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Facing the budget shorts, Aquinnah confronts overrides

By Nelson Sigelman - May 4, 2006

In an open letter addressed to the voters and taxpayers of Aquinnah one week before their annual town meeting, the town selectmen implored voters in the Island's westernmost town to approve a slate of Proposition 2.5 override requests.

Faced with a 21 percent increase in the town's school assessment, from \$839,808 to \$1,013,857, and without a surplus of free cash, voters will be asked to raise taxes to help pay the town's bills in the coming fiscal year.

Town officials insist that if the overrides fail, the town would be forced to make dramatic cuts in town departments or take money from the stabilization fund in order to pay its regional assessments.

Voters gather next Tuesday at 7 pm in Aquinnah town hall to take up a 30-article annual town meeting warrant that includes a 2007 fiscal year (FY) operating budget of \$2,517,883 and a total of \$206,752 in overrides. The annual meeting will be preceded by a special town meeting called to approve a series of budget transfers.

Voters go to the polls on Wednesday between noon and 6 pm to vote in an election with no contests and 17 ballot questions.

[\[A copy of the annual town meeting warrant and the selectmen's letter is available here.\]](#)

Selectmen have reason to be concerned in a town where financial brinkmanship has been a staple of annual town meetings and voters have traditionally rejected Prop. 2.5 requests.

Voters have had reason to grow complacent. For years, last minute announcements about the amount of so-called free cash available to be spent blunted calls to raise taxes to meet growing town costs.

Last year was no exception. Only days before the annual 2005 town meeting, the town learned that it had \$297,851 in free cash that could be used to make up a 2006 operating budget shortfall and remove the need for several Proposition 2.5 spending requests.

For years, several town officials predicted there would be a day of financial reckoning, but no one did it as regularly as Karl Burgess, at times a member of the finance committee and a selectman.

At a selectmen's meeting in November 1997, Aquinnah, then still known as Gay Head, was released from a fiscal crisis caused by a 74 percent increase in its school assessment when it received \$119,000 from a state account used to assist municipalities coping with unanticipated increases in school expenses and other unanticipated revenues.

Mr. Burgess, a member of the finance committee, told the selectmen that the school bill would not go down, but up.

"We can get very happy and spend all this money," said Mr. Burgess emphatically, "but we better be damn careful, or we are going to face the same issues again."

Selectmen and town officials have worked hard to put the town's financial house in order. As a result, the town knew by February how much free cash would be available so there will be no surprises next week.

That also means voters will not be able to count on a last-minute reprieve in the form of an infusion of free cash. According to the selectmen, the town has only \$35,000 available in free cash.

Selectmen propose to use \$25,000 of that amount to fund the 2007 budget and reserve the remaining \$10,000 for unforeseen operating expenses in the current fiscal year, which ends on June 30.

Voters will be asked to approve overrides to fund the town's assessment from the Martha's Vineyard Commission (\$27,394), the Martha's Vineyard shellfish group (\$27,000), the Dukes County Regional Housing Authority (\$6,055), the regional refuse district (\$23,102), and the Up-Island Council on Aging (\$27,550).

Approval is critical

Jim Newman, chairman of the Aquinnah board of selectmen, told The Times that the crux of the issue is that in the past the town has been unwilling to raise taxes to pay for services that have been constantly rising in cost and now the town needs to raise taxes.

Mr. Newman said many of the Prop. 2.5 requests are critical and would ultimately save the town money. As an example, he said the Tri-town ambulance agreement that has already been approved by West Tisbury and Chilmark voters could provide approximately \$50,000 in insurance reimbursements.

Mr. Newman said there is no question that education is driving the budget. He said the town must find a way to help offset the costs associated with children from the Wampanoag Tribe.

Other than a small payment in lieu of taxes, the tribe, which is tax-exempt, contributes no money to the town to offset the costs of education that are now borne by all property taxpayers.

Mr. Newman said that the town would like to seek more state and federal funds to help with those costs, but the current organization of the school district makes that difficult. He said it might have reached the point where it is necessary to sit down with the tribe and talk about educational costs.

Aquinnah selectman Camille Rose told The Times this week that there is nothing extraordinary on the annual warrant, and that the fiscal year 2007 operating budget has been pared to the bone. She said the rising town costs, particularly in the form of increased regional assessments, combined with an unwillingness of voters to approve prop. 2.5 overrides led to the current predicament.

"It is just that for many years we haven't voted two and a half overrides," Ms. Rose said, "and of a sudden our out-of-town assessments went sky high and we had nothing to cover them."

In selecting town costs to place in front of voters, Ms. Rose said, selectmen tried to choose those expenses that are least essential to the day-to-day operation of the town should they be rejected at the ballot box. "In other words, the town is not going to have to close," she said.

While she considers the regional assessments to be contractual obligations, Ms. Rose said that they are not essential to functions. "I am hoping that people see the logic of this and the necessity for it," she said. "I am also hoping that people see that over the last year we have been working hard to be fiscally responsible."

Ms. Rose added that selectmen are moving to implement many of the changes contained in a report by the state Division of revenue services aimed at increasing accountability and efficiency in town affairs and saving money through cost sharing.

Following through

The state report titled, "Town of Aquinnah Financial Management Review," was written by the

Department of Revenue's Division of Local Services (DLS) and presented to selectmen in March. It included 22 specific recommendations that went to the heart of town operations.

They included measures designed to: increase the supervisory authority of the current town administrator; put mechanisms in place to ensure financial accountability in all departments; comply with past agreements and policies; increase payments in lieu of taxes from the Wampanoag Tribe to pay for a share of education costs; and improve communication with the tribe.

The review included a recommendation that Aquinnah convert the town's elected board of assessors to an appointed board responsible to the selectmen.

According to the report, the office of the Aquinnah assessors does not maintain accurate up-to-date records, and the assessors, two of whom are often absent from town in the off-season, "continue to do the absolute minimum in order to generate a tax commitment year after year." Question One on the ballot asks voters to have the selectmen act as assessors.

The report noted that town hall staff is used to autonomy and "that most department heads run their offices with the knowledge that no one is demanding accountability or monitoring performance on a daily basis."

The report recommended that selectmen propose a bylaw that creates the position of a town coordinator and gives that person supervisory authority over town employees. If approved, article 29 on the warrant would create the position of town coordinator, and allow the selectmen to give town administrator Jeff Burgoyne more formal administrative authority.

The report also noted that 30 out of the 50 Aquinnah children currently enrolled in Martha's Vineyard public schools live on land that is tax-exempt. The report recommended a committee be created to facilitate communication between the town and the tribe and explore outside revenue sources to offset the cost of educating tribal children.



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