

DUKES COUNTY CHARTER STUDY COMMISSION

PHASE II GROUP REPORTS

TABLE OF CONTENTS

EXECUTIVE SUMMARIES

The Implications of Abolishing County Government with No Replacement	2
The Finances the County and Potential Sources of Revenue	4
The Statutory, Legal, and Political Issues Associated with Charter Change	6

APPENDICES

Appendix A: The Major Options for County Government	7
Appendix B: Current County Functions and Activities	8
Appendix C: Financial Summary of County Government	10
Appendix D: Chart - Estimated Value of County Assets	11
Appendix E: Chart - Total County Operating Expenses – FY2007	12

DUKES COUNTY CHARTER STUDY COMMISSION

PHASE II GROUP REPORTS

THE IMPLICATIONS OF ABOLISHING COUNTY GOVERNMENT WITH NO REPLACEMENT

Executive Summary

Abolishing county government with no replacement would have far-ranging effects, some of which would be immediate and readily apparent, others more subtle and long-term. These consequences are substantial and extend well beyond impacts on the activities under the direct purview of the County Commissioners and a County Manager:

- If the County were abolished, under State law the ownership of valuable County real estate, improvements and equipment currently assessed at more than \$15,000,000 (excluding the Airport) would be transferred to the State with no compensation. The State could then elect to transfer or sell the properties, such as the County-owned beaches, or alternatively transfer their management to the Towns where they are located or to some other Island entity. There is no guarantee, however, that such an agreement could be reached. Finally, the Charter Commission could propose legislation to the State providing for the ownership of County properties to remain on the Island. Again, given the varied experiences of other abolished counties and the difficulty predicting the policies of the State administration, it is impossible to determine the outcome of such proposals.
- While not a saleable asset, the loss of local ownership and control of the Airport, the County's single largest asset (assessed at \$63,676,160), cannot be ruled out.
- The County Manager's and County Treasurer's Offices would cease to exist. Setting aside the value of the services they perform, the residents of the County would face the additional loss of at least \$375,000 in revenue, which would go to the Commonwealth. There can be no assurance that this revenue the Commonwealth would receive would be used to offset the operating expenses of the remaining functions of the County, such as the Sheriff's Office.
- The Towns may be expected to pay for certain functions of the Sheriff's Office, especially discretionary functions. The FY07 operating budget for the Communications Center was \$660,000. That amount represents more than 85% of the total assessment of \$770,000 paid by the Towns in FY07 for ALL of the operations of the County.

While the transfer to the Towns of operational responsibility for regional services such as the Communications Center is unlikely, the Towns could be assessed the cost of operating discretionary regional services, in addition to any proportional assessment for the other functions of the Sheriff's Office. To put this in perspective, the Towns currently contribute less than \$200,000, or only 5% of the Sheriff's total budget. Additional assessments to cover discretionary regional services provided by the Sheriff's Office could expand well beyond \$200,000.

- There would be loss of a number of regional services, many invisible to the average County resident, such as engineering, health care access, public health, rodent control, the Veterans'

DUKES COUNTY CHARTER STUDY COMMISSION

PHASE II GROUP REPORTS

Agent and the MV Parking Clerk, among others. The cost to the Towns¹ of replacing these regional services is likely to increase. In the case of several services, like the Health Care Access Program, the loss of office space and secure County funding would threaten their existence.

- If the State did not take over all county retiree obligations upon abolishment of the County, the Towns' assessments for the County Retirement System could increase.
- In summary, despite the widely-held perception that Town assessments would decrease if County government were abolished, the increased cost of non-regionalized services, the funding of a larger share of the cost of the Sheriffs Office , and additional funding of the County Retirement System, when taken together, are likely to exceed the Towns' current assessments. This has been the experience of other abolished counties.
- The new Correctional Facility, currently planned for the grounds of the Airport, would not be reviewed by either the County Commission or by the Martha's Vineyard Commission since State facilities are exempt. This would, thus, remove a significant obstacle to the State's ability to build a facility based on the State's needs, which could be quite different than our own.
- The residents of the County would also lose a bonding capability (rated A++) to fund regional initiatives and a safety net for Towns that reach their bonding limits.
- Other consequences of abolishing the County are less tangible, but by no means less real. They are likely to involve the transfer of control over the operations (and perhaps the assets) of the County to authorities on the mainland, in most instances at the State level. As a result, accountability for services would be dispersed throughout departments and semi-autonomous agencies in the Commonwealth, and there would cease to be a single, local government authority for the Towns and residents of the County to hold accountable.
- Finally, there would be subtle, yet important, changes over time that could diminish the ability of the County's residents to control their own future. The Island would lose a formally-chartered organization to speak with a single, coordinated voice in dealing with Federal and State agencies as well as an important vehicle for providing regional services.

While the County includes the Elizabeth Islands, as a practical matter, it is the residents of Martha's Vineyard who would experience virtually all of these impacts. In effect, abolishing County government with no replacement could fundamentally change the exercise of "home rule", and eliminate the only local authority chartered to provide Island-wide leadership and regional services for the residents of Martha's Vineyard.

¹ Unless stated otherwise, the word "Towns" in this report refers to all 7 County Towns, including Gosnold.

DUKES COUNTY CHARTER STUDY COMMISSION

PHASE II GROUP REPORTS

THE FINANCES THE COUNTY AND POTENTIAL SOURCES OF REVENUE

Executive Summary

- 1 Based on information provided by the County Treasurer, the current total net assets according to the most current report conducted by Powers and Sullivan on the basic finances of Dukes County put the total net assets at cost at \$27,575,963, including the airport. The total assessed value of these assets is \$78,706,888.
- 2 Based on the Powers and Sullivan report, the total airport assets are \$21,961,546 at cost. The total assessed value of the airport property, including land, land improvements and equipment is \$63,676,160.
- 3 The County's share of the retirement system's unfunded liability as of 1/1/07 is \$3.7 million. This system will be fully funded by 2028. The airport has an additional liability of \$600,000.
- 4 Existing revenue sources are listed on the FY 2008 budget summary provided in Group 2's report. Town assessments make up 42.93% of the County's funding, not including the Sheriff or Airport. FY 07 Town assessments were \$769,531, as follows:

Aquinnah	\$28,040
Chilmark	\$147,764
Edgartown	\$252,801
Gosnold	\$8,901
Oak Bluffs	\$117,499
Tisbury	\$106,372
West Tisbury	\$108,152
- 5 Alarm fees that are paid to the County for alarms that come into the communications center are \$125,000. Additional fees could be obtained for business or entities using County Communications Center but not paying for such use.
- 6 There is a current memorandum of agreement between the Trustees of Reservations and the County of Dukes County which may be under-realized in income potential.
- 7 The rodent control officer, engineering services, Cape and Island license plates, Sheriff department alarm fees, parking fees (tickets) all have existing "good" bases to extend the projected revenue streams further.
- 8 Property leases should be explored for County owned property, for example cell tower leases on current County property. One member of the Charter Study Commission believes the County should charge the airport 2.5% of the assessed land value based on a land valuation of \$30 million dollars, i.e. \$750,000 in lease payments. This proposal has been strongly

DUKES COUNTY CHARTER STUDY COMMISSION

PHASE II GROUP REPORTS

contested by other members of the Charter Study Commission. In the absence of legal evidence to support this contention, it is currently viewed as a minority position.

- 9 Creating an inter-municipal agreement between several towns for the purpose of caring and housing of animals in the form of a Regional Animal Control facility. Similar agreements might also cover: parking for a fee along County controlled beaches, regional efforts of the Boards of Health, joint purchasing, license fees for State Beach vendors and the deeds excise tax.
- 10 A County Room Tax or Hotel/Vacation Rental fee. This percentage would be added to the current state and local room tax which currently totals 9.7%. Additionally, a rental tax on rental homes could provide additional revenue.

DUKES COUNTY CHARTER STUDY COMMISSION
PHASE II GROUP REPORTS
THE STATUTORY, LEGAL, AND POLITICAL ISSUES
ASSOCIATED WITH CHARTER CHANGE

Executive Summary

MGL Chapter 34A describes the structure and responsibilities of a charter study commission in some detail. Our Commission exists either until it recommends that no changes be made in our charter, or until one month after the election at which its recommendations are considered by the voters. For this Commission the likely end of term is December 2008, but could be December 2010.

The Commission may recommend no changes (no voter approval required), adoption of one of three statutorily pre-approved forms of county governance, a custom charter, or abolishment of county government with or without a replacement. Rejection of the recommendations by the voters continues the current County Manager form of county government. Abolishment of county government can occur only upon recommendation of a charter commission with the consent of the Legislature and voters, or it can be initiated and implemented by the Legislature.

Changes in the charter, or abolishment, would go into effect, at the earliest, on January 1, 2011. Implementation dates are set by the Commission, but subject to state election law. General elections occur in even-numbered years.

The Commission may also submit to the County Commissioners whatever recommendations it deems appropriate for the efficient administration of the County, and such recommendations are not subject to the election schedule.

The three statutorily pre-approved forms are: an elected County Executive, which no county has adopted; an appointed County Manager of which Dukes County is the sole adopter; a rotating Board Chairperson, which several counties utilize without charters. A custom charter requires pre-approval by the Legislature before the voters decide. Both Nantucket and Barnstable have custom charters.

Legislative involvement for either a custom charter or abolishment requires the active support of our Representative and Senator. Both have signaled their willingness to cooperate, with certain conditions. The sub-committee recommends against any action involving the Legislature for several reasons, one of which is concern over timing and the possible delay involved.

Political concerns are many: many Island residents are discouraged, and perhaps disillusioned by the role of County government in recent events, especially with regard to the airport; intermunicipal cooperation has not flourished as some hoped it would when the current charter was adopted; and the dynamic on the County Commission has become an issue. However, the sub-committee has identified reasons for retaining county government. Not least among them is the irrevocability of abolishment.

DUKES COUNTY CHARTER STUDY COMMISSION

PHASE II GROUP REPORTS

APPENDIX A

The Major Options for County Government

Option 1 - Recommend making no changes to County Government

Option 2 - Recommend abolishing County Government with no replacement

- *Involves a significant loss of assets and revenue, with little or no savings at Town level.*
- *Abolishes County government irrevocably.*
- *Requires a special act of the State legislature.*

Option 3 - Recommend abolishing County Government and replacing it with an alternative form (or forms) of regional government, like Hampshire & Franklin Counties' Councils of Government.

- *Involves a significant loss of assets and revenue, with little or no savings at the Town level. Representatives of the two counties do not recommend I, nor do Representative Turkington or Senator O'Leary.*
- *Requires a special act of the State legislature.*

Option 4 - Recommend creating a custom form of County Government, as in Barnstable.

- *Requires defining 1) form of government; 2) type of leadership; 3) type of administration; 4) terms of office; 5) geographic election districts; 6) sources of funding, etc.*
- *Requires a special act of the State legislature.*

Option 5 - Recommend changing to County Executive form of County Government, in which the Executive is elected by the voters, for term of four years; s/he appoints a county administrator responsible solely to county executive, a second salaried position

- *Could 1) re-define number and terms of county commissioners; 2) whether concurrent or non-concurrent terms; 3) whether elected at large or by districts, and if so, what districts.*
- *Does not require a special act of the State legislature, unless changes other than the three issues defined above are needed.*

Option 6 - Recommend changing to Board Chairperson form of County Government, in which all commissioners are elected by the voters, and they vote one among themselves (Board Chair) to be the county executive, for a term of one year.

- *Does not require a special act of the State legislature, unless changes other than the three issues defined under #5 above are needed.*

Option 7 - Recommend keeping County Manager form of County Government with improvements

- *Does not require a special act of the State legislature, unless changes other than the three issues defined under #5 above are needed.*

DUKES COUNTY CHARTER STUDY COMMISSION

PHASE II GROUP REPORTS

APPENDIX B

Current County Functions and Activities

<p><u>County Commissioners & County Manager</u></p>	<p>The seven-member Commission serves as the legislative body of County government. Commissioners are chosen for four-year terms in county-wide elections. The County Manager is County government's chief executive officer and is appointed by the County Commissioners. He/she is expected to work with the Commission on initiatives with regional impact and manage the County's daily operations. This excludes the Airport, the Office of the Sheriff and the Registry of Deeds, except on matters involving personnel.</p> <p>One of the most important functions of the County Commissioners is to make appointments to the Steamship Authority, Housing Authority, Airport Commission, Health Council and Associate County Commissioner positions.</p>
<p>Engineering Services</p>	<p>This department provides the seven towns and the various departments of County government with the services of a civil engineering firm. These services are provided at a discounted rate and include project design; production of plans, specifications and estimates; permitting as well as development of formal bid documents, advertising, bid openings, recommending contract awards, and writing legal contracts. Many projects also require construction supervision and contract administration.</p>
<p>Emergency Management</p>	<p>This function was created to provide a coordinated approach to the planning of emergency responses involving more than one Town. It is designed to provide a single interface with state and federal agencies during such an emergency. These tasks are performed exclusively by volunteers, including the County-appointed Emergency Management Director.</p>
<p>Health and Environment</p>	<p>Created in 2004, this department focuses on public and environmental health issues.</p>
<p>Health Care Access Program</p>	<p>This program helps residents obtain affordable health care. It enrolls low income residents in MassHealth, Commonwealth Care, Free Care and related programs. In addition, it provides disability application assistance, help for low-income seniors with prescription medication needs and bilingual health assistance for non-English speakers. It also serves as the local liaison to the Department of Transitional Assistance for food stamps and emergency assistance.</p>
<p>Health Council</p>	<p>Founded in 1996, the Dukes County Health Council is a coalition of 36 appointed members including consumers, public officials, and health care agencies and practitioners, all of whom serve as volunteers. The full council meets monthly to identify ways to improve health care on the Island.</p>
<p>Prescription Discount Program</p>	<p>In association with the National Association of Counties, the County offers a potential 20% discount in the cost of prescription medications, primarily to those individuals with no prescription reimbursement insurance.</p>
<p>Natural Resources</p>	<p>This department maintains five miles of free public beach, striving to balance the interests of recreation, ecology and maintenance. The department issues the over-sand permits that allow owners of four-wheel-drive vehicles to explore Norton Point Beach, under an agreement with The Trustees of Reservations (TTOR).</p>
<p>Rodent Control</p>	<p>The Rodent Control Officer provides a range of pest-management services for both the public and private sector at either no cost other than that of materials in the case of public buildings or at less than commercial rates for individuals. As a result, the fees billed to towns and individuals are less than the cost of the program.</p>

DUKES COUNTY CHARTER STUDY COMMISSION

PHASE II GROUP REPORTS

Veteran's Agent	This office serves the veterans of all seven towns within the County. The agent helps veterans obtain all the benefits to which they are entitled. The Veteran's Agent maintains records of living as well as deceased veterans and develops programs to honor not only veterans but also active servicemen and women.
<u>Airport</u>	Martha's Vineyard Airport, situated at the geographical center of the Island, is one of the 10 busiest airports in New England. It welcomes more than 300,000 passengers a year at its new terminal. The one-mile-square airport also embraces a business park that is home to more than 75 companies. The County Administration Building is situated at Martha's Vineyard Airport.
<u>Sheriff's Office</u>	The County Sheriff oversees the largest department of County government. The Sheriff is an elected official and serves as the County's chief law enforcement officer. The Sheriff's Office is responsible for the Jail/House of Corrections, Communications Center, Drug Information Bureau, Community Corrections and Civil Process.
<u>Registry of Deeds</u>	The Registry of Deeds is one of Dukes County's oldest departments, dating to 1641. The Register records property transfers from all seven towns within the County and is located in the County Courthouse on Main Street in Edgartown. The Register is likewise an elected official.
<u>Treasurer's Office</u>	The Treasurer is also elected and serves as the County's accountant. The Treasurer's Office is responsible for all the money received and paid out by the County, including the Airport, the Office of the Sheriff and the Registry of Deeds. The Treasurer supervises the Parking Clerk and also serves as Chair of the Dukes County Contributory Retirement System.
Parking Clerk	Parking tickets issued by the six Island towns and the County are paid at the office of the Parking Clerk. The clerk is appointed by the selectmen of each town and is located in the County Administration Building at Martha's Vineyard Airport.

DUKES COUNTY CHARTER STUDY COMMISSION
PHASE II GROUP REPORTS

APPENDIX C

Financial Summary of County Government

This information, for the most part, has been supplied by Group 2, which was chartered to complete an analysis of the County's finances.

<u>County Function</u>	<u>Estimated Value of Assets</u> (including cost of equipment)	<u>FY07 Annual Operating Budget</u>	<u>Number of Employees or Full-Time Equivalents</u> (FTEs)
County Commissioners & County Manager	\$7,599,041 ²	\$869,540	6.5
Airport	\$63,676,160	\$2,707,600	23
Office of Sheriff	\$3,229,534	\$3,700,000	47
Registry of Deeds	\$118,118	\$339,307	4
County Courthouse	\$4,042,700	\$58,735	0.5
Treasurer	\$41,335	\$260,132	3
Total	\$78,706,888	\$7,935,314	84

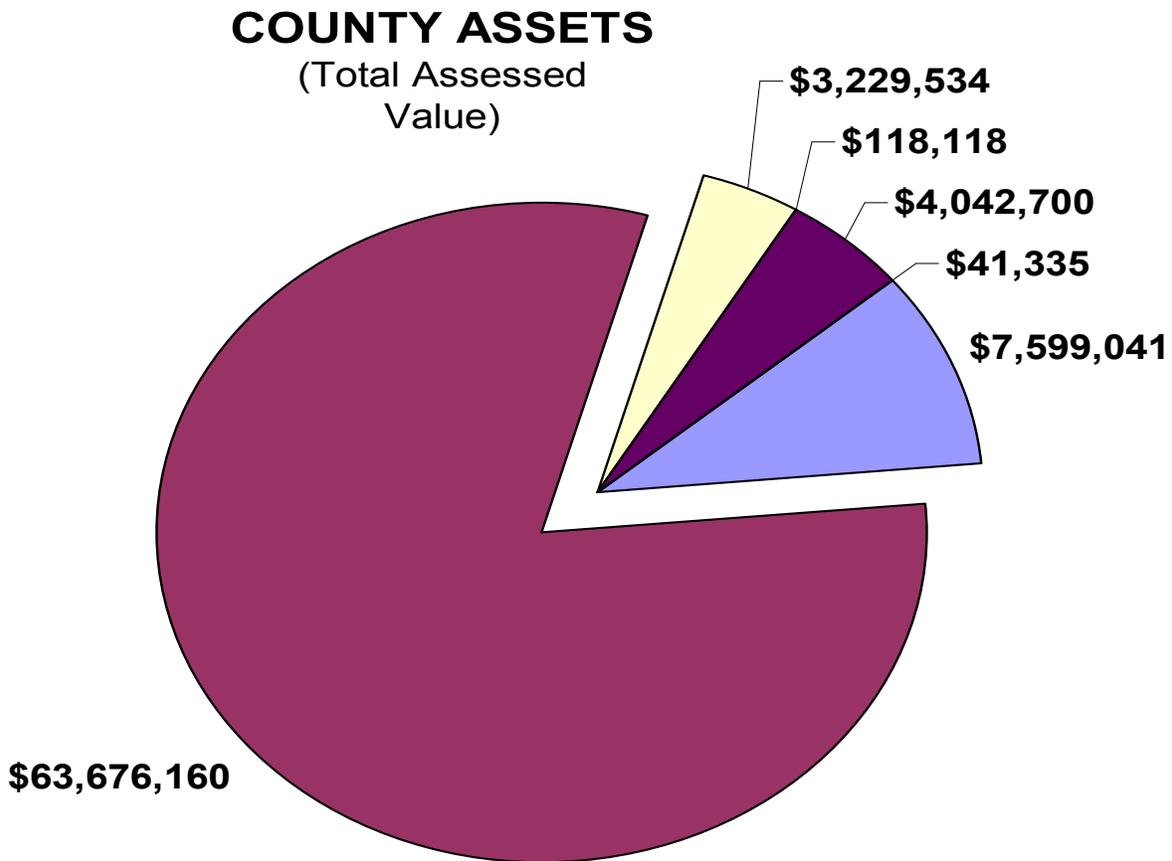
² These assets include the beaches, which are valued at \$5,783,800.

DUKES COUNTY CHARTER STUDY COMMISSION

PHASE II GROUP REPORTS

APPENDIX D

Estimated Value of Assets (Including cost of equipment)



	County Commissioners & County Manager
	Airport
	Office of Sheriff
	Registry of Deeds
	County Courthouse
	Treasurer

DUKES COUNTY CHARTER STUDY COMMISSION

PHASE II GROUP REPORTS

APPENDIX E

Total Operating Budget– FY2007

TOTAL OPERATING EXPENSES FY 2007

