



Town of Nantucket Finance Committee

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Committee Members: (Chair), Clifford Williams (Vice-chair), Matthew T. Mulcahy, John Tiffany, David Worth, Stephen Maury, Joseph T. Grause Jr., Peter McEachern, Henry Sanford

MINUTES

Thursday, July 14, 2016

4 Fairgrounds Road, Community Room – 4:00 p.m.

Called to order at 4:02 p.m.

Staff in attendance: Brian Turbitt, Director of Finance; Lynell Vollans, Assistant Director of Finance; Terry Norton, Town Minutes Taker

Attending Members: Williams, Tiffany, Worth, Maury, Grause, McEachern, Sanford

Absent Members: Mulcahy

Late Arrivals: McEachern, 4:13 p.m.

Early Departures: None

Documents used: Draft copy of June 21, 2016 minutes; 2016 Year-End Budget Transfer spreadsheet

I. PUBLIC COMMENTS – Any member of the public may address committee at this time

1. None

II. APPROVAL OF PRIOR MEETING MINUTES

1. June 21, 2016: **Motion to Approve.** (made by: Maury) (seconded by: Tiffany) Carried unanimously

III. ELECTION OF COMMITTEE OFFICERS

1. Chairman: **David Worth nominated.** (made by: Maury) (seconded by: Tiffany) Carried unanimously
2. Vice Chairman: **Stephen Maury nominated.** (made by: Tiffany) (seconded by: Worth) Carried unanimously
3. Capital Program Committee Representative: **Peter McEachern nominated.** (made by: Worth) (seconded by: Tiffany) Carried unanimously
4. Contract Review Committee Representative: **Stephen Maury nominated.** (made by: Worth) (seconded by: Tiffany) Carried unanimously

IV. REVIEW OF RESERVE FUND TRANSFER REQUESTS

Sitting Williams, Tiffany, Worth, Maury, Grause, McEachern, Sanford

Discussion **Turbitt** – Explained why these were not included in the last round of transfer requests and reviewed the reasons for each request. The selectmen have voted to approve these.

Grause – Asked what happens to the surplus in the group insurance account if it isn't used.

Turbitt – Explained the reason for the additional money. Stated that they maintain a minimum fund balance of 20% of the prior year claims in the Health Insurance Trust. What isn't transferred into that account automatically goes to free cash. Explained that the amount of 20% is based upon both experience and recommendations from the health insurance consultant. The previously approved set transfer came from the 30B Transfer. These are directly from the Reserve Fund. They were asking for \$153,000 for additional from the Reserve Fund for outstanding Workman's Compensation claims and subsequent additional overtime work to cover the shifts.

Worth – Asked if it is the policy to do a reserve for Workman's Compensation and if it would be prudent to build into the Our Island Home budget.

Turbitt – There is a Workman’s Compensation Trust Fund and OIH has that number built into their budget.

Tiffany – Asked what a worst-case-scenario would cost.

Turbitt – He would have to look at the individual case to determine the severity of the case, how long the claimants have been out, and how long before they are recovered.

Maury – Noted that there was a claim from last year; asked if that has been concluded.

Turbitt – He would have to get back to the committee on whether or not that is still outstanding.

Worth – Asked if the Town has a standing program to put people on Workman’s Compensation to work under light duty.

Turbitt – He believes the contracts do allow that and that is done where appropriate.

McEachern – Asked about the experience modifier.

Turbitt – That’s stable. The majority of claims are within one or two jobs.

Tiffany – Asked if light duty is restricted to a department or anywhere in the Town.

Turbitt – He would have to review the contracts but he does not believe personnel can be shuffled around the Town.

Action **Motion to Accept.** (made by: Grause) (seconded by: Worth)

Vote Carried unanimously

VI. REVIEW OF FY2016 YEAR-END BUDGET TRANSFERS

Sitting Williams, Tiffany, Worth, Maury, Grause, McEachern, Sanford

Discussion **Turbitt** – Explained the need for the budget transfer.

Action **Motion to Approve.** (made by: Grause) (seconded by: Tiffany)

Vote Carried unanimously

COMMISSIONER COMMENTS

1. Worth – Welcomed Henry Sanford to the committee. Explained Craig Spery will be leaving in the fall.
2. Turbitt – Update on the status of the drafts of the policies and procedures. Explained why the Debt Policy is the most difficult. Noted that the State has provided a grant to hire someone to work on these drafts.
3. Worth – Reminded commissioners not to “respond all” on emails but to respond individually to Mr. Turbitt.
4. Discussion about the timeline for the Special Town Meeting (STM) scheduled for October 17.
5. Discussion about the up-coming request for \$1 million more for the new fire department.
6. Turbitt – Provided an update on work establishing debt indicators to get ahead in event of an economic downturn. 17% of Town income comes from non-property tax revenue.

VII. NEXT MEETING DATE/ADJOURNMENT

Date: August 4, 2016

Topic: TBD

Date: Thursday, August 18, 2016

Topic: Review of warrant articles for Special Town Meeting.

Adjourned 4:55 p.m.

Submitted by:

Terry L. Norton