Town of Nantucket
Finance Committee
www.nantucket-ma.gov

Committee Members: Denice Kronau (Chair), Stephen Maury(Vice-chair), Joseph T. Grause Jr., Peter McEachern, Joanna Roche, Peter Schaeffer, Chris Glowacki, Jill Vieth, George Harrington

MINUTES
Thursday, June 4, 2020

This meeting was held via remote participation using ZOOM and YouTube,
Pursuant to Governor Baker’s March 12, 2020 Order Regarding Open Meeting Law

FinCom called to order at 12:02 p.m. by Ms. Kronau

Staff in attendance: Brian Turbitt, Director of Finance; Alexandria Penta, Financial Analyst
Attending Members: Kronau, Maury, Schaeffer, Glowacki, Harrington
Absent Members: Grause, McEachern, Roche, Vieth
Documents used: Revised Town Warrant Articles 8, 15, 16 & 17 for 2020 Annual Town Meeting (ATM)

I. ANNOUNCEMENTS AND APPROVAL OF AGENDA
Action Motion to Approve the Agenda. (made by: Harrington) (seconded)
Vote Carried unanimously // Schaeffer, Maury, Glowacki, Harrington, and Kronau - aye

II. PUBLIC COMMENT
1. None

III. DISCUSSION/APPROVAL OF MINUTES
1. None

IV. DELIBERATION AND RULING ON AMENDED ARTICLES
1. Article 8 (Appropriation: FY2021 General Fund Operating Budget)
Discussion
Turbitt – The general fund budget cuts for Article 8 include $565,000 for about 11 unfilled positions deemed non-essential to current operations, which have been defunded for FY2021. $162,000 increase under Position Expense was also defunded for FY2021. Reductions total under $2.1m. Asking to approve the revised the General Budget at $9,599,000.
Glowacki – Asked if the $6m in free cash isn’t used, will it show up in next year’s budget.
Turbitt – Yes.
Kronau – We will need significant corrective action next year.
Turbitt – We are now funding more than 50% of Our Island Home (OIH) operations; we will have a gap next year, unless things rebound, and they can provide $3.5m revenue. That question will have to be addressed probably in FY2022.

Motion Motion to Accept the motion as ready by Mr. Turbitt. (made by: Harrington) (seconded)
Roll-call Vote Carried unanimously // Schaeffer, Glowacki, Harrington, Maury, and Kronau - aye
2. Article 15 (Appropriation: Fiscal Year 2021 Enterprise Funds Operations)

Discussion

Turbitt – This was originally supposed to address OIH, but the Airport faces a deficit. The Airport budget was cut down to $5,930,300. The gap between this and the original budget will be funded by KERZAC money, a federal grant. Looked to make revenue increase, but given the fluctuation in census, he was reluctant to do that and left it at $3.7m. No change in sewer budget, except reduced user fees and increased retained earnings. Siasconset Water Company anticipated a decline in revenue so reduced that to $730,046. No changes to Solid Waste. Wannacomet Water Company, had minor changes related to personnel budget; their budget came down $265,000 from the original budget; they have reduced their anticipated revenue in response to $4.6m. The all-told budget equals $41,912,132.

Harrington – Asked if Nantucket isn’t the only municipality handling things this way.

Turbitt – He gets the sense this is happening to everyone. He’s worked to build a reserve for just such an event.

Kronau – Her concern is the follow up with OIH to resolve issues due to the level of fiscal support they require.

Turbitt – The first step was the override question on the ballot; we were at $3.1m within the levy limit because their Retained Earnings were going down. This is a short-term solution, a fact everyone is aware of.

Kronau – Wants a comment explaining why the OIH override was removed but we support it.

Maury – He thinks it'll be good to have it on record and published.

Harrington – He supports that addendum to the motion.

Glowacki – He’s okay either way.

Schaeffer – Agrees we should have it. The warning should be there, and that the reaction should be sooner rather than later.

Kronau – She will work with Joe Grause to create the comment.

Motion

Motion to Adopt the revised appropriation of $41,912,132 with a subsequent comment to come addressing OIH shortfall for FY2022. (made by: Harrington) (seconded)

Roll-call Vote Carried unanimously//Schaeffer, Glowacki, Harrington, Maury, Kronau-aye

3. Article 16 (Appropriation: Enterprise Funds Capital Expenditures)

4. Article 17 (Enterprise Funds: Fiscal Year 2020 Budget Transfers)

Discussion

Turbitt – He is working with department heads to ensure we have all transfer requests. We will be transferring $435,000 from free cash into the COVID Fund along with applying for additional KERZAC money. We will try to catch them all before the June 23rd meeting.

V. NEXT MEETING DATE/ADJOURNMENT

Date: Tuesday, June 23, 2020.

VI. COMMITTEE REPORTS & OTHER BUSINESS

1. None

Motion to Adjourn FinCom at 12:34 p.m. (made by: Maury) (seconded)

Roll-call Vote Carried unanimously//Schaeffer, Glowacki, Harrington, Maury, Kronau-aye

Submitted by:

Terry L. Norton