17	Q1 / FY16	Variance to Budget	Q/Q (\$)	Q/Q (%)
Water Use Fee	\$ 4,823,406	\$ 2,231,948	\$ 1,878,421	\$ (2,591,458)	\$ 353,527	19%
Water Connection Fee	375,000	133,279	116,529	(241,721)	16,750	14%
Cross Connection Device Test Fee	55,000	9,750	10,450	(45,250)	(700)	(7%)
Late Payment Service Fee	34,800	12,524	14,137	(22,276)	(1,613)	(11%)
Rental Income	18,650	4,650	4,600	(14,000)	50	1%
Water Sales	-	-	-	-	-	na
Interest on Investments	4,700	-	673	(4,700)	(673)	(100%)
Contract Services- Sewer	105,000	27,086	26,593	(77,914)	493	2%
Revenue- Outside Billing	4,800	300	300	(4,500)	-	0%
Contract Services- Siasconset Water	88,000	20,000	5,000	(68,000)	15,000	300%
Transfer Fee	24,000	6,329	5,729	(17,671)	600	10%
Premium Revenue on Debt	1,900	-	-	(1,900)	-	na
<b>Total Revenue*</b>	<b>\$ 5,535,256</b>	<b>\$ 2,445,866</b>	<b>\$ 2,062,432</b>	<b>\$ (3,089,390)</b>	<b>\$ 383,433</b>	<b>19%</b>

First Quarter Revenue as % of Total Annual FY17 Budget



OPERATING EXPENDITURES WITHOUT DEBT	FY2017 Budget	Q1 / FY17	Q1 / FY16	Var to Budget	Q/Q (\$)	Q/Q (%)
Payroll - Salary	\$ 1,137,990	\$ 244,852	\$ 200,641	\$ (893,138)	\$ 44,212	22%
Medicare P/R Tax Expense	16,100	3,488	2,856	(12,612)	632	22%
Medical Insurance	280,450	54,649	41,630	(225,801)	13,019	31%
Barnstable County Retirement	219,466	208,499	210,008	(10,967)	(1,509)	(1%)
Utilities	196,196	50,341	67,625	(145,855)	(17,284)	(26%)
Repairs & Maintenance	326,284	41,936	60,032	(284,348)	(18,097)	(30%)
Professional Services	116,047	12,800	13,006	(103,246)	(206)	(2%)
Inventory	156,976	37,445	63,015	(119,531)	(25,570)	(41%)
General Insurance	89,000	-	-	(89,000)	-	na
Other Supplies	21,500	6,874	3,122	(14,626)	3,752	120%
Travel	50,515	20,851	5,548	(29,664)	15,303	276%
Indirect Costs	93,000	23,250	-	(69,750)	23,250	na
Other	285,745	19,723	20,417	(266,022)	(694)	(3%)
<b>Payroll Expenditures - Including Medical Ins. &amp; Retirement</b>	<b>\$ 1,654,006</b>	<b>\$ 511,489</b>	<b>\$ 455,135</b>	<b>\$ (1,142,517)</b>	<b>\$ 56,354</b>	<b>12%</b>
<b>Total Expenditures - Excluding Debt Service</b>	<b>\$ 2,989,268</b>	<b>\$ 724,709</b>	<b>\$ 687,901</b>	<b>\$ (2,264,559)</b>	<b>\$ 36,809</b>	<b>5%</b>
<b>Surplus (Deficit) - Excluding Debt Service</b>	<b>\$ 2,545,988</b>	<b>\$ 1,721,156</b>	<b>\$ 1,374,532</b>	<b>\$ (824,831)</b>	<b>\$ 346,625</b>	<b>25%</b>

Q1 / FY2017 Operating Expense Breakdown



DEBT SERVICE	FY2017 Budget	Q1 / FY17	Q1 / FY16	Var to Budget	Q/Q (\$)	Q/Q (%)
Principal	\$ 1,750,800	\$ 237,800	\$ 310,000	\$ (1,513,000)	\$ (72,200)	(23%)
Interest	842,153	74,582	222,822	(767,571)	(148,241)	(67%)
Issuance Costs	-	-	-	-	-	na
BAN Costs, Principal, Interest	8,000	-	-	(8,000)	-	na
Other	-	-	-	-	-	na
<b>Total Debt Service</b>	<b>\$ 2,600,953</b>	<b>\$ 312,382</b>	<b>\$ 532,822</b>	<b>\$ (2,288,571)</b>	<b>\$ (220,441)</b>	<b>(41%)</b>
<b>Surplus (Deficit) - Including Debt Service*</b>	<b>\$ (54,965)</b>	<b>\$ 1,408,775</b>	<b>\$ 841,710</b>	<b>\$ 1,463,740</b>	<b>\$ 567,065</b>	<b>67%</b>

Q1 / FY2017 Financial Highlights

- Total revenue for Q1/FY17 amounted to 44% of the annual FY17 budget.
  - Water use revenues made up the large portion of the revenues (91% of Q1/FY17 revenue).
  - Water connection revenues made up 5% of total revenues.
- Total operating expenditures recorded during the first quarter amounted to 24% of the annual budget.
- Debt service expenses during Q1/FY17 represented only 12% of the annual budget for FY17.

OTHER FINANCING SOURCES	FY2017 Budget	Q1 / FY17	Q1 / FY16	Var to Budget	Q/Q (\$)	Q/Q (%)
General Fund Subsidy	\$ -	\$ -	\$ -	\$ -	\$ -	na
General Fund Free Cash Subsidy	-	-	-	-	-	na
Voted Use of Certified Retained Earnings - Operations	-	-	-	-	-	na
FY2016 Encumbrance Carryforward	54,965	-	-	-	-	na
<b>Total Other Financing Sources</b>	<b>\$ 54,965</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>na</b>
<b>Total Surplus (Deficit) - Incl. Debt Service &amp; Other Financing Sources*</b>	<b>\$ -</b>	<b>\$ 1,408,775</b>	<b>\$ 841,710</b>	<b>\$ 1,408,775</b>	<b>\$ 567,065</b>	<b>67%</b>

## BENCHMARKS

Target Debt to Operating Expense Ratio	12%	12%	12%
Current Debt to Operating Expense Ratio	47%	30%	44%

Certified Retained Earnings	\$ 2,639,663
% of Certified Retained Earnings Used for Operations	0.0%
% of Certified Retained Earnings Used for One Time or Capex	11.4%

\*Note: Governments operate on a budgetary basis; therefore revenue earned in excess of the certified budget is not available to offset expenditures in the current fiscal year. Excess revenue and expenditure turnbacks must go through the State of Massachusetts retained earnings certification process before they can be appropriated at a subsequent annual and/or special town meeting. Once certified, retained earnings can only be appropriated at an annual and/or special town meeting.

**TOWN OF NANTUCKET  
SIASCONSET - ENTERPRISE FUND**

	<b>Actual Q1 / FY17</b>	<b>Actual Q1 / FY16</b>	<b>BUDGET FY2017</b>
REVENUE	\$ 526,977	\$ 495,442	\$ 1,028,177
EXPENSES	84,781	389,159	1,082,165
NET EARNINGS	442,196	106,283	(53,988)
Transfer from Retained Earnings	45,186	50,072	45,186
NET EARNINGS	\$ 487,382	\$ 156,355	\$ (8,802)
Retained Earnings			
NET SOURCES/USES:			
FY2016 Encumbrance Carryforwards	-	-	8,802
FinCom GF Reserve Fund Transfer	-	-	-
Surplus(Deficit)	<u>\$ 487,382</u>	<u>\$ 156,355</u>	<u>\$ 0</u>

<b>Certified Retained Earnings as of July 1, 2016</b>	<b>\$ 813,440</b>
Plus: Current Surplus (Less Current Deficit) as of 09/30/2016	<u>\$ 487,382</u>
<b><i>Projected Balance as of June 30, 2017</i></b>	<b><i>\$ 1,300,822</i></b>

***\*Revenues remain a projection, until certified by the the Department of Revenue, therefore this is only a projection as of this point in time, until Retained Earnings go through the Certification process.***



# Q1 / FY2017 Siasconset Enterprise Fund Budget Update

## Operating Revenue and Expenditures For Quarter Ended September 30, 2016

REVENUE	FY2017 Budget w/ Carryfwd	Q1 / FY17	Q1 / FY16	Variance to Budget	O/Q (\$)	O/Q (%)
Water Use Fee	\$ 978,460	\$ 526,977	\$ 495,095	\$ (451,483)	\$ 31,882	6%
Water Connection Fee	-	-	-	-	-	na
Rental Fees	48,517	-	-	(48,517)	-	na
Interest on Investments	1,200	-	347	(1,200)	(347)	(100%)
Premium Revenue on Debt	-	-	-	-	-	na
Miscellaneous Revenues	-	-	-	-	-	na
Transfer Fee	-	-	-	-	-	na
<b>Total Revenue*</b>	<b>\$ 1,028,177</b>	<b>\$ 526,977</b>	<b>\$ 495,442</b>	<b>\$ (501,200)</b>	<b>\$ 31,535</b>	<b>6%</b>

OPERATING EXPENDITURES WITHOUT DEBT	FY2017 Budget	Q1 / FY17	Q1 / FY16	Var to Budget	O/Q (\$)	O/Q (%)
Medical Ins. & Pension	\$ 38,230	\$ 27,261	\$ 6,992	\$ (10,969)	\$ 20,269	290%
Utilities	32,643	11,060	10,687	(21,583)	372	3%
Repairs & Maintenance	37,895	378	2,318	(37,517)	(1,940)	(84%)
Professional Services	110,789	882	816	(109,906)	67	8%
General Insurance	24,750	-	-	(24,750)	-	na
Other Supplies	200	-	-	(200)	-	na
Field Work- Water	29,500	-	-	(29,500)	-	na
Indirect Costs	37,000	9,250	-	(27,750)	9,250	na
Other	142,672	800	1,025	(141,872)	(225)	(22%)
<b>Total Expenditures - Excluding Debt Service</b>	<b>\$ 453,679</b>	<b>\$ 49,631</b>	<b>\$ 21,838</b>	<b>\$ (404,048)</b>	<b>\$ 27,793</b>	<b>127%</b>

Surplus (Deficit) - Excluding Debt Service \$ 574,498 \$ 477,346 \$ 473,604 \$ (97,152) \$ 3,742 1%

DEBT SERVICE	FY2017 Budget	Q1 / FY17	Q1 / FY16	Var to Budget	O/Q (\$)	O/Q (%)
Principal	\$ 375,000	\$ -	\$ 240,000	\$ (375,000)	\$ (240,000)	(100%)
Interest	253,486	35,150	127,321	(218,336)	(92,171)	(72%)
Issuance Costs	-	-	-	-	-	na
BAN Costs, Principal, Interest	-	-	-	-	-	na
<b>Total Debt Service</b>	<b>\$ 628,486</b>	<b>\$ 35,150</b>	<b>\$ 367,321</b>	<b>\$ (593,336)</b>	<b>\$ (332,171)</b>	<b>(90%)</b>

Surplus (Deficit) - Including Debt Service\* \$ (53,988) \$ 442,196 \$ 106,283 \$ 496,184 \$ 335,913 316%

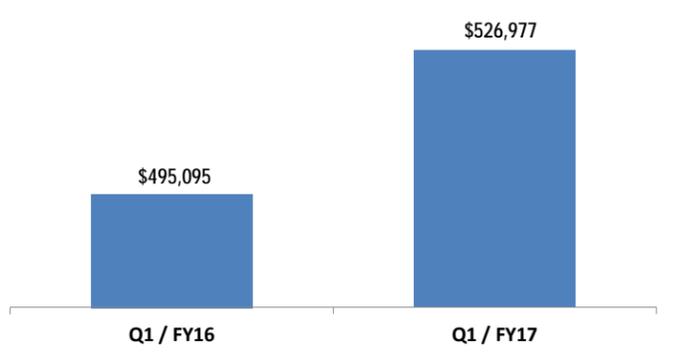
OTHER FINANCING SOURCES	FY2017 Budget	Q1 / FY17	Q1 / FY16	Var to Budget	O/Q (\$)	O/Q (%)
General Fund Reserve Fund Subsidy	\$ -	\$ -	\$ -	\$ -	\$ -	na
General Fund Free Cash Subsidy	-	-	-	-	-	na
Voted Use of Certified Retained Earnings - Operations	45,186	45,186	50,072	-	(4,886)	(10%)
FinCom Transfer	-	-	-	-	-	na
FY16 Encumbrance Carryforwards	8,802	-	-	-	-	na
<b>Total Other Financing Sources</b>	<b>\$ 53,988</b>	<b>\$ 45,186</b>	<b>\$ 50,072</b>	<b>\$ -</b>	<b>\$ (4,886)</b>	<b>(10%)</b>

Total Surplus (Deficit) - Incl. Debt Service & Other Financing Sources\* \$ 0 \$ 487,382 \$ 156,355 \$ 487,382 \$ 331,027 212%

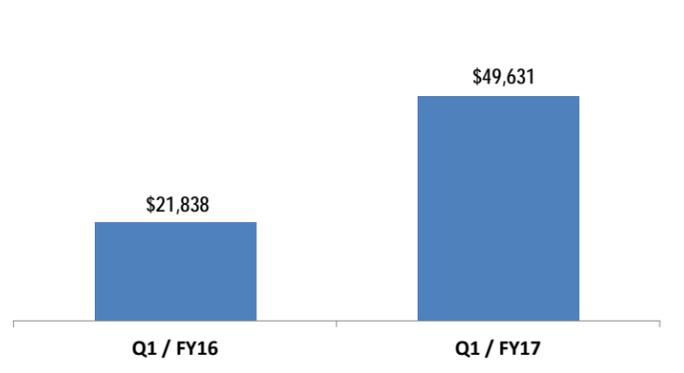
## BENCHMARKS

Target Debt to Operating Expense Ratio	12%	12%	12%
Current Debt to Operating Expense Ratio	58%	41%	94%
Certified Retained Earnings	\$ 813,440		
% of Certified Retained Earnings Used for Operations	5.6%		
% of Certified Retained Earnings Used for One Time or Capital Expenditures	46.7%		

## Water Use Fee Revenue - Qtr/Qtr



## Operating Expenses - Qtr/Qtr



## Q1 / FY17 Financial Highlights

- Water Use Fee revenues for the first quarter were up 6% over Q1/FY16.
  - This represents 54% of the revenue target or budget for FY17.
- Operating expenses, excluding debt service, were up materially over Q1/FY16. However, these increases are due to (i) indirect costs and (ii) the allocation of pension costs to the Siasconset Water Company, which had not been done in the past.
  - Operating expenses incurred in Q1/FY17 represented only 10.9% of the annual budget.

\*Note: Governments operate on a budgetary basis; therefore revenue earned in excess of the certified budget is not available to offset expenditures in the current fiscal year. Excess revenue and expenditure turnbacks must go through the State of Massachusetts retained earnings certification process before they can be appropriated at a subsequent annual and/or special town meeting. Once certified, retained earnings can only be appropriated at an annual and/or special town meeting.



# LICENSING BY THE NUMBERS

7/1/15 – 6/30/16

## ❖ Permit Transactions:

- ❖ 4,313: Beach Stickers
- ❖ 2,400: Mooring Permits/Waiting List Applicants
- ❖ 1,391: Shellfish Buttons
- ❖ 154: Commercial Scalloping Permits (135 Scallop/12 Other/7 Aqua Culture)
- ❖ 741: Residential Parking Permits
- ❖ 240: Commercial Vehicle/Resident Permits
- ❖ 265: Taxi Driver Licenses
- ❖ 277: Fingerprints
- ❖ 164: FID (Firearms)
- ❖ 108: Grill Permits
- ❖ 96: Taxi Waitlist
- ❖ 76: Street Performer Permits
- ❖ 64: Temporary Taxi ID
- ❖ 600: Town Pier Lottery (300 A List/302 B List)
- ❖ 225: Permitted Events
- ❖ 110: Temporary Alcohol Pouring Permits

**11,224: Total Estimated Transactions for Fiscal Year 2016**

(Does not include 3<sup>rd</sup> Party Details and Licensing Transactions)

## ❖ Licenses:

- ❖ 46: Annual Liquor Licenses
- ❖ 49: Seasonal Liquor Licenses
- ❖ 105: Entertainment Licenses
- ❖ 149: Common Victualler Licenses
- ❖ 700: Rental Car Medallions
- ❖ 10: Mobile Food Units



# MASSACHUSETTS LIQUOR LICENSE NUMBERS

- ❖ 1240: BOSTON
- ❖ 152: QUINCY
- ❖ 135: BARNSTABLE
- ❖ 123: PLYMOUTH
- ❖ 119: NEWTON
- ❖ 96: FALMOUTH
- ❖ **96: NANTUCKET**
- ❖ 95: BROOKLINE
- ❖ 73: GLOUCESTER
- ❖ 70: PROVINCETOWN
- ❖ 45: LENOX
- ❖ 38: WALPOLE
- ❖ 36: EDGARTOWN (13 Additional Tisbury/Aquinnah)
- ❖ 34: WELLFLEET

# ANNUAL LIQUOR LICENSE FEES

## 15 Year History of Nantucket Annual Liquor License Fees

ANNUAL LICENSE CATEGORY	2002	2010	% Increase since 2002	2017 PROPOSED FEES	% Increase
Restaurant All Alcohol (22)	\$2,750	\$2,750	0%	\$3,300	20%
Restaurant Wine/Malt (4)	\$600	\$1,500	150%	\$1,800	20%
Innholder All Alcohol (2)	\$2,750	\$2,750	0%	\$3,300	20%
Innholder Wine/Malt (0)	\$600	\$1,500	150%	\$1,800	20%
Club - Private All Alcohol (5)	\$825	\$1,000	21%	\$3,300	230%
Club - Private Wine/Malt (0)	\$825	\$825	0%	\$1,800	118%
Package Store All Alcohol (5)	\$2,000	\$2,000	0%	\$2,400	20%
Package Store Wine/Malt (3)	\$400	\$800	100%	\$960	20%
General-On-Premises All Alcohol (0)	N/A	\$2,750 (est. 2016)	N/A	\$3,300	20%
General-On-Premises Wine/Malt (0)	N/A	\$1,500 (est. 2016)	N/A	\$1,800	20%
Club - Veterans (New) All Alcohol (2)	\$825	\$1,000	21%	\$1,200	20%
Club - Veterans (New) Wine/Malt (0)	\$825	\$825	0%	\$1,000	20%

# SEASONAL LIQUOR LICENSE FEES

## 15 Year History of Nantucket Seasonal Liquor License Fees

SEASONAL LICENSE CATEGORY	2002	2010	% Increase since 2002	2017 PROPOSED FEES	% Increase since 2010
Restaurant All Alcohol (24)	\$2,750	\$2,900	5.50%	\$3625	25%
Restaurant Wine/Malt (1)	\$600	\$1,600	167%	\$2000	25%
Innholder All Alcohol (10)	\$2,750	\$2,900	5.50%	\$3625	25%
Innholder Wine/Malt (0)	\$600	\$1,600	167%	\$2000	25%
Club All Alcohol (3)	\$825	\$2,900	250%	\$3625	25%
Club Wine/Malt (2)	\$825	\$1,200	45%	\$2000	67%
Package Store All Alcohol (5)	\$2,000	\$2,150	7.50%	\$2700	25%
Package Store Wine/Malt (5)	\$400	\$1,000	150%	\$1250	25%
General-On-Premises All Alcohol (0)	N/A	\$2,900 (est. 2016)	N/A	\$3625	25%
General-On-Premises Wine/Malt (0)	N/A	\$1,600 (est. 2016)	N/A	\$2000	25%

## 2016 Liquor License Revenue

<b>CLASS</b>	<b>CATEGORY</b>	<b># LICENSES</b>	<b>2016 REVENUE</b>	<b>PROPOSED 2017 REVENUE</b>
ANNUAL	Restaurant/All Alcohol	22 @ \$2,750	\$60,500	\$72,600
ANNUAL	Restaurant/Wine & Malt	4 @ \$1,500	\$6,000	\$7,200
ANNUAL	Innholder/All Alcohol	2 @ \$2,750	\$5,500	\$6,600
ANNUAL	Club/All Alcohol	7 @ \$1,000	\$5,000	\$16,500 \$2,400 (Veterans)
ANNUAL	Package/All Alcohol	5 @ \$2,000	\$10,000	\$12,000
ANNUAL	Package/Wine & Malt	3 @ \$800	\$2,400	\$2,880
ANNUAL	Farmer-Brewer/Malt	1 @ \$1,500	\$1,500	\$1,875
ANNUAL	Farmer-Winery/Wine	1 @ \$1,500	\$1,500	\$1,875
ANNUAL	Farmer-Distiller/All Alcohol	1 @ \$2,750	\$2,750	\$3,300
<b>TOTAL ANNUAL LICENSES</b>		<b>46</b>	<b>\$85,150</b>	<b>\$127,230</b>
<b>CLASS</b>	<b>CATEGORY</b>	<b># of LICENSES</b>	<b>2016 REVENUE</b>	<b>PROPOSED 2017 REVENUE</b>
SEASONAL	Restaurant/All Alcohol	24 @ \$2,900	\$69,600	\$87,000
SEASONAL	Restaurant/Wine & Malt	1 @ \$1,600	\$1,600	\$2,000
SEASONAL	Innholder/All Alcohol	10 @ \$2,900	\$29,000	\$36,250
SEASONAL	Package/All Alcohol	5 @ \$2,150	\$10,750	\$13,500
SEASONAL	Package/Wine & Malt	5 @ \$1,000	\$5,000	\$6,250
SEASONAL	Club/All Alcohol	3 @ \$2,900	\$8,700	\$10,875
SEASONAL	Club/Wine & Malt	2 @ \$1,200	\$2,400	\$4,000
<b>TOTAL SEASONAL LICENSES</b>		<b>50</b>	<b>\$127,050</b>	<b>\$159,875</b>

## LIQUOR LICENSE FEES

### Comparison of License Fees vs. Towns with Seasonal Rates

CLASS	NANTUCKET	SALEM	GLOUCESTER	WELLFLEET
Restaurant All Alcohol	\$2750 - Annual \$2900 - Seasonal	\$1950 - Annual \$1875 - Seasonal	\$2400 - Annual \$2000 - Seasonal	\$1500 - Annual \$1600 - Seasonal
Restaurant Wine/Malt	\$1500 - Annual \$1600 - Seasonal	\$1500 - Annual \$1350 - Seasonal	\$1500 - Annual \$750 - Seasonal	\$1375 - Annual \$1450 - Seasonal
Innholder All Alcohol	\$2750 - Annual \$2900 - Seasonal	\$1631 - Annual \$1631 - Seasonal	N/A	\$1600 - Seasonal
Innholder Wine/Malt	\$1500 - Annual \$1600 - Seasonal	\$750 - Annual \$675 - Seasonal	N/A	N/A
Club All Alcohol	\$1000 - Annual \$2900 - Seasonal	\$1875 - Annual	\$1500 - Annual \$750 - Seasonal	N/A
Club Wine/Malt	\$825 - Annual \$1200 - Seasonal	N/A	N/A	N/A
Package Store All Alcohol	\$2000 - Annual \$2150 - Seasonal	\$2000 - Annual	\$2250 - Annual \$1500 - Seasonal	\$1500 - Annual \$1600 - Seasonal
Package Store Wine/Malt	\$800 - Annual \$1000 - Seasonal	\$1500 - Annual	\$1500 - Annual \$1500 - Seasonal	\$800 - Annual \$1000 - Seasonal
General-On-Premises All Alcohol	\$2750 - Annual \$2900 - Seasonal	N/A	\$2250 - Annual	\$1375 - Annual \$1450 - Seasonal
General-On-Premises Wine/Malt	\$1500 - Annual \$1600 - Seasonal	N/A	N/A	

# LIQUOR LICENSE FEES

## Comparison of Annual License Fees vs. Towns with No Seasonal Rates

ANNUAL CLASS	NANTUCKET	BOSTON	EDGARTOWN	NEWBURYPORT	NEWTON	BROOKLINE	CAMBRIDGE
Restaurant All Alcohol	\$2,750	\$2,800	\$2,500	\$3,750 \$2,000 (< 50 seats)	\$3,500	\$3,600-\$4,850 Based on Closing Time	\$3,160-\$3,905 Based on Closing Time/6-7days \$6,320-\$7,810 New License Fee
Restaurant Wine/Malt	\$1,500	\$1,800	\$1,800	\$3,000 \$1,150 (< 50 seats)	\$2,500	\$2,000	\$1,225-\$2,000 Based on Closing Time/6-7days \$2,450-\$4,000 New License Fee
Innholder All Alcohol	\$2,750	\$5,600	\$2,500	N/A	\$4,800	\$4,000-\$5,000 Based on Closing Time	\$5,815-\$6300 Based on # Rooms
Innholder Wine/Malt	\$1,500	\$1,900	\$1,800	N/A	\$4,800	\$4,000-\$5,000 Based on Closing Time	
Club All Alcohol	\$1,000	\$2,800	\$2,500	\$3,000	\$2,000	\$2,350-\$2,850 Based on Closing Time	\$2,700 (Private) \$1,945 (Veterans)
Club Wine/Malt	\$825	\$1,700	\$1,800	\$3,000	\$2,000	\$2,350-\$2,850 Based on Closing Time	
Package Store All Alcohol	\$2,000	\$2,500	\$2,500	\$3,750	\$2,500	\$2,000	\$2,000-\$2,330 Based on 6-7days
Package Store Wine/Malt	\$800	\$1,500	\$1,800	\$3,000	\$2,000	\$1,500	\$1,500-\$1,750 Based on 6-7days
General-On-Premises All Alcohol	\$2,750	\$3,500	N/A	\$3,750	\$1,500		
General-On-Premises Wine/Malt	\$1,500	\$1,900	N/A	\$3,750	\$1,300		

**Town of Nantucket, Massachusetts**

Financial Policies & Procedures

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**Town of Nantucket, Massachusetts**  
Financial Policies and Procedures

**Table of Contents**

**Introduction**

**Section 1 – Revenue and Expenditure Assumptions**

- 1.1 Financial Accounting Policy
- 1.2 Internal Controls Policy
- 1.3 Revenue Policy
- 1.4 Procurement Policy
- 1.5 Financial Assumptions Policy

**Section 2 – Budget Amendments and Updates**

- 2.1 Budget Process Policy
- 2.2 Budget Amendment Policy
- 2.3 Line Item Management Policy
- 2.4 Budget Transfer Policy
- 2.5 Budget to Actual Reporting Policy
- 2.6 Levy Limit Policy

**Section 3 – Long-term Financial Planning**

- 3.1 Long-Term Planning Policy
- 3.2 Forecasting Policy

**Section 4 – Long-term Capital Planning**

- 4.1 Capital Improvement Plan Policy
- 4.2 Capital Budget Process Policy

**Section 5 – Investment Management Policies**

- 5.1 Investment Policy

**Section 6 – Debt Management Policies**

- 6.1 Debt Issuance Policy
- 6.2 Debt Repayment Policy
- 6.3 Debt Management Policy
- 6.4 Tax-Exempt Governmental Purpose Bond Compliance Policy

**Section 7 – Reserve and Liquidity Policies**

- 7.1 ~~Free Cash Policy~~ Reserve Ratio
- 7.2 Free Cash Policy
- 7.3 ~~3~~ Stabilization Fund Policy
- 7.4 ~~4~~ Liquidity Policy

**Town of Nantucket, Massachusetts**  
Financial Policies and Procedures

**Appendices**

**INTRODUCTION**

Local governance and municipal operations on Nantucket are directed by the town charter, Chapter 289 of the Acts of 1996. The charter vests legislative powers in open town meeting, while establishing a five-member board of selectmen. Selectmen provide general oversight and set priorities, goals and policies for the town.

A comprehensive set of policies, in addition to bolstering a municipality's credit rating, helps to ensure that practices are in place to promote fiscal stability and stewardship of local finances. Beyond enhancing the probability of financial stability for the community going forward, formal policies reinforce internal controls and provide guidance to local officials on effective and responsible management. Financial policies also guide management in decisions related to the budget, debt, capital planning, forecasting, and reporting activities.

The purpose of this document is to establish policies for managing revenues and expenditures in order to: ensure the continuous delivery of Town services at a level that is consistent with the needs and expectations of its citizens; provide for the acquisition and maintenance of appropriate infrastructure; stabilize tax rates; and preserve or improve the Town's credit rating.

This manual will be reviewed on an annual basis by the Town Manager and Director of Municipal Finance for propriety. As necessary, amendments will be presented to the Board of Selectmen for approval.

**SECTION 1: REVENUE AND EXPENDITURE ASSUMPTIONS OVERVIEW**

Financial assumptions and projections are realistic and well-grounded from a both a long-term and a recent trend perspective.

Formal historical trend analysis is performed and updated annually for both revenue and spending; regular effort is made to determine whether revenues or expenditures will deviate from their long-term trends in the upcoming years; evidence of independent revenue forecast exists (when possible).

**SECTION 2: BUDGET AMENDMENTS AND UPDATES OVERVIEW**

Procedures for reviewing and amending the budget based on updated information and actual performance to ensure fiscal targets are met are in place.

Monthly budget surveillance is performed to identify problem areas and enable timely budget adjustments; management exhibits ability and willingness to address necessary intra-year revenue and expenditure changes to meet fiscal targets.

**SECTION 3: LONG-TERM FINANCIAL PLANNING OVERVIEW**

Management has a long-term financial plan that allows them to identify future revenues and expenditures as well as address upcoming issues that might affect these.

A multi-year financial plan exists where future issues are identified and possible solutions are considered, if not implemented; revenue and expenditure decisions are made primarily from a long-term perspective. Structural balance is a clear goal of the Town.

**SECTION 4: LONG-TERM CAPITAL PLANNING OVERVIEW**

The ~~town~~-Town has created a long-term capital improvement plan (CIP). A ten-year rolling CIP with funding identified for all years exists and is linked to the operating budget and long-term revenue and financing strategies.

**SECTION 5: INVESTMENT MANAGEMENT POLICIES OVERVIEW**

The Town has established investment policies, inclusive of the selection of financial institutions for services and transactions; risk assessment; investment objectives; investment maturities and volatility; portfolio diversification; safekeeping and custody; and investment performance reporting, benchmarking, and disclosure.

Strong investment policies exist and are well defined; strong reporting and monitoring mechanisms exist and are functioning in the Town.

**SECTION 6: DEBT MANAGEMENT POLICIES OVERVIEW**

The Town has established policies pertaining to the issuance of debt, such as projects that may or may not be funded with debt (including economic development projects); maturity and debt service structure; use of security and pledges, credit enhancement, ~~and~~ derivatives; and debt refunding guidelines.

Debt policies exist and are well defined; strong reporting and monitoring mechanisms exist and are functioning.

**SECTION 7: RESERVE AND LIQUIDITY POLICIES OVERVIEW**

The Town has established a formalized operating reserve policy, which takes into account the government's cash flow/operating requirements and the historic volatility of revenues and expenditures through economic cycles.

A formal operating reserve policy is well defined. Reserve levels are clearly linked to the government's cash flow needs and the historic volatility of revenues and expenditures throughout economic cycles. Management has historically adhered to it.

**SECTION 1: REVENUE AND EXPENDITURE ASSUMPTIONS**

**1.1 Financial Accounting Policy**

Objective:

To provide accurate, meaningful and transparent financial information in order for the Town to better conduct its operations.

Policy:

The Town's fiscal year will begin each July 1<sup>st</sup> and conclude on the following June 30<sup>th</sup>.

It is the Town's policy to maintain its accounting records using the Uniform Massachusetts Accounting System (UMAS) and fund accounting. All sources of revenues and other inflows of resources as well as expenditures and outflows of resources are required to be recorded in the Town's accounting records.

The Town's financial statements are prepared in conformity with generally accepted accounting principles applied to state and local governments (GAAP). GAAP is prescribed by the Governmental Accounting Standards Board (GASB), which is the primary standard-setting body for state and local government entities.

The Town's ledgers are maintained using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized when susceptible to accrual (i.e. measurable and available). Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. Expenditures are recorded when the related fund liability is incurred, except for unmatured interest on general long-term debt, which is recognized when due; certain compensated absences; claims and judgments which are recognized when obligations are expected to be liquidated with current expendable available resources.

The Town will adopt an annual budget each year and record its budget in its accounting system to assure the Town that expenditures do not exceed appropriations.

The Director of Municipal Finance is responsible for establishing and maintaining a system of internal controls adequate to safeguard the Town's assets and ensure that its accounting records are accurate.

Procedure:

The Director of Municipal Finance or designee will prepare monthly reports for the Town Manager, Board of Selectmen, and Finance Committee that analyze and evaluate revenue and expenditure financial performance. Anomalies or one-time occurrences will be explained in a summary section of the report. In the event a major revenue or expense exception occurs, the Director of Municipal Finance will inform Town Manager of the potential long-term impact on the budget and financial condition of the Town.

**Town of Nantucket, Massachusetts**

Financial Policies and Procedures

The Director of Municipal Finance or designee will complete reconciliations between the accounts recorded in the accounting system with those of the Treasurer, Tax Collector, and other appropriate Town Departments on a monthly basis. Any variances between the accounting system and other departments will be investigated and resolved in a timely manner. Any issues that are not able to be resolved currently will be reported to [the](#) Town Manager in the monthly report.

**SECTION 1: REVENUE AND EXPENDITURE ASSUMPTIONS**

**1.2 Internal Controls Policy**

Objective:

To state the Town's expectations surrounding internal controls.

Policy:

The Director of Municipal Finance is responsible for establishing and maintaining a system of internal controls adequate to safeguard the Town's assets and ensure that its accounting records are accurate.

Management is responsible for establishing and maintaining an internal control structure designed to ensure that the assets of the Town are protected from loss, theft or misuse. Specifics for the internal controls shall be documented in an internal controls manual that shall be reviewed and updated periodically by Management. The internal control structure shall be designed to provide reasonable assurance that these objectives are met. The concept of reasonable assurance recognizes that the cost of a control should not exceed the benefits likely to be derived and the valuation of costs and benefits requires estimates and judgments by management. The internal controls shall address the following points at a minimum: • Control of collusion • Separation of transaction authority from accounting and recordkeeping • Custodial safekeeping • Avoidance of physical delivery securities • Clear delegation of authority to subordinate staff members • Written confirmation of transactions for investments and wire transfers • Dual authorizations of wire transfers • Staff training and • Review, maintenance and monitoring of security procedures both manual and automated. The external auditor shall provide an annual independent review to assure compliance with state law, policies and procedures.

The Town will use its best efforts to segregate duties related to incompatible roles and responsibilities, recognizing that cost-benefit may prevent optimal segregation of duties. In those circumstances, mitigating controls such as regular account reconciliations shall be employed.

It is the Town's policy to maintain its accounting records using the Uniform Massachusetts Accounting System, or UMAS, and fund accounting. All sources of revenues and other inflows of resources as well as expenditures and outflows of resources are required to be recorded in the Town's accounting records. The Director of Municipal Finance shall cause the reconciliation of the Town's accounting system to departmental records and independent, third party evidential matter.

Two of the Town's largest assets are cash and receivables, the information about which is maintained by the Town's Collector, Treasurer, and Director of Municipal Finance. To make sure financial records are accurate and no money is missing, these offices will reconcile their cash and receivable records on a monthly basis. Before reconciliations with the Director of Municipal Finance can occur, the Collector and Treasurer must keep current and accurate records. If variances are identified between sets of records, the pertinent financial officers will meet to determine the causes (e.g., missing information, input errors, and timing differences) with the goal of resolving them. The Director of Municipal Finance will report the results of these reconciliations to the Town Manager

**Town of Nantucket, Massachusetts**  
Financial Policies and Procedures

for the purpose of verifying that the reconciliations took place and providing explanations for any variances.

Prompt and frequent reconciliations between these financial offices are essential to maintaining controls and ensuring checks and balances are in place. It is the Town's policy to complete monthly reconciliations of the cash and receivables by the 20<sup>th</sup> of the subsequent month. (See Appendix A: monthly close timetable). While each office is responsible for conducting its own independent operation, they share a duty to ensure fiscal accountability. Reconciliations are performed to ensure that information was processed properly and that the financial records in each office are accurate.

The Director of Municipal Finance shall cause the investigation of any allegations or suspicions of fraud, ethics violations or other suspected improprieties involving the Town's financial resources.

The **Audit Committee** shall appoint an independent certified public accountant to audit the books and records of the Town. Although not subject to MGL Chapter 30B, the Town ~~shall~~ may consider an open bid process for its annual audit services every three (3) years.

The Town shall adopt an "open door" policy, which is intended to facilitate the flow of information throughout the Town and further enhance the Town's internal control system. Information is necessary for the entity to carry out internal control responsibilities to support the achievement of its objectives. Management obtains or generates and uses relevant and quality information from both internal and external sources to support the functioning of internal control. Communication is the continual, iterative process of providing, sharing, and obtaining necessary information. Internal communication is the means by which information is disseminated throughout the organization, flowing up, down, and across the entity. It enables personnel to receive a clear message from senior management that control responsibilities must be taken seriously. External communication is twofold: it enables inbound communication of relevant external information and provides information to external parties in response to requirements and expectations.

## **SECTION 1: REVENUE AND EXPENDITURE ASSUMPTIONS**

### **1.3 Revenue Policy**

Objective:

To define the Town's responsibilities related to the revenue streams utilized.

Policy:

The Town will maintain a diversified and stable revenue system. Each year, the Finance Department will update the seven-year revenue forecast and identify potential risks associated with each revenue stream including user fees & charges and one-time revenue sources.

At the start of the annual budget process, the Town will review its four, major revenue sources — tax levy, state aid, local estimated receipts, and available funds — before entertaining departmental spending requests. Given the constraints of Proposition 2½ and fluctuations in state aid, the Town must look to local receipts as a source of needed funds. Any new estimated new growth estimated in the tax levy will be done with the assistance of the Assessor.

Revenues from local receipts should go to the General Fund, unless Town Meeting decides to dedicate specific revenues to revolving funds or enterprise funds, or unless such revenues are required by statute to be dedicated to specific use(s). As with revenue from new growth, local receipts may be cyclical in nature, and the Town should exercise the same caution in incorporating related long-term revenue assumptions into future financial forecasts.

One-time revenue sources are identified as unreserved, undesignated revenue streams that occur on a one-time basis as opposed to a continuous basis each fiscal year. One-time revenue sources include but are not limited to revenue obtained through the sale of public land, grants and gifts.

The Town ~~of Nantucket~~ will not use one-time revenue sources as a resource to balance the operating budget.

Approved uses of one-time revenue sources are as follows:

1. Revenue obtained from the sale of public land will be recognized in accordance with the General Laws of Massachusetts Chapter 44 Section 63 as follows:

*"whenever the proceeds of the sale or other disposal of real estate exceeds five hundred dollars, the same shall be applied to the payment of indebtedness incurred in acquiring such real estate or shall be added to the sinking fund, if any, from which said indebtedness is payable, or if no such indebtedness is outstanding may be used for any purpose or purposes for which the town is authorized to incur debt for a period of five years or more or be applied to the payment of indebtedness incurred under clause (3) of section seven, except that the proceeds of a sale in excess of five hundred dollars of any park land by a town shall be used only by said town for acquisition of land for park purposes or for capital improvements for town land".*

**Town of Nantucket, Massachusetts**  
Financial Policies and Procedures

2. Grant funding is only used for the purpose as stipulated in the grant. A financial audit is conducted each year for Federal & State grants to ensure the funds are used as intended by the grantor.
3. Gifts and other one-time revenue sources, such as donations, shall be held by the Town Treasurer and maintained in a separate fund by the Director of Municipal Finance. Gifts and donations can only be expended according to the purpose of the gift and/or donation as specified by the donor. If the Town is unable to use the gift or donation for the specified purpose, the funds will be returned to the donor.

Procedures:

User fees & charges apply to Town programs and services where the intent is to recapture, through fees, up to the full cost of providing such programs and services. On an annual basis, at the beginning of each budgetary cycle, the Finance Department will forward recommendations to Town Manager pertaining to increases and/or decreases to the existing user fee & charges matrix. Within the report to Town Manager, the service detail will indicate if there is an associated subsidy, surplus, or break-even point. Town Manager will review and determine if there is a public benefit to providing a subsidy to support the service or if the user fee needs to be adjusted to achieve full cost recovery. Town Manager's recommendations are then forwarded to the Board of Selectmen for consideration. In order to be incorporated into the financial forecast, the Board of Selectmen will need to adopt changes to the user fee & charges matrix no later than October each fiscal year. The review of user fees & charges that apply to the School system would be conducted by the School Finance Director, Superintendent, and School Committee.

**Town of Nantucket, Massachusetts**  
Financial Policies and Procedures

**SECTION 1: REVENUE AND EXPENDITURE ASSUMPTIONS**

**1.4 Procurement Policy**

Objective:

To establish purchasing standards and practices consistent with state law.

Policy:

The Town shall use its best efforts to secure the most cost beneficial products and services that are of good quality.

The Town shall adhere to state procurement law (Chapters 30, 30B and 149).

Procedures:

- i. The Procurement Officer shall periodically notify Town departments of changes in state procurement laws.
- ii. The Procurement Officer shall manage the access, roles and approval rights within the Town's accounting system.
- iii. The Procurement Officer shall provide all Town departments with a template for use in documenting their compliance with the solicitation of three (3) or more quotes where the contract value is in excess of \$10,000 and under \$35,000 [for all contracts within the parameters of MGL Chapter 30B](#).
- iv. The Procurement Officer shall lead the Town's efforts in the competitive bid process for all contracts in excess of \$35,000.
  - a. Competitive bids shall be advertised in a local newspaper;
  - b. Competitive bids shall be placed in the Central Register; and
  - c. Procurement Officer will organize and document a Public Bid Opening.
- v. The Procurement Officer shall review and/or develop all contracts, leases, and other day-to-day legal documents related to the Town's procurement of goods and services. A database of contracts shall be established and reviewed periodically for relevance.
- vi. Every contract for the construction, reconstruction, alteration, remodeling or repair of any public work, or for the purchase of any material by the Town estimated to cost more than ten thousand dollars, and every contract for the construction, reconstruction, installation, demolition, maintenance or repair of any building by a public agency estimated to cost more than \$25,000 but not more than \$100,000, will be awarded to the lowest responsible and eligible bidder on the basis of competitive bids publicly opened and read by such awarding authority forthwith upon expiration of the time for the filing thereof; provided, however, that such awarding authority may reject any and all bids, if it is in the public interest to do so. Every bid for such contract shall be accompanied by a bid deposit in the form of a bid bond, or cash,

**Town of Nantucket, Massachusetts**

Financial Policies and Procedures

or a certified check on, or a treasurer's or cashier's check issued by, a responsible bank or trust company, payable to the awarding authority.

- vii. Additionally, all contracts outside of the requirements of Chapter 30B should be maintained by the Director of Municipal Finance, as required by Chapter 41, Section 57 of the MGL.

The amounts reflected in this policy are the current requirements of Massachusetts General Laws. As updates to this section of law occur they ~~should~~ will be utilized in the application of this policy. This policy will be updated annually to reflect the current requirements of the MGL in place at the time.

**SECTION 1: REVENUE AND EXPENDITURE ASSUMPTIONS**

**1.5 Financial Assumptions Policy**

Objective:

To outline the basis of financial assumptions to be utilized by the Town.

Policy:

The financial assumptions of the Town will incorporate formal historical trend analysis as well as a determination as to whether revenues or expenditures are expected to deviate from their long-term trends.

Procedures:

Upon review of historical information, conservative assumptions will be made about dollar or percentage adjustments to the current year's revenues in order to arrive at projections for the first forecast year. The prior year's cherry sheet is the starting point for revenue projections. The same analysis will be made for each successive year in the forecast. As new information becomes available or circumstances change, the forecast will be revised. With this approach, if projected revenues increase (e.g., new growth, user fees, and or State Aid free cash), then a corresponding expenditure increase may be made to the recommended operating or capital budget. Alternatively, the potential revenue gain could be diverted to reserves, or left unexpended and allowed to close at year-end to free cash.

In projecting expenditures, the Town will begin by assuming a maintenance (level service) budget, meaning what it costs to maintain the current level of staffing and mix of services into the future. Using this approach, the Town will also assume that all current laws and regulations will remain in effect during the forecast period. Negotiated collective bargaining cost increases, salary step increases and longevity pay will all be projected to the year a contract ends. Potential personnel costs associated with future contracts will not be included because the purpose of the forecast is to determine what revenue is left after the maintenance budget is funded.

**Town of Nantucket, Massachusetts**  
Financial Policies and Procedures

**Section 2: BUDGET AMENDMENTS AND UPDATES**

**2.1 Budget Process Policy**

Objective:

To adopt an operating budget for the Town's general fund.

Policy:

It is the Town's policy to establish a balanced budget for its general appropriation each year. The Town shall use a "bottom-up" approach to budgeting whereby individual Town departments prepare their budgets, which are then forwarded to the Director of Municipal Finance, Town Manager, Finance Committee and Board of Selectmen for review and approval.

Approved Town budgets shall be adopted effective July 1<sup>st</sup> each year.

Procedure:

- i. The Finance Department prepares the **seven-year** forecast and assumptions which identify positive and negative financial trends impacting the Town. The information is presented to Town Manager as well as the Board of Selectmen. Once adopted by the Board of Selectmen, the forecast and assumptions are then used as the financial framework for budget preparation.
- ii. A **ten-year Capital Improvement Plan** is prepared by the **Town Manager, Director of Municipal Finance and presented to the Capital Program Committee**, the Finance Committee and the Board of Selectmen. Any additional operating costs associated with the first year of the plan are incorporated into the budget forecast.
- iii. The Ad Hoc Budget workgroup will begin meeting in the fall to facilitate communications among the Board of Selectmen, School Committee, and Finance Committee concerning budget issues. The workgroup is comprised of the Chairs and Vice-chairs of the Board of Selectmen, School Committee, and Finance Committee. The Town Manager, Superintendent of Schools, and **Director of Municipal Finance** also serve as ex officio members of the workgroup.
- iv. The Finance Department and School Business Office, with directions and guidelines from **the Town Manager and the Superintendent will** develop baseline budget expenditure levels for all departments and ~~town~~**Town**-wide revenue projections for the upcoming fiscal year. Departments prepare data on performance measures and service levels for inclusion in the budget document. Additionally, departments submit service change request to enhance a current activity, establish an activity and/or obtain equipment associated with an activity. These detailed requests are reviewed and, **if necessary**, changes made to present a balance budget to **the** Town Manager and the Superintendent.
- v. **The** Town Manager and the Superintendent conduct budget workshops with their respective Department Heads to review expenditures for the upcoming year and discuss any significant changes which directly impact new/existing programs or service levels, **as well as possible cost reductions**. The changes are then used to prepare the Town Manager's budget recommendations to the Board of Selectmen and **Finance Committee** and Superintendent's budget recommendations to the School Committee.

**Town of Nantucket, Massachusetts**  
Financial Policies and Procedures

vi. The Board of Selectmen, School Committee, and Finance Committee conduct a series of workshops and public hearings to consider the Town Manager's and Superintendent's budget recommendations. After careful and thorough consideration, the Board of Selectmen; School Committee; and Finance Committee present the budget recommendations to Town Meeting.

vii. When the budget is adopted at Town Meeting, [the budget](#) becomes effective on July 1st.

**Town of Nantucket, Massachusetts**  
Financial Policies and Procedures

**Section 2: BUDGET AMENDMENTS AND UPDATES**

**2.2 Budget Amendment Policy**

Objective:

To document the policy and procedures surrounding budget amendments and/or approved articles.

Policy:

All budget amendments and/or articles shall be approved by a majority or two-thirds vote, as appropriate, at Town Meeting.

The Town Clerk shall notify the Director of Municipal Finance of any approved budget amendments and/or articles. The Assistant Finance Director shall, input the approved budget amendments and/or articles into the Town's accounting system.

Procedure:

As conditions change or circumstances are altered, department heads are required to notify the Finance Department of anticipated requests for budget amendments. Once an official request for a budget amendment has been received it will be processed as follows:

- i. The Director of Municipal Finance will share the request with the Town Manager
- ii. The Board of Selectmen and Finance Committee will then review and make recommendations on the amendment requests.
- iii. The amendments will be presented at a Town Meeting and require a majority or two-thirds vote, as appropriate.
- iv. Once approved, the Town Clerk shall notify the Director of Municipal Finance of the approved amendment.
- v. The Assistant Finance Director will record the amendment in the Town's accounting system.

**Town of Nantucket, Massachusetts**  
Financial Policies and Procedures

**Section 2: BUDGET AMENDMENTS AND UPDATES**

**2.3 Line Item Management Policy**

Objective:

To ensure expenditures are categorized and paid from the correct account including departmental budgets, revolving funds, reserve funds, trust funds, grants, and gifts.

Policy:

The Director of Municipal Finance must monitor and oversee the Town's adherence to the Town's budget. The Director of Municipal Finance will work with the department heads to complete this review. Documentation of the monitoring process is to be maintained on file throughout the annual audit process.

Procedure:

On a monthly basis, within 15 days after month end, department heads receive an electronic report from the Director of Municipal Finance or designee that includes the year-to-date transaction detail of their respective budgeted expense line items.

On a quarterly basis, the Department heads will be required to sign a printed copy that they agree with the transactions, as well as review open purchase orders, and return the original signed document to the Director of Municipal Finance within ten days of the receipt of the report. The first quarter report will be sent by October 15; the second quarter report will be sent by January 15; the third quarter report will be sent by April 15; and the fourth quarter report will be sent by July 15 each year.

If the department head does not agree with specific transactions, they must follow up with the Director of Municipal Finance within ten days of receipt of the electronic file.

Original signed documents will be used as support during the annual audit.

**Section 2: BUDGET AMENDMENTS AND UPDATES**

**2.4 Budget Transfer Policy**

Objective:

To ensure that budget adjustments are valid and properly authorized.

Policy:

All budget transfers made in the Town's accounting system shall be proper based on their economic substance and in accordance with state law.

Procedure:

- i. As conditions change or circumstances are altered, department heads are required to notify the Director of Municipal Finance of anticipated requests for budget transfers. Budget transfers are initiated by a department head.
- ii. A budget transfer form must be completed by the department head and include all pertinent information including amount being transferred, general ledger accounts affected, and a reason for the transfer. The department head will sign off on the request form.
- iii. The budget transfer form is sent to the Director of Municipal Finance for review.
  - a. If the budget transfer is being made between like accounts (i.e., overtime payroll to regular payroll or office supplies to field supplies) within the same appropriation line item approved by the Board of Selectmen in its annual budget process, the budget transfer can be performed internally.
    - i. The Assistant Accountant will prepare the proposed budget transfer entry.
    - ii. The Assistant Finance Director shall sign off on the request form as evidence that the transfer was posted in the accounting system.
    - iii. The Director of Municipal Finance shall sign the request form evidencing review and approval.
    - iv. The Assistant Finance Director shall maintain a file of all budget transfer requests.
  - b. If the budget transfer is being made from dissimilar accounts, the Director of Municipal Finance will determine if appropriate and where the resources will come. These transfers are only authorized during the period of May 1<sup>st</sup> to July 15<sup>th</sup> each year. Transfers are only used to offset projected deficits in departmental budgets. Once a funding resource is determined:
    - i. The Director of Municipal Finance will prepare a summary that will be sent to the Board of Selectmen and Finance Committee for review and approval during the period of May 1<sup>st</sup> to July 15<sup>th</sup> of each year.
    - ii. Once approved, the Director of Municipal Finance shall sign the transfer request form evidencing review and approval.
    - iii. The Assistant Finance Director shall sign off on the transfer request form as evidence that the transfer was posted in the Town's accounting system.

**Town of Nantucket, Massachusetts**  
Financial Policies and Procedures

- iv. The Assistant Finance Director shall maintain a file of all budget transfer requests.

**Town of Nantucket, Massachusetts**  
Financial Policies and Procedures

**Section 2: BUDGET AMENDMENTS AND UPDATES**

**2.5 Budget to Actual Reporting Policy**

Objective:

To regularly review the Town's recorded revenues and expenditures against its approved budget.

Policy:

No expenditure shall be made from the Town's general operating budget whereby any portion of the expenditure results in a deficiency in the annual appropriation for that expenditure line item.

Department heads shall have access within the Town's accounting system, to review their budget to actual results. In addition, each month, the Director of Municipal Finance shall provide budget to actual reports to department heads.

The **Director of Municipal Finance** shall regularly investigate unfavorable budget to actual variances with department heads. Under M.G.L. c. 41, §56, the Director of Municipal Finance should disallow any payment request from a department when the appropriation balance in the line-item to be charged is insufficient to cover the invoice amount. This method is exercised through the warrant process and will prevent appropriations deficits if performed timely.

**Budget reports shall be reviewed monthly by the Director of Municipal Finance. Trends in actual revenue compared to projections and actual expenditures compared to appropriations should foreshadow the risk of a deficit.**

Procedure:

- i. **Within 15 days after the end of each month**, the Director of Municipal Finance shall provide a budget to actual report to all department heads. The Director of Municipal Finance shall highlight areas of budgetary concern and require the department head(s) to respond within ten (10) days.
- ii. If necessary, budget transfers and/or expense reclassifications may be initiated by the department head in accordance with the policies and procedures set forth in the Budget Transfer Policy.
- iii. The Director of Municipal Finance shall maintain a database of Town employees and their budgeted salaries and wages by department, which will be communicated to the Human Resource Department, and regularly compare recorded salaries and wages to the employee database. The Director of Municipal Finance shall identify discrepancies and resolve.
- iv. Revenues shall be analyzed monthly by the Director of Municipal Finance. The Director of Municipal Finance shall work with the Treasurer & Collector to resolve budget to actual differences.
- v. All cash and investment accounts shall be reconciled between the Treasurer and Director of Municipal Finance by the 20<sup>th</sup> day of the subsequent month.

**Town of Nantucket, Massachusetts**

Financial Policies and Procedures

- vi. The Director of Municipal Finance will provide the Town Manager with a copy of completed monthly close schedule, noting completion of each task and any further notations needed, for review by the 25<sup>th</sup> of each month.
- vii. On a quarterly basis, the Director of Municipal Finance and Enterprise Fund Departments will make a presentation of the budget to actual results to the Board of Selectmen. The report will then be shared with the Finance Committee.

**Town of Nantucket, Massachusetts**  
Financial Policies and Procedures

**Section 2: BUDGET AMENDMENTS AND UPDATES**

**2.6 Levy Limit Policy**

Objective:

To set the Town's tax rate and overall levy in accordance with MGL as well as the ordinances adopted by the Town.

Policy:

It is the Town's policy to set its property tax rate **no later than** December 15<sup>th</sup> of each year based on the rules and limitations set forth under MGL. The setting of the tax rate is the responsibility of the Assessor's Department and requires the collaboration of many departments including the offices of the Town Manager, Director of Municipal Finance, Town Clerk and the Board of Selectmen, who shall devote the necessary resources to ensure the timely completion and submission of the final recap package to the Massachusetts Department of Revenue (MA DOR) for certification. **During the budgeting process the Town will be authorized to utilize the entire levy limit, with a goal of having 3%-5% of unused levy capacity on the tax rate recapitulation.**

Procedures:

- i. Upon notification by the MA DOR that the Town's ~~triennial~~-quinquennial certification has been approved or that the interim property tax forms have been accepted and the MA DOR has approved the Town's new growth, the Town shall calculate its tax levy. The Town's tax levy limit is calculated as (a) the prior year's levy limit plus (b) 2.5% of the prior year's levy limit plus (c) voted overrides, if any, plus (d) new growth adjusted for (e) debt exclusions. In addition, the tax levy cannot exceed 2.5% of the assessed fair value of property within the Town regardless of the amount calculated in the immediately preceding sentence. This is commonly referred to as Prop 2 ½. The Board of Assessors is responsible for determining the Town's tax levy limit each year.
- ii. The Town employs a dual tax rate. The Board of Assessors shall work with the Board of Selectmen to determine the split between residential and commercial property taxes. This shall be completed no later than mid-November of each year. **The Town should periodically review the use of a dual tax rate. This process will need to begin approximately one year in advance of the tax rate hearing.**
- iii. The Board of Selectmen shall notify the Board of Assessors of the annual residential exemption, which shall be limited to a maximum of 20% of the average fair value of residential property in the Town from the **current** assessment year or higher up to legal limits if voted accordingly by the Town Meeting.
- iv. The Assessor shall input into its database the Board of Selectmen approved tax rate split and the residential exemption amount.
- v. The Assessor shall compile the necessary documentation within its office and the offices of the Town Manager, Director of Municipal Finance, Town Clerk and Board of Selectmen to prepare the MA DOR Recap. The Board of Assessors shall review and approve the work of the Assessor.

**Town of Nantucket, Massachusetts**  
Financial Policies and Procedures

The approved Recap shall be submitted to the MA DOR for approval no later than December 15<sup>th</sup> each year.

**SECTION 3: LONG-TERM FINANCIAL PLANNING**

**3.1 Long-Term Planning Policy**

Objective:

To develop and maintain a Long-Term Financial Plan for the Town.

Policy:

It is the Town's policy to develop and maintain, the Long-Term Financial Plan, a forward financial projection for a period of at least seven years, to allow management to evaluate the impact of various government decisions over time, while considering potential upcoming changes or issues and ensuring the long-term financial sustainability of the Town. The Town, at all times, shall maintain a Financial Analyst dedicated to conducting financial analysis. This individual shall possess the competency and skill to adequately service the Town in this capacity. This individual will report directly the Director of Municipal Finance.

The Long-Term Financial Plan will be reviewed and updated quarterly, allowing for at least seven years to be projected at all times.

Procedure:

Each year the following phases will be completed to develop and maintain the Long-Term Financial Plan of the Town:

**Mobilization Phase** - prepares the Town for long-term planning by creating a consensus on what the purpose and results of the planning process should be.

- i. The Town's Financial Analyst will consult with Director of Municipal Finance, Town Manager, Town Assessor, Board of Selectmen, Finance Committee, and any other ~~town-Town~~ official or employee deemed appropriate.
- ii. A strategic-planning or a priority-setting session with the above mentioned group will take place to identify and communicate currently known conditions and priorities to be considered during the development and update of the Plan.

**Analysis Phase** - involves information gathering, trend projection, and analysis of the Long-Term Financial Plan.

- i. The Financial Analyst will analyze the environment in order to gain a better understanding of the forces that impact the Town's financial stability.
- ii. After the analysis has been completed, the Financial Analyst can begin to project various elements of long-term revenue, expenditure, and debt trends.

**Town of Nantucket, Massachusetts**  
Financial Policies and Procedures

- iii. The forecasts can then be used to identify potential challenges to the fiscal stability of the Town. These could be fiscal deficits, environmental challenges, or policy weaknesses. Scenario analysis will be used to present both base case models and stressed case models.

**Decision & Adoption Phase** – comprises a participative process with the Town’s Financial Analyst, Director of Municipal Finance, Town Manager, Town Treasurer, Town Assessor, Board of Selectmen, Finance Committee, and any other town-Town official or employee deemed appropriate.

- i. The Long-Term Financial Plan developed will be assessed to determine whether the purposes of the Plan discussed in the mobilization phase were fulfilled.
- ii. The Plan will be formally adopted
- iii. Will determine the processes for executing the Plan to ensure tangible results are realized.

**Execution Phase** – where the strategies become operational through the budget, financial performance measures, and action plans.

- i. Regular monitoring on the actual results compared to the Long-Term Financial Plan should be completed by the Town’s Financial Analyst.

- ii. Quarterly reporting of the monitoring results should be completed and delivered by the Financial Analyst to the Director of Municipal Finance and Town Manager by the 20<sup>th</sup> of month following the close of the quarter, with a summary of major variances. This will then be used for presentation to the Board of Selectmen and the Finance Committee.

**SECTION 3: LONG-TERM FINANCIAL PLANNING**

**3.2 Forecasting Policy**

Objective:

To define the forecasting assumptions and methodologies to be utilized by the Town in connection with the Long-Term Financial Plan.

Policy:

The Town's financial forecasting assumptions and methodologies will incorporate formal historical trend analysis as well as a determination as to whether revenues or expenditures are expected to deviate from their long-term trends, inclusive of the identification of new revenue sources or expenditures.

Procedure:

Upon review of historical information, conservative assumptions will be made about dollar or percentage adjustments to the current year's revenues in order to arrive at projections for the first forecast year. **The prior year's cherry sheet is the starting point for revenue projections.** The same analysis will be made for each successive year in the forecast. As new information becomes available or circumstances change, the forecast will be revised. The Financial Analyst will work along with the Director of Municipal Finance, Town Manager, Town Assessor, Board of Selectmen, Finance Committee, and any other appropriate ~~town~~-Town official or employee to evaluate the propriety of the assumptions used. With this approach, if projected revenues are expected to increase (e.g., new growth, user fees, and free cash), then ~~a~~-corresponding expenditure increases may be made to the forecasted operating or capital budgets. Alternatively, the potential revenue gain could be diverted to reserves.

In forecasting expenditures, the Town will begin by assuming a maintenance (level service) budget, meaning what it costs to maintain the current level of staffing and mix of services into the future. Using this approach, the Town will also assume that all current laws and regulations will remain in effect during the forecast period. Negotiated collective bargaining cost increases, salary step increases and longevity pay will all be projected to the year a contract ends. Possible personnel costs associated with future contracts will not be included because the purpose of the forecast is to determine what revenue is left after the maintenance budget is funded.

Continuous evaluation of the assumptions utilized will take place to ensure that the forecast captures all currently known circumstances and expectations. The ongoing approach will allow for early detection and identification of upcoming issues. Thereby providing the Town the opportunity to develop a plan to address how the issues may impact the current financial forecast and make any modifications needed.

**SECTION 4: LONG-TERM CAPITAL PLANNING**

**4.1 Capital Improvement Plan Policy**

Objective:

To develop and maintain a Capital Improvement Plan for the Town. Buildings, infrastructure, technology, and major equipment are the physical foundation for providing services to constituents. The procurement, construction, and maintenance of capital assets are a critical activity of the Town and therefore require careful planning.

The capital improvement plan is essential to the future financial health of the Town and continued delivery of services to citizens and businesses.

Policy:

It is the Town's policy to develop and maintain a 10-year Capital Improvement Plan.

For Nantucket, a capital item is defined as a nonrecurring expenditure of \$50,000 or more for land, buildings and/or building improvements having a useful life equaling or exceeding ten years, or an expenditure for municipal infrastructure and equipment having a useful life equaling or exceeding five years. Any proposed expenditure that fails to meet these criteria must be funded in the department's line item budget.

Procedure:

- i. Establish a Capital Program Committee comprised of seven members—five appointed by Selectmen, one by the Finance Committee, and one by the Nantucket Planning and Economic Development Commission.
- ii. The Capital Planning Committee is responsible for maintenance of the 10-year Capital Improvement Plan and the following:

Identifying the needs of the Town using information, including development projections, strategic plans, comprehensive plans, facility master plans, regional plans, and citizen input processes. The Committee should identify present and future service needs that require capital infrastructure or equipment. In this process, attention should be given to:

The following conditions will be considered when prioritizing the capital plan:

- Imminent threat to the health and safety of citizens/property
- Preservation of operations
- Legal requirement of Federal or State agencies
- Improvement to infrastructure
- Improvement in the efficiency and effectiveness of service delivery
- Alleviation of an overtaxed/overburdened situation (i.e. insufficient instructional space in a school building)

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**Town of Nantucket, Massachusetts**  
Financial Policies and Procedures

- Supports community plan (i.e. Master Plan Open Space and Recreation Plan)
- Results in lower energy consumption
- Results in lower operations and maintenance costs
- Continues the phased funding for a project included in a prior year's budget
- Scheduled replacement (i.e. motor vehicles, roofs, computers)
- Capital assets that require repair, maintenance, or replacement that, if not addressed, will result in higher costs in future years
- Infrastructure improvements needed to support new development or redevelopment
- Projects with revenue generating potential
- Improvements that support economic development
- Changes in policy or community needs

The full extent of project costs should be determined when developing the multi-year capital plan. Cost issues to consider include the following:

- The scope and timing of a planned project
- Identification of the most appropriate approaches, including outside assistance, when estimating project costs and potential revenues
- Adjustment of cost projections based on anticipated inflation
- Quantifying ongoing operating costs associated with each project, and identification of the sources of funding for those costs
- A clear estimate of all major components required to implement a project, including land acquisition needs, design, construction, contingency and post-construction costs
- Recognition of the non-financial impacts of the project (e.g., environmental) on the community

The Committee will be responsible for prioritizing capital requests. Governments are continually faced with extensive capital needs and limited financial resources. Therefore, prioritizing capital project requests is a critical step in the capital plan preparation process. When evaluating project submittals, the Committee should:

- Reflect the relationship of project submittals to financial and governing policies, plans, and studies
- Allow submitting agencies to provide an initial prioritization
- Incorporate input and participation from major stakeholders and the general public
- Adhere to legal requirements and/or mandates
- Anticipate the operating budget impacts resulting from capital projects
- Apply analytical techniques, as appropriate, for evaluating potential projects (e.g., net present value, payback period, cost-benefit analysis, life cycle costing, cash flow modeling)
- Re-evaluate capital projects approved in previous multi-year capital plans
- Use a rating system to facilitate decision-making

The Director of Municipal Finance, in collaboration with the Town Manager, will be responsible for developing financing strategies. Financing strategies should align with expected project

**Town of Nantucket, Massachusetts**  
Financial Policies and Procedures

requirements while sustaining the financial health of the organization. In undertaking a review of the capital financing plan, the Committee should:

- Anticipate expected revenue and expenditure trends, including their relationship to multi-year financial plans
- Prepare cash flow projections of the amount and timing of the capital financing
- Continue compliance with all established financial policies
- Recognize appropriate legal constraints
- Consider and estimate funding amounts from all appropriate funding alternatives
- Ensure reliability and stability of identified funding sources
- Evaluate the affordability of the financing strategy, including the impact on debt ratios, taxpayers, ratepayers, and others

The Committee will accomplish the above by undertaking a well-timed process for obtaining necessary inputs, evaluating and prioritizing projects under consideration, and formulating recommendations for the following fiscal year and for long-term phased capital plans.

Any capital project should be evaluated on its total cost to the Town over its useful life. This should include design and planning costs, operating and maintenance costs, disposal costs, and financing costs.

Debt is issued on behalf of Enterprise Funds, but those Funds are expected to cover 100% of their debt service. In some special instances (e.g. major infrastructure projects) the debt of Enterprise Funds may be borne, in part, by the General Fund, with Town Meeting authority/authorization. Some Enterprise Funds are currently, partially subsidized by the Town.

It will be the policy of the Capital Planning Committee to recognize all projected future debt service as an explicit element of the Capital Improvement Plan and to evaluate anticipated future debt service levels against the financial metrics defined later.

Prudent capital planning matches a list of desired capital projects with the Town's ability to finance those projects while maintaining a stable and prudent financial position. Through careful planning and scheduling, municipalities seek to avoid "surprises" in large capital commitments, minimizing any adverse effects on town budgets and financial flexibility.

In reviewing the capital planning programs of other Massachusetts towns, the Capital Planning Committee has observed a wide range of financial metrics and policy options. At this stage of the Town's capital program, the metrics are:

- To maintain or improve the Town's bond rating; any fiscal year's capital expenditures must be financed from available current revenue sources and net new borrowing that does not negatively affect the bond rating.
- Minimize, when possible, overrides to Prop 2 ½
- A minimum amount equivalent to 1% of the prior year's net revenue is allocated to capital improvements, except in the instance that an emergency arises with respect to the operating budget.
- Free Cash may be used to finance capital projects when available.
- Debt Service:



**SECTION 4: LONG-TERM CAPITAL PLANNING**

**4.2 Annual Capital Budget Process Policy**

Objective:

To adopt an annual capital budget for the Town.

Policy:

It is the Town's policy to develop an annual capital budget.

Approved Town budgets shall be adopted effective July 1<sup>st</sup> each year.

Procedure:

- i. Each **July**, the Director of Municipal Finance shall, as part of the Town's general appropriation process, request updates from department heads on capital projects for the next ten-year period, with an emphasis on the next five years. The Director of Municipal Finance shall evaluate in process capital projects and capital projects forecasted to commence based on proceeds received from general obligation bonds or short-term borrowings.
- ii. Department heads shall complete the provided forms and submit these forms to the Director of Municipal Finance by the **end of July**.
- iii. The Director of Municipal Finance shall ensure that all department heads have submitted their capital requests in the prescribed timeframes set forth and provide requests along with any other capital project forecasts to the Capital Program Committee. The Director of Municipal Finance shall retain the department head submissions as part of the final budget package.
- iv. **The requests are then reviewed by the Town Manager and the Board of Selectmen, and submitted to the Capital Planning Committee. The requests should include the estimated number of years to pay back this expenditure. This process will normally occur between August and October.**
- v. **Subsequently, each Department reviews the need and justification for each of their projects with the Capital Planning Committee in October-November.**
- vi. Once satisfied that the department capital budgets are recommended by the Capital Planning Committee and are reasonable and consistent with the Town's Capital Improvement Plan and guidelines, the Director of Municipal Finance shall present the revised capital budget to the Town Manager.
- vii. Once the Town Manager is satisfied with the Town-wide capital budget, the capital budget will be presented to the Board of Selectmen for review and approval. This is generally done by **December** each year.
- viii. The Board of Selectmen shall meet publicly to review the capital budget.

**Town of Nantucket, Massachusetts**

Financial Policies and Procedures

- ix. The annual capital budget will be presented at the Annual Town Meeting for review and approval each year.
- x. The Town Clerk shall notify the Director of Municipal Finance of the Town Meeting's approved capital budget.
- xi. The Assistant Finance Director shall input the approved capital budget into the Town's accounting system, for the subsequent fiscal year. The Director of Municipal Finance or a designee shall reconcile the individual Town Meeting approved capital budget to the accounting system to ensure that all capital line items are properly included.

**SECTION 5: INVESTMENT MANAGEMENT POLICIES**

**5.1 Investment Policy**

Objective:

To state the Town's investment objectives, goals, risk tolerance and investment guidelines for the investment of Town funds. **The intent of the Investment Policy of the Town of Nantucket is to define the parameters within which funds are to be managed. In methods, procedures and practices, the policy formalizes the framework for the Town's investment activities that must be exercised to ensure effective and judicious fiscal and investment management of the Town's funds. The guidelines are intended to be broad enough to allow the investment officer to function properly within the parameters of responsibility and authority, yet specific enough to adequately safeguard the investment assets.**

Policy:

In accordance with Massachusetts General Laws (MGL) Chapter 44, Section 55B, the Treasurer is required to invest all public funds at the highest possible rate of interest reasonably available, taking into account acceptable levels of safety, liquidity, and yield while meeting the daily cash requirements for the operation of the Town.

- **Safety** – The safety of public funds must be the main objective in the investment program. Investments shall be made in a manner that seeks to preserve principal through the mitigation of credit risk and interest rate risk. These risks shall be mitigated by the diversification and prudent selection of investment instruments, and choice of depository. Credit risk is the risk of loss due to the failure of the security issuer or backer. Interest rate risk is the risk that the market value of the security will fall due to changes in general interest rates.
- **Liquidity** – The overall portfolio shall remain sufficiently liquid to meet all operating requirements that may be reasonably anticipated. Since all possible cash demands cannot be anticipated, the treasurer shall carry out investment activities in a manner that provides for meeting unusual cash demands without the liquidation of investments that could result in forfeiture of accrued interest earnings, and loss of principal.
- **Yield** – Investments shall be made to achieve a fair average market rate of return taking into account the safety and liquidity constraints mentioned above as well as any legal requirements imposed by the MGL or the Town Charter.

The Treasurer will adhere to the following risk guidelines for all investments of Town funds:

- **Custodial Credit Risk** – The custodial credit risk for deposits is the risk that, in the event of a failure of a depository institution, the Town would not be able to recover deposits or the securities used to collateralize the deposits from the institution or third party. For investments, the risk occurs if the Town is unable to recover the value of an investment or collateral in possession of a third party.

The Treasurer will review each financial institution conducting business with the Town on a quarterly basis.

**Town of Nantucket, Massachusetts**  
Financial Policies and Procedures

All securities not held directly by the Town will be held in the Town's name, and tax identification number by a third-party custodian approved by the Treasurer. The Treasurer will receive monthly safekeeping reports from the custodian as well as safekeeping receipts detailing each transaction from the account.

- Interest Rate Risk – Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of the investment.

Short-term investments for funds covered in the "Operating Funds" section below, which are by statute limited to one year or less in maturity with all securities held to maturity.

Longer term investments will be made for periods not longer than seven years, maintaining an average maturity no greater than three years for the portfolio.

- Credit Risk – Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations.

Short term investments for funds covered in the "Operating Funds" section below are by statute limited to US Treasury or Agency securities which carry "AAA" ratings.

Longer term investments in fixed income securities will be made principally for capital preservation and income potential. Corporate debt must be rate "A" or better by either S&P or Moody's rating services. If a security falls below the "A" rating, the security will be monitored by the Treasurer and advisor, if applicable. The security will be noted as an exception to the policy if held in the portfolio. The Treasurer and/or advisor may sell the security if a further decline in value is expected.

- Concentration of Credit Risk – Concentration of credit risk is the risk of loss attributed to the magnitude of the Town's investment in a single issuer.

The Town will minimize any concentration of credit risk by diversifying the investment portfolio so that the impact of potential losses from any one type of security or issuer will be minimized. Specific investment amounts and/or issuer limitations are addressed in the Investment Instruments section of this policy.

- Foreign Currency Risk – Foreign currency risk is the risk that changes in foreign exchange rates will adversely affect the fair value of an investment or deposit.

The Town will not invest in any instrument exposed to foreign currency risk.

The Treasurer and Assistant Treasurer shall refrain from any personal activity that may conflict with the proper execution of the investment program or which could impair or appear to impair their ability to make impartial investment decisions. The Treasurer and Assistant Treasurer shall disclose, at least annually, to the Town Clerk any material personal depository relationship in financial institutions that do business with the Town as well as any material personal financial investment positions or loans with these same institutions.

## **Town of Nantucket, Massachusetts**

### Financial Policies and Procedures

The standard of prudence to be used by the Treasurer shall be the "Prudent Person" standard and shall be applied in the context of managing an overall portfolio. The Treasurer, acting in accordance with written procedures and this investment policy and exercising due diligence, shall be relieved of personal responsibility for an individual security's credit risk or market price changes, provided the purchases and sale of securities is carried out in accordance with the terms of this policy.

Investments shall be made with judgment and care, under circumstances then prevailing, which persons of prudence, discretion, and intelligence exercise in the management of their own affairs; not for speculations but for investment considering the probable safety of their capital as well as the probably income to be derived.

In addition, this section would also apply to the MGL Chapter 44 Section 55A which refers to the liability of the Treasurer for losses due to bankruptcy.

On a quarterly basis, the Treasurer shall issue a report to the Director of Municipal Finance, Town Manager, and the Board of Selectmen containing the following information:

- A listing of total funds on deposit by financial institution or advisor showing percentage of total deposits to each institution, type of insurance coverage or collateral and approximate value of uninsured or uncollateralized funds held by the Town.
- A listing of total funds on deposit by financial institution or advisor by type of deposits or investment showing percentage of total deposits in each institution.
- Summary of interest income, realized and unrealized gains and losses earned on investments on a fiscal year to date basis.
- Detail listing of any exceptions to policy stating reason for exception and anticipated date of correction, if applicable.

### ***Operating Funds***

This section of the investment policy pertains to short term operating funds such as general funds, special revenue funds, enterprise funds, bond proceeds and capital project funds.

The Treasurer may invest in the following instruments:

- Massachusetts State Pooled Funds - The Massachusetts Municipal Depository Trust (MMDT), an investment pool for state, local, county and other independent governmental authorities, is under the auspices of the State Treasurer. MMDT seeks to obtain the highest possible level of current income consistent with the preservation of capital and liquidity by investing in a diversified portfolio of high quality money market instruments with an average dollar-weighted portfolio maturity of 90 days or less. MMDT investments are not guaranteed by the State, FDIC, or any other governmental agency. The Treasurer may invest an unlimited amount.
- US Treasury Obligations – Treasury obligations must be held to maturity. The maturity date of these securities must be no greater than one year from the date of purchase. The Treasurer may invest an unlimited amount

**Town of Nantucket, Massachusetts**  
Financial Policies and Procedures

- US Agency Obligations – Agency obligations must be held to maturity. The maturity date of these securities must be no greater than one year from the date of purchase. The Treasurer may invest an unlimited amount
- Bank accounts or Certificate of Deposit accounts with a final maturity no greater than one year from the date of purchase may be made for unlimited amounts if the deposit is fully collateralized by a third party agreement or securities owned by a depository institution that have been segregated from the day to day assets of the institution in order to provide collateralization.
- Bank Accounts, Certificate of Deposit accounts (CDs) and/or brokered CDs with a final maturity no greater than one year from the date of purchase up to the FDIC coverage limits. All account balances in a single depository institution are considered in the aggregate to determine FDIC coverage limits.
- Bank accounts or Certificate of Deposit with a final maturity no greater than one year from the date of purchase may be made for unlimited amounts if the depository institution is a member of the Depository Insurance Fund (DIF) or the Share Insurance Fund (SIF). These funds insure all deposits held at a member Massachusetts state chartered savings bank or co-operative bank respectively.
- Money Market Mutual Funds that are registered with the Securities & Exchange Commission that have received the highest possible rating from at least one nationally recognized statistical rating organization and as referenced in the General Laws of Massachusetts (MGL) Chapter 44 Section 55.
- Uninsured or unsecured bank accounts or Certificates of Deposit accounts with a final maturity no greater than one year from the date of purchase are allowed to be held by the Town subject to the following limitations:
  - i. The aggregate uninsured portion of deposits held at any one institution cannot exceed 5% of the institutions total deposits reflected on the bank's last filed FDIC Call Report.
  - i. **The goal of the Town is to have 0% of the Town funds held in uninsured accounts. If an exception is necessary, this percentage may be increased for no more than seven days under the oversight of the Director of Municipal Finance (i.e. during times of heavy collections or in anticipation of large payments to be made by the Town such as debt service, pension expense, or other expenses determined by the Treasurer as necessitating special cash handling.)**
  - ii. Within the last 30 days of each fiscal year, no funds shall be uninsured.

Diversification of funds between financial institutions is another important tool available to the Treasurer to ensure the safety of funds on deposit. Given the above limitations regarding investment types and dollar limits as well as insurance coverage requirements, the need to place further limitations on the funds placed in one financial institution is not necessary provided the following:

## **Town of Nantucket, Massachusetts**

### Financial Policies and Procedures

- All financial institutions with which the Town conducts business will be reviewed by the Treasurer on a quarterly basis utilizing the Veribanc ratings report. In addition, the Treasurer will review the Call Reports and/or the Uniform Bank Performance Report of any institution receiving a “Yellow” classification or receiving less than three stars on the previous quarter’s Veribanc report, noting trends in capital ratios, net income, operating expenses, loan losses and loan delinquencies, or any other determining factors which may have resulting in the lower rating. The Treasurer will meet with the representatives of the institution, as necessary, to further enforce the financial review.
- The Treasurer will, after conducting this review, determine the proper deposit levels to maintain at such institutions or implement an “exit” plan, if necessary, for the eventual removal of Town funds from the institution.

As a sound practice, however, the Treasurer will attempt to maintain no more than 40% of the Town total funds in one financial institution or with a single advisor.

Also, in accordance with Chapter 44, Section 55 of the MGL, the Treasurer will not at any one time have on deposit in a bank or trust company or banking company an amount exceeding 60% of the capital and surplus of each bank or trust company or banking company unless satisfactory security is given for such excess.

#### ***Trust and Other Special Funds***

This section of the investment policy applies to funds with special circumstances such as Stabilization and Trust funds.

Trust funds may be established as a pooled investment portfolio. The accounting of each fund will be maintained separately to ensure that each fund receives their proportionate share of interest realized and unrealized gains or losses.

The MGL Chapter 44 Section 54 states that money should be deposited into savings bank, trust companies incorporated under the laws of the Commonwealth, banking companies incorporated under the laws of the Commonwealth which are members of the Federal Deposit Insurance Corporation, or national banks, or invested in participation units in a combined investment fund under Chapter 29, Section 38A, or in a paid-up shares and accounts of an in co-operative banks, or in shares of savings and loan associations or in share or savings depositors of federal savings and loan associations doing business in the Commonwealth.

Additionally, the Town may invest such funds in securities, other than mortgages or collateral loans, which are legal for the investment of funds of savings banks under the laws of the Commonwealth; provided that not more than 15% of any such trust funds shall be invested in bank stocks and insurance company stocks, nor shall more than 1 ½ % of such funds be invested in the stock of any one bank or insurance company. MGL Chapter 167 Section 15A and Section 15B describes the list of legal investments for savings banks which dictates the allowable investments for municipalities.

The Treasurer may invest trust funds in the following instruments:

## Town of Nantucket, Massachusetts

### Financial Policies and Procedures

- Massachusetts State Pooled Funds - The Massachusetts Municipal Depository Trust (MMDT), an investment pool for state, local, county and other independent governmental authorities, is under the auspices of the State Treasurer. MMDT seeks to obtain the highest possible level of current income consistent with the preservation of capital and liquidity by investing in a diversified portfolio of high quality money market instruments with an average dollar-weighted portfolio maturity of 90 days or less. MMDT investments are not guaranteed by the State, FDIC, or any other governmental agency. The Treasurer may invest an unlimited amount.
- US Treasuries – Us Treasuries maybe sold prior to maturity. The Treasurer may invest an unlimited amount with maturity limits as stated in the interest rate risk section of this policy.
- US Agencies – US Agency obligations that may be sold prior to maturity. The Treasurer may invest an unlimited amount with maturity limits as stated in the interest rate risk section of this policy.
- Bank accounts or Certificate of Deposit with a final maturity no greater than one year from the date of purchase may be made for unlimited amounts if the depository institution is a member of the Depository Insurance Fund (DIF) or the Share Insurance Fund (SIF). These funds insure all deposits held at a member Massachusetts state chartered savings bank or co-operative bank respectively.
- Bank Accounts, Certificate of Deposit accounts (CDs) and/or brokered CDs with a final maturity no greater than one year from the date of purchase up to the FDIC coverage limits. All account balances in a single depository institution are considered in the aggregate to determine FDIC coverage limits.
- Bank accounts or Certificate of Deposit accounts with length of maturity limits from the date of purchase, as stated in the interest rate risk section of this policy, may be made for unlimited amounts if the deposit is fully collateralized by a third party agreement or securities owned by a depository institution that have been segregated from the day to day assets of the institution in order to provide collateralization.
- Uninsured or unsecured bank accounts or Certificates of Deposit accounts with a final maturity no greater than one year from the date of purchase are allowed to be held by the Town subject to the following limitations:
  - ii. The aggregate uninsured portion of deposits held at any one institution cannot exceed 5% of the institutions total deposits reflected on the bank's last filed FDIC Call Report.
  - iii. The goal of the Town is to have 0% of the Town funds held in uninsured accounts. If an exception is necessary, this percentage may be increased for no more than seven days under the oversight of the Director of Municipal Finance.
  - iv. The credit worthiness of the depository will be tracked by the Treasurer utilizing Veribanc rating report.

**Town of Nantucket, Massachusetts**

Financial Policies and Procedures

- Common and preferred stock, investment funds, and other items that are listed in the State of Massachusetts List of Legal Investments.

**SECTION 6: DEBT MANAGEMENT POLICIES**

**6.1 Debt Issuance Policy**

Objective:

To enable the Town to respond to short-term and long-term financial needs through the issuance of short-term and long-term borrowings.

Policy:

The Treasurer, upon notification that short and/or long-term borrowings have been approved by Town Meeting and upon coordination with the Director of Municipal Finance and Town Manager, shall enter into short and long-term borrowings on terms deemed favorable to the Town and in accordance with state law. All borrowing documents shall contain the endorsements of the Treasurer, the Director of Municipal Finance and the Town Manager and have the Town seal affixed to the documents.

Short-term borrowings shall be recorded as a liability in the fund for which the short-term borrowing is made. Long-term borrowings shall be recorded as revenues in the fund for which the long-term borrowing is made.

The Town shall not finance its current operations through the issuance of long-term debt.

The Town shall use bond counsel on all long-term debt issuances.

The Town shall notify the MA DOR within two (2) days of any votes to approve the issuance of debt.

**SECTION 6: DEBT MANAGEMENT POLICIES**

**6.2 Debt Repayment Policy**

Objective:

To properly account for debt repayments.

Policy:

Repayments of principal on short-term borrowings shall be recorded as reductions in liabilities in the fund for which the short-term borrowing was recorded. Interest payments shall be recorded in the fund for which the short-term borrowing was recorded. Short-term debt must have a portion of its principal repaid within two (2) years of issuance and may not be outstanding for more than five (5) years.

Repayments of principal on long-term debt shall be separately recorded from interest payments in the Town's accounting records. Both principal and interest payments on long-term debt shall be recorded in the fund for which the long-term borrowing was recorded.

The Town shall refinance its debt in periods in which interest rates decline and it's deemed cost beneficial to do such. The Town's Financial Advisor will provide regular guidance and evaluation in this area.

**SECTION 6: DEBT MANAGEMENT POLICIES**

**6.3 Debt Management Policy**

Objective:

To establish parameters and guidance to make decisions on capital spending and issuance of debt as a means to fund them. In order to minimize debt service expenditures, the Town shall endeavor to take appropriate actions to maintain the highest possible credit rating from Moody's Investors Service, Inc. and Standard & Poor's, Inc.

Policy:

***Purposes for which debt may be issued:***

- a. The Town during emergency situations may issue debt to provide for emergency infrastructure repair or replacement.
- b. The Town generally will only consider financing major capital improvements with a total cost exceeding \$500,000 through the issuance of long-term debt contingent on a Proposition 2 ½ debt exclusion approval unless there is some other source of funds to pay the debt service. Such costs may include planning, design and land acquisition costs for such improvements.
- c. The Town generally will only consider issuing debt to finance only those projects that have been included in the Capital Improvement Plan. For the purpose of this Policy, lease-purchase financings shall be considered debt and are required to be included in the Capital Improvement Plan.
- d. The Town will not fund current operating expenditures through the issuance of debt (other than in connection with the issuance of tax anticipation notes).
- e. Any capital projects or acquisitions **of \$100,000** or less and with an amortization term of five or fewer years must be funded on a pay-as-you-go basis or, if intended to be funded through the issuance of debt, should be funded with annually issued notes where the principal is paid down each year in equal annual payments.
- f. The Town shall comply with Massachusetts General Laws, Chapter 44, sections 7 and 8 which regulate the purpose for which municipalities may incur debt and the maximum maturity for bonds issued for each purpose.

***Criteria for Issuance:***

Short Term Debt - The Town may choose to issue bond anticipation notes as a source of interim financing when deemed prudent. Bond anticipation notes may also be used as a form of short-term permanent financing (generally up to five years under the current statutes) by renewing the notes over a number of years and reducing the principal amount of notes on renewal. Before issuing such notes, the Treasurer will contact the Town's Financial Advisor for consultation. Bond anticipation notes may be sold at either a competitive or negotiated sale or by private placement when in the best interest of the Town.

**Town of Nantucket, Massachusetts**  
Financial Policies and Procedures

Long Term Debt - General obligation bonds (and general obligation BANs) are backed by the Town's pledge of its full faith and credit to pay interest and principal of the obligations. Unless paid from other sources, the bonds are payable from general property tax revenues. General obligation bonds should be used only to finance or refinance capital improvements and long-term assets, or other costs directly associated with financing of a project which has been determined to be beneficial to a significant proportion of the citizens of the Town and for which repayment sources, if any, have been identified. Bonding should be used only after considering alternative funding sources such as project revenues, Federal and State grants, and special assessments.

Massachusetts General Law allows communities, subject to voter approval, to exclude certain debt from the limits imposed by Proposition 2 ½. A voter-approved exclusion for the purpose of raising funds for debt service costs is referred to as a debt exclusion. The Town considers this to be an important component to its debt management program. All references to debt service ceiling limits and debt strategies which follow are exclusive of such voter approved exclusions.

The general Fund debt service target shall not exceed 12% percent of the General Fund budget, except that General Fund debt service could exceed that for financing completed with the approval of a Proposition 2 ½ debt exclusion, to fund a federal or state mandate, to allow for maintenance of operating licenses, or to fund the recovery from a natural disaster. The issuances approved under the Proposition 2 ½ debt exclusion, to fund a federal or state mandate, to allow for maintenance of operating licenses, or to fund the recovery from a natural disaster are not included in the calculation of debt service target.

Other Town departments with special conditions covered by this policy are those established by M.G.L. Chapter 44, Section 53F½ as Enterprise Funds. While their capital investment financing is also a GO (general obligation) of the Town, their debt service is supported by rate payer dollars or available unrestricted retained earnings of the fund, not taxpayer dollars, and thus is not included in the debt service targets outlined above. The debt service target shall not exceed 7% percent of the Water and Airport Enterprise Funds operating budgets, except that special approval is granted from the appropriate governing commissioners. All other enterprise funds will follow the guidance of their governing commissions to determine the appropriate level of debt funding, with the goal of maintaining self-sustaining operations.

The average life of the combined debt service of all outstanding debt shall not be greater than ten years. The Town will endeavor to structure new bond issues so as to provide that ~~50%, at a minimum, with a goal of 60%~~65%, of the Town's overall outstanding debt will be retired in the succeeding ten fiscal years.

***Selection of Consultants and Service Providers:***

- a. Solicitation: The Town shall establish a solicitation and selection process for securing professional services that are required to develop and implement the Town's debt program. Goals of the solicitation and selection process shall include encouraging participation from qualified service providers, both local and national, and securing the highest quality services at competitive prices.
- b. Financing Team: The Town employs outside financial specialists to assist it in developing a bond issuance strategy, preparing bond documents and marketing bonds to investors. The key players in the Town's financing transactions include its internal financial professionals (the

**Town of Nantucket, Massachusetts**  
Financial Policies and Procedures

Director of Municipal Finance, Town Treasurer, [Financial Analyst](#), Town Manager and Finance Department staff, among others), its Bond Counsel, and its Financial Advisor. Other outside firms, such as those providing paying agent/registrar, trustee, credit enhancement, auditing, or printing services, are retained as required.

- c. Bond Counsel Involvement: The Bond Counsel will issue an opinion as to the legality and, where applicable, the tax-exempt status of all obligations. The Town also may seek the advice of Bond Counsel on other types of financing and on any other questions involving federal tax law applicable to tax-exempt bonds. Bond Counsel also is responsible for the preparation of the resolution authorizing issuance of obligations, various closing documents to complete their sale and issuance, and performance of other services as defined by contract approved by the Town.
- d. Financial Advisor Involvement: The Town will seek the advice of the Financial Advisor when appropriate and when required by law. The Financial Advisor will advise on the structuring of obligations to be issued, inform the Town of various options, advise the Town as to how choices will impact the marketability of the Town's obligations, and provide other services as defined by contract approved by the Town. To ensure independence, the Financial Advisor neither will bid on nor underwrite any Town debt issues for which it is serving as Financial Advisor. The Financial Advisor will inform the Treasurer of significant issues that could affect the marketability of its debt or impact its credit rating.

***Refunding of Long-Term Debt:***

A refunding of long-term debt involves the refinancing of an outstanding bond issue by issuing new bonds. Most refundings are performed to take advantage of current interest rates that are lower than those rates on outstanding bonds. Such refundings are for interest rate savings. The Town may consider a refunding for three primary reasons:

- b. To reduce interest costs.
- c. To restructure debt service, but generally only if the present value of debt service savings exceeds two (2%) percent of the debt service amount of the refunded bonds.
- d. To eliminate old bond covenants that may have become restrictive.

The Town's Financial Advisor conducts analysis on an ongoing basis to evaluate the potential refunding opportunities available to the Town. This information is provided to the Director of Municipal Finance. On a quarterly basis a summary report of this information will be provided to the Board of Selectmen and the Finance Committee.

***Disclosure/Arbitrage Compliance:***

- a. Rating Agencies: Full disclosure of operations and open lines of communication shall be maintained with the rating agencies. Town staff, with assistance of financial advisors, shall prepare the necessary materials and presentation to the rating agencies. A credit rating will be sought from one or more nationally recognized credit reporting agencies as recommended by the Town's financial professionals in conjunction with the Town's financial advisor.

**Town of Nantucket, Massachusetts**  
Financial Policies and Procedures

- b. Arbitrage, Private Activity Use/Payment and Covenant/Representation Compliance: The Town shall establish a system of record keeping and reporting to ensure compliance with arbitrage limitation, arbitrage rebate, and private activity use and payment limitations applicable to its tax-exempt obligations under the Federal tax code. This effort shall include tracking expenditure of and investment earning on proceeds of bond and note issues and lease purchase transactions, calculating rebate payments in compliance with tax law, and remitting any rebateable earnings to the federal government in a timely manner in order to preserve the tax-exempt status of the Town's outstanding debt issues. Additionally, private activity uses and payment, general financial reporting and certification requirements embodied in bond covenants, if any, or tax compliance or regulatory agreement covenants or representations in connection with the Town's tax-exempt obligations shall be monitored to ensure compliance with all such covenants and representations.
- c. Continuing Disclosure: The Town is committed to continuing disclosure of financial and pertinent credit information relevant to the Town's outstanding securities and will abide by the provisions of Securities and Exchange Commission (SEC) Rule 15c2-12 concerning primary and secondary market disclosure, including requirements regarding annual financial information and material event filings incorporated in the Town's continuing disclosure agreements entered into in connection with the issuance of its debt obligations.

***Integration with Capital Planning:***

The Town prepares a multi-year Capital Improvement Plan for consideration and adoption as part of the Town's budget process. Annually, the capital budget identifies revenue sources and expenditures for the current year and the next succeeding ten fiscal years. As part of the capital project planning process, the financial impact of each proposed project will be evaluated and updated annually. To fund the Capital Improvement Program, the Town will use general revenues (pay-as-you-go), debt financing, State and Federal Aid, special assessments or a combination thereof.

**SECTION 6: DEBT MANAGEMENT POLICIES**

**6.4 Tax-Exempt Governmental Purpose Bond Compliance Policy**

Objective:

To ensure compliance with federal tax law and regulations pertaining to the use of tax-exempt governmental purpose bonds and to the use of property, projects and equipment funded with tax-exempt governmental purpose bonds.

Policy:

It is the Treasurer's responsibility to convey to the Director of Municipal Finance, the Town Manager, and the Chief Procurement Officer, the Treasurer's expectations as to their performance relating to project implementation, project expenditures, documentation, and information required by the Treasurer to remain in compliance with applicable tax law. Since all the responsible parties participate in the issuance of Town bonds, the Treasurer will provide direction to those responsible parties during the process of issuing bonds, at the time of the delivery of bond proceeds, and after the delivery of bond proceeds but prior to the final maturity of the bonds.

Procedure:

- i. The proper use of tax-exempt bond proceeds and the proper use of bond-funded property, projects, equipment, etc. (hereafter "property"), will be confirmed and documented through Bond Counsel's review prior to the issuance of tax-exempt bonds and will be addressed in the legal opinion issued by Bond Counsel and in the Tax Certificate (or Non-Arbitrage Certificate) prepared by Bond Counsel as part of the final bond transcript.
- ii. The continued proper use of property funded with tax-exempt bond proceeds will be monitored by the Treasurer through an annual reminder of such to appropriate Town officials and through the review of any Town proposals considering the change in use of the property or Town procurements relating to such property. The procurement of service contracts, management contracts and leases for the limited use of Town property should also be reviewed by the Treasurer. The Treasurer will be responsible for managing any remedial actions, if required.
- iii. The Federal Tax code sets explicit expectations relating to the expenditure of bond proceeds. There are certain "safe harbors" for small issuers. If expenditure expectations for small issuers are not met, the unexpended bond proceeds must be yield restricted. There are also expenditure thresholds to be satisfied for bonds issued where the Town cannot use the "small issuer" exemption. If these thresholds are not met, the Town may be required to rebate its positive arbitrage earnings to the Federal Treasury.
- iv. It is the responsibility of the Treasurer to review the expenditure requirements cited in the Tax Certificate and to monitor the expenditure of bond proceeds until all funds are expended.
- v. It is the responsibility of the Treasurer to determine rebate exposure; to procure arbitrage calculation services; to make rebate payments, as required, to the Federal Treasury; and to

**Town of Nantucket, Massachusetts**  
Financial Policies and Procedures

prepare 8038-T forms for such purposes. It is also the responsibility of the Treasurer to reserve funds for such rebate payments, as appropriate, and to report the rebate liability to the Town's independent financial auditor.

- vi. The proper filings of forms 8038-G and 8038-GC are essential with every tax-exempt financing. All 8038-G's and 8038-GC's are to be signed by the Town Treasurer. No other official in the Town is authorized to execute these forms.
- vii. It is the responsibility of the Treasurer to ensure rebate payments, if required, are made on a timely basis. Such payments must be made within 60 days of the maturity of a note; within 60 days of the fifth anniversary, and multiples thereof, of the issue of a bond; and within 60 days of the final maturity of a bond. The payment of a rebate is to be accompanied by and documented on the form 8038-T.
- viii. It is the responsibility of the Treasurer to ensure all proper documentation is produced and retained as required. Such documentation will include, but not necessarily be limited to, the following: Tax Certificates or Non-Arbitrage Certificates, Note and Bond Transcripts, Forms 8038-G and 8038-GC, Projected expenditure cash flows prepared for each financing prior to issue, the record of expenditure of funds, the record of investment earnings on unexpended bond proceeds prior to full expenditure, yield restricted investments, rebate calculations, rebate payments, Form 8038-T, list of projected tax-exempt financings during each fiscal year, and management contracts.
- ix. It is the responsibility of the Treasurer to address violations associated with any tax-exempt financing when violations are discovered. The violation may be addressed through the Voluntary Compliance Agreement Program (VCAP). Alternatively, remedial action may be required under Section 1.141-12 of the Internal Revenue Service regulations. The Treasurer shall consult with the Town's Bond Counsel and/or Financial Advisor as appropriate.
- x. At any time during the fiscal year, if there is a change or use or disposition of property contemplated, the Town Manager shall inform the Treasurer of the proposal. As needed, the Treasurer shall consult with Bond Counsel and/or the Town's financial advisor relating to such proposal.

**SECTION 7: RESERVE AND LIQUIDITY POLICIES**

**7.1 Free Cash Policy Reserve Ratio**

Objective:

Reserve funds are defined as unassigned and assigned fund balance as reflected annually in the GAAP financial statements. Managing these two funds is a critical component of the Town's credit evaluation, bond rating and perception of financial position.

Policy:

Standard and Poor Rating Service uses a metric that includes the sum of unassigned and assigned fund balance divided by total expenditures plus transfers out. In order to achieve the highest grade in this area a calculation of 15% or greater is required. The Town shall seek to maintain such a ratio at 15% or greater. For purposes of this policy, this will be called the reserve ratio.

Two statutory components of this GAAP reserve in Massachusetts are Free Cash and the Town's Stabilization Funds. Policies within these specific statutory areas directly impact the Town's GAAP reserves and therefore the Town's reserve ratio.

**7.2 Free Cash**

Objective:

To define appropriate uses of free cash and to assist in the accumulation of reserve funds in order to reduce risk in managing the Town's current and long-term needs as well as strengthen the Town's financial position and enhance its credit rating.

Policy:

Free Cash is the remaining, unrestricted funds from operations of the previous fiscal year including unexpended free cash from the previous year, actual receipts in excess of revenue estimates shown on the tax recapitulation sheet, and unspent amounts in budget line-items. Unpaid property taxes and certain deficits reduce the amount that can be certified as free cash. The calculation of free cash is based on the balance sheet as of June 30, which is submitted by the community's Director of Municipal Finance. Free cash is not available for appropriation until certified by the Director of Accounts.

Appropriate uses of free cash include: funding the Stabilization Funds; the OPEB Trust Fund; funding capital projects with an estimated cost between \$100,000 and \$500,000 for which long-term borrowing is authorized at terms of five or fewer years; funding extraordinary deficits that would otherwise be carried over to the following year; remaining in unreserved, undesignated fund balance until the sum of unappropriated free cash is equal to or greater than 5% of general fund revenue expenditures. The purpose of maintaining an unappropriated amount of free cash is to provide for cash flow and to have funds available for emergency appropriations.

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**Town of Nantucket, Massachusetts**

Financial Policies and Procedures

Exceptions to the free cash policy shall be made only under extraordinary circumstances and any such exception shall be explained to the voters in a statement written by the Board of Selectmen in the Annual Town Meeting or Special Town Meeting warrant, if applicable. The Town will not use free cash as a source to balance its annual operating budget.

**SECTION 7: RESERVE AND LIQUIDITY POLICIES**

**7.2.3 Stabilization Funds Policy**

Objective:

To accumulate stabilization funds in order to reduce risk in managing the Town's current and long-term needs as well as strengthen the Town's financial position and enhance its credit rating.

Policy:

~~The~~ Stabilization Funds ~~is~~ are designed to accumulate amounts for capital and other future spending purposes, although ~~it~~ they may be appropriated for any lawful purpose (MGL Ch. 40 §5B). Communities may establish one or more stabilization funds for different purposes and may appropriate into them in any year an amount not to exceed 10% of the prior year's tax levy. Stabilization Funds earn interest on their outstanding balances and this interest becomes part of the funds. The total of all stabilization fund balances shall not exceed 10% percent of the community's equalized value, and any interest shall be added to and become a part of the funds. A two-thirds vote of town meeting is required to establish, amend the purpose of, or appropriate money into or from the Stabilization Funds. The Town has established two stabilization funds; a General Stabilization Fund and a Capital Stabilization Fund. The ~~The~~ Town's General Stabilization Fund Balance goal is ~~between to meet or exceed~~ 7%-12% of annual general fund ~~revenues~~ expenditures, while the Capital Stabilization Fund Balance goal is ~~to meet or exceed a minimum of~~ 3% of annual general fund ~~revenues~~ expenditures. Neither of these Stabilization funds will exceed 12% of general fund expenditures.

Appropriate uses of the Town's General Stabilization Fund include: an appropriation if the State Aid payments are reduced after the budget is voted by Town Meeting, an appropriation if net State Aid receipts are less than the average of the prior two fiscal years, an appropriation if local receipts are projected to be less than the average of the prior three fiscal years, or an appropriation in the event of a catastrophic or emergency event if the financial impact of the event is in excess of an amount which the Finance Committee Reserve Fund can fund.

Appropriate uses of the Town's Capital Stabilization Fund include: funding projects approved in the capital improvement plan or an appropriation in the event of a catastrophic or emergency event if the financial impact of the event is in excess of an amount which the Finance Committee Reserve Fund can cover.

There will not be any additional withdrawals from the Stabilization Fund until the amount withdrawn is replenished. Funding to replenish the Stabilization Fund shall come from Free Cash or from other available revenue. If Free Cash or available revenue is insufficient to replenish the Stabilization Fund in the immediately following fiscal year, the replenishment shall occur as soon as Free Cash or available revenue exists, and no further withdrawal shall occur until the fund has been replenished.

**Town of Nantucket, Massachusetts**  
Financial Policies and Procedures

**SECTION 7: RESERVE AND LIQUIDITY POLICIES**

**7.3.4 Liquidity Policy**

**Objective:**

To ensure that obligations will be able to be met without adversely affecting either the daily operations or the financial condition of the Town. It is the responsibility of the Treasurer to manage the Town's cash and ensure that account balances are sufficient to cover municipal obligations in a timely manner. The objective of the cash flow forecast and liquidity policy is to help anticipate periods of low balances and to better manage any short-term borrowing, if any, needed to fill gaps. The policy will also reveal periods when account balances are positive and the potential to maximize investment income exists.

**Policy:**

The Town will regularly compute a liquidity measurement, which involves assessing the Town's cash inflows against its outflows and the liquidity value of its assets to identify the potential for future net funding shortfalls. Eligible liquid assets are defined as cash, bank bills and CDs issued by a bank and deposits at call, or convertible within 2 days.

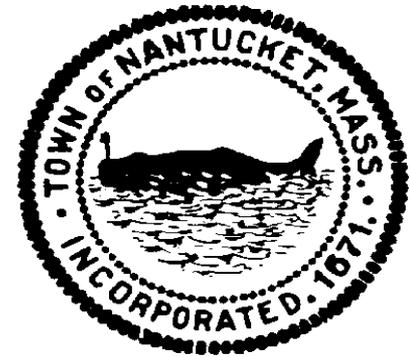
This will require the measurement and forecast of the Town's prospective cash flows for assets, liabilities, off-balance sheet commitments and derivatives over a variety of time horizons, under normal conditions and stressed conditions.

The Town will develop a strategy and implement, as needed, for dealing with temporary and long-term liquidity disruptions as they arise (e.g. revenue anticipation notes, tax anticipation notes, modifying investment holdings, etc.)

A cash flow forecast will be developed after approval of the annual budget and before July 1 each year. At this time, the Treasurer can rely on the revenue projections that fund the budget and on the appropriations that were approved. By adjusting past patterns of monthly spending and collections to current year revenue projections and appropriations, a reasonable forecast of the Town's cash flow needs will emerge.

**Procedures:**

As a starting point, municipal and school payroll warrants together with vendor warrants can provide a very general perspective. Annual revenue amounts will be based on revenue projections which support the annual budget. The monthly forecast will be refined by accounting for anticipated deviations from the prior year, special circumstances, or other expectations in the coming fiscal year. At the end of each month through the course of the fiscal year, the cash flow projections will be replaced by actual monthly expenditures or receipts. If revenues are insufficient to cover costs and short-term borrowing is used to fill the gap, the note proceeds must be added to the forecast as revenue, and later payments of interest and principal will be inserted as expenditures.



# **DISCUSSION OF TAX RATE SHIFT OPTIONS**

*Prepared By: Debbie Dilworth, MAA  
Assessor, Town of Nantucket  
Presented to the Board of Selectmen  
Wednesday, November 16, 2016*

The decision to implement different tax rates or a “shift” is made each year by the selectmen during the Tax Classification Hearing. This shift may not exceed 75%.

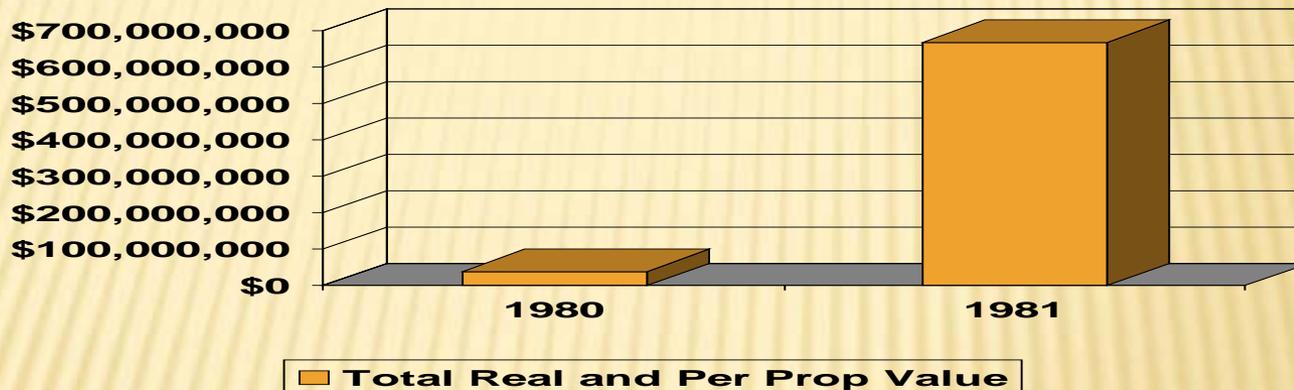
At the Tax Classification Hearing the Selectmen may also vote to adopt a residential exemption (MGL Ch. 59 s. 5c) of up to 20% of the average residential value. The average residential value for Nantucket in FY 2017 is \$1,868,176 which means that every qualifying property would receive a reduction of \$373,635 to its’ taxable value.

A Home Rule Petition was filed last year to increase the residential exemption from the statutory 20% to 30%. MGL Chapter 59 section 5c.

The Municipal Modernization Act which went into effect on November 7 changed the statutory amount of the residential exemption from 20% to 35%. However, communities with special legislation must rescind their votes before they can implement this change.

# NANTUCKET'S FIRST TAX RATE SHIFT

- ✦ Thirty-six years ago Nantucket was one of the earliest communities to have their assessments certified as being 100% of “full and fair value”. Total assessed property values rose from \$39,235,561 in 1980 to \$668,923,450 in 1981.



Although property values increased, overall, tax bills were equalized by the decrease in the tax rate, the adoption of a Residential Exemption and the adoption of a “shift” in the tax rate to commercial and industrial properties.

## 1980 Single Tax Rate

\$128.00

## 1981 Split Tax Rate

Residential:	\$ 8.60
Open Space:	\$ 6.87
Commercial:	\$ 12.94

**Today, Nantucket's values are ranked the 4th highest in the state of Massachusetts following Boston, Cambridge and Newton.**

**Fiscal Year 2017 real and personal property values recently approved by the Department of Revenue are \$21,786,601,496.**

# How the “Shift” works

Class	Value	Levy	Shift	New Levy
		Percentage		Percentage
Residential	20,458,398,174	93.90%		89.34%
Open Space	1,862,400	0.01%		0.01%
<b>Subtotal</b>	<b>20,460,260,574</b>	<b>93.91%</b>		<b>89.35%</b>
Commercial	1,032,434,605	4.74%	1.75	8.29%
Industrial	51,432,021	0.24%	1.75	0.41%
Personal	242,474,296	1.11%	1.75	1.95%
<b>CIP Total</b>	<b>1,326,340,922</b>	<b>6.09%</b>		<b>10.65%</b>
<b>Total</b>	<b>21,786,601,496</b>	<b>100.00%</b>		<b>100.00%</b>

# FY 2017 Tax Scenarios

	Shift (175%)	No Shift	Difference
Res Rate	\$ 3.39	\$ 3.57	\$ .18
CIP. Rate	\$ 5.99	\$ 3.42	\$ 2.57
Average Res Tax bill	\$ 6,333.12	\$ 6,667.39	\$ 334.27
Average Y/R Res.Tax Bill	\$ 2,878.92	\$ 3,031.78	\$ 152.86
Average Com Tax Bill	\$ 10,563.36	\$ 6,031.17	\$ 4,532.19

- Note: Average Residential Tax bill is based on the average residential value of \$1,868,176.
- This scenario uses a 20% residential exemption or \$373,635.
- Average Year Round Tax bill is based on the average value of the 2,209 properties that qualify for the residential exemption or \$1,222,872. Net taxable value after exemption is \$849,237
- Average commercial tax bill is based on an average value of \$1,763,498.

# LEVY COMPARISON

	Levy Percentage	Levy by Class		Tax Rates
		1.75 Shift	No Shift	1.75 Shift
Residential	89.34%	\$66,613,656	\$70,017,848	\$3.39
Open Space	0.01%	\$6,064	\$6,374	\$3.26
Commercial	8.29%	\$6,183,548	\$3,533,456	\$5.99
Industrial	0.41%	\$308,041	\$176,024	\$5.99
Subtotal	98.05%	\$73,111,309	\$73,733,701	
Personal	1.95%	\$1,452,248	\$829,856	\$5.99
TOTAL	100.00%	\$74,563,558	\$74,563,558	

				Projected Bills FY 2017			FY 2016						
				Avg Res	Avg ResEx	Avg Com	Avg Res	Change	Avg ResEx	Change	Avg Com	Change	
				Tax Rates									
				CIP Shift	Res	Com							
0% ResEx													
	0	1.0000	3.42	3.42	\$6,389	\$4,182	\$6,031	\$6,090	\$299	\$2,717	\$1,465	\$10,623	-\$4,592
		1.2500	3.37	4.28	\$6,296	\$4,121	\$7,548	\$6,090	\$205	\$2,717	\$1,404	\$10,623	-\$3,075
		1.5000	3.31	5.13	\$6,184	\$4,048	\$9,047	\$6,090	\$93	\$2,717	\$1,331	\$10,623	-\$1,576
		1.7500	3.26	5.99	\$6,090	\$3,987	\$10,563	\$6,090	\$0	\$2,717	\$1,270	\$10,623	-\$60
20% ResEx													
	\$373,635	1.0000	3.57	3.42	\$6,669	\$3,032	\$6,031	\$6,090	\$579	\$2,717	\$315	\$10,623	-\$4,592
	\$373,635	1.2500	3.51	4.28	\$6,557	\$2,981	\$7,548	\$6,090	\$467	\$2,717	\$264	\$10,623	-\$3,075
	\$373,635	1.5000	3.45	5.13	\$6,445	\$2,930	\$9,047	\$6,090	\$355	\$2,717	\$213	\$10,623	-\$1,576
	\$373,635	1.7500	3.39	5.99	\$6,333	\$2,879	\$10,563	\$6,090	\$243	\$2,717	\$162	\$10,623	-\$60
25% ResEx													
	\$467,044	1.0000	3.60	3.42	\$6,725	\$2,721	\$6,031	\$6,090	\$635	\$2,717	\$4	\$10,623	-\$4,592
	\$467,044	1.2500	3.55	4.28	\$6,632	\$2,683	\$7,548	\$6,090	\$542	\$2,717	-\$34	\$10,623	-\$3,075
	\$467,044	1.5000	3.49	5.13	\$6,520	\$2,638	\$9,047	\$6,090	\$430	\$2,717	-\$79	\$10,623	-\$1,576
	\$467,044	1.7500	3.43	5.99	\$6,408	\$2,592	\$10,563	\$6,090	\$317	\$2,717	-\$125	\$10,623	-\$60
30% ResEx													
	\$560,453	1.0000	3.64	3.42	\$6,800	\$2,411	\$6,031	\$6,090	\$710	\$2,717	-\$306	\$10,623	-\$4,592
	\$560,453	1.2500	3.58	4.28	\$6,688	\$2,371	\$7,548	\$6,090	\$598	\$2,717	-\$346	\$10,623	-\$3,075
	\$560,453	1.5000	3.52	5.13	\$6,576	\$2,332	\$9,047	\$6,090	\$486	\$2,717	-\$385	\$10,623	-\$1,576
	\$560,453	1.7500	3.47	5.99	\$6,483	\$2,299	\$10,563	\$6,090	\$392	\$2,717	-\$418	\$10,623	-\$60
35% ResEx													
	\$653,862	1.0000	3.68	3.42	\$6,875	\$2,094	\$6,031	\$6,090	\$784	\$2,717	-\$623	\$10,623	-\$4,592
	\$653,862	1.2500	3.62	4.28	\$6,763	\$2,060	\$7,548	\$6,090	\$672	\$2,717	-\$657	\$10,623	-\$3,075
	\$653,862	1.5000	3.56	5.13	\$6,651	\$2,026	\$9,047	\$6,090	\$560	\$2,717	-\$691	\$10,623	-\$1,576
	\$653,862	1.7500	3.50	5.99	\$6,539	\$1,992	\$10,563	\$6,090	\$448	\$2,717	-\$725	\$10,623	-\$60

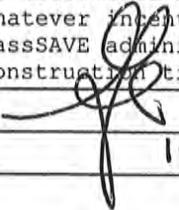
\*Yellow cells indicate projections with same shift (1.75) and residential exemption adopted for FY 16 (20%)

Note: Only the Residential Class is affected by the changes to the residential exemption

**DISCLOSURE BY NON-ELECTED MUNICIPAL EMPLOYEE OF FINANCIAL INTEREST  
AND DETERMINATION BY APPOINTING AUTHORITY  
AS REQUIRED BY G. L. c. 268A, § 19**

	<b>MUNICIPAL EMPLOYEE INFORMATION</b>
Name:	Stephen J. Welch
Title or Position:	Planning Board (Alternate)
Municipal Agency:	Town of Nantucket Planning Board
Agency Address:	2 Fairgrounds Road Nantucket, MA 02554
Office Phone:	508-325-7587
Office E-mail:	
	My duties require me to participate in a particular matter, and I may not participate because of a financial interest that I am disclosing here. I request a determination from my appointing authority about how I should proceed.
	<b>PARTICULAR MATTER</b>
Particular matter  E.g., a judicial or other proceeding, application, submission, request for a ruling or other determination, contract, claim, controversy, charge, accusation, arrest, decision, determination, or finding.	Please describe the particular matter.  Planning Board hearings pertaining to Richmond Great Point Property, LLC roads and sub-divisions.  I feel I can contribute fairly and impartially on behalf the Town; I am asking my appointing authority (Board of Selectmen) for approval to participate.
Your required participation in the particular matter:  E.g., approval, disapproval, decision, recommendation, rendering advice, investigation, other.	Please describe the task you are required to perform with respect to the particular matter.  If activated, my participation would include review, discussion, advice, and voting on decisions and to approve or disapprove or make conditions upon, applicant plans and materials. If activated, I would be 1 of 5 votes.
	<b>FINANCIAL INTEREST IN THE PARTICULAR MATTER</b>
Write an X by all that apply.	<input checked="" type="checkbox"/> I have a financial interest in the matter. * <input type="checkbox"/> My immediate family member has a financial interest in the matter. <input type="checkbox"/> My business partner has a financial interest in the matter. <input checked="" type="checkbox"/> I am an officer, director, trustee, partner or employee of a business organization, and the business organization has a financial interest in the matter. * <input checked="" type="checkbox"/> I am negotiating with, have made, or intend to make, an arrangement concerning future employment with a person or organization, and the person or organization has a financial interest in the matter. *

\* = If sub-division units are approved and my employer or I negotiate with and then get hired for HERS Rater services by the developer or its designee.

Financial interest in the matter	Please explain the financial interest and include a dollar amount if you know it. My employer or I may be hired by developer or its designee as a HERS Rater, which work is provided under partnership with MassSAVE through MassSAVE's designated program administrator. Compensation is determined by market-pricing, typically after factoring in whatever incentives MassSAVE offers participants in the program; MassSAVE administrator has not finalized incentives applicable to construction timeline for Richmond Great Point Property, LLC.
Employee signature:	
Date:	11/03/10

**DETERMINATION BY APPOINTING OFFICIAL**

APPOINTING AUTHORITY INFORMATION	
Name of Appointing Authority:	Board of Selectmen
Title or Position:	
Agency/Department:	Town of Nantucket
Agency Address:	16 Broad St Nantucket MA 02554
Office Phone:	508 228 7255
Office E-mail	embooney@nantucket-ma.gov
DETERMINATION	
Determination by appointing authority:	As appointing official, as required by G.L. c. 268A, § 19, I have reviewed the particular matter and the financial interest identified above by a municipal employee. I have determined that the financial interest is not so substantial as to be deemed likely to affect the integrity of the services which the municipality may expect from the employee.
Appointing Authority signature:	
Date:	
Comment:	

Attach additional pages if necessary.

The appointing authority shall keep this Disclosure and Determination as a public record.