



The Town of Barnstable

Comprehensive Financial Advisory Committee (CFAC)

367 Main Street, Village of Hyannis, MA 02601

v. 508.862.4654 • f. 508.862.4717
www.town.barnstable.ma.us
Email: cfac@town.barnstable.ma.us

CFAC Committee:

Chair:

Lillian Woo

Members:

Vice Chair, Hector Guenther
Clerk, Chuck McKenzie
Jacky Johnson
Neil Kleinfeld
Chris Lauzon
Wendy Solomon

Staff Liaison:

Mark Milne

Councilor Liaison:

Paula Schnepf

MEETING MINUTES

05.08.2023

6:00 PM

Zoom Meeting: <https://townofbarnstable-us.zoom.us/j/87847637302>

Meeting ID: 878 476 7302

Roll Call:

Chair Lillian Woo called the CFAC Zoom meeting to order at 6:00PM

Roll call and quorum verified by Clerk Chuck McKenzie

- CFAC Members Present: Lillian Woo, Hector Guenther, Neil Kleinfeld, Chris Lauzon, Wendy Solomon, and Chuck McKenzie
- CFAC Members Absent: Jacky Johnson
- Councilors Present: Betty Ludtke and Paula Schnepf
- Staff Present: Director of Finance, Mark Milne
- Other Present: None

Act on minutes:

No minutes to approve at this time.

Public Comment

None

Subcommittee on FY 2024 Operating Budget Report- Review by Chuck McKenzie

CFAC input and review of latest draft

- The highlighted operating budget link will be updated.
- Imbedded links will be live.
- Table of contents has been added.
- Methodology is updated for dates, but mostly unchanged.
- Overview is relatively the same as past reports as well.
- Anticipated final approval scheduled for May 22nd CFAC meeting.
- The revenue section has been updated and largely unchanged.
- The CWMP budget has been included in the Water Pollution Control (WPC) Enterprise Fund this year. Even though the CWMP is an expansion of the public sewer system with has its own funding source and is not funded by rates; it is relative to the WPC operations and therefore included in their budget. Primary costs are personnel and benefits, operating costs, and relative debt service costs associated with construction bonds regarding long term financing with capital improvements. A new paragraph will be drafted and sent to Mark for insertion after General Fund.
- Chapter 70 aid should also have some introductory language at the beginning of the report as well.

General Fund

- Updated with the most recent data provided by Mark.
- Editing and grammatical changes
- Summary is good.

*CWMP language to be inserted before school

School

- Feedback and updates expected from the school later in the week and then this section will be updated.
- Should any comments be identified, they should be submitted to Chuck.

DPW

- Information remains the same from the last subcommittee meeting.
- Primary concern is the number of open positions within the department; with salaries being the main factor. Many open positions are union affiliated jobs. Upcoming projects that could be funded with open position salary changes opened the topic and discussion of possible health insurance contribution changes during the Town Council meeting. Collective bargaining is in process. Promoting the public pension system may be a selling point to potential new employees.

Police

- Personnel vacancies are an issue within this department also.
- One grant was unfunded and therefore transferred to their operating budget.
- Operating costs decreased slightly due to adjustments in inflationary costs.
- Capital outlay has consistently seen an increase.
- Importance of the School Resource Officers program highlighted.

Enterprise Funds

- Generate their own income from fees charged.
- Each of the nine (9) funds have been summarized.
- Language includes the transfer in reference to the CWMP funds. Request to expand that language on what the special revenue fund is and where it came from.
- Second sentence in the second paragraph: Interest only payments have been budgeted under FY24 because the timing of long-term financing principal payment will not be due until FY25. Conversion to long term financing from the trust will not take place in November 2023 making the first principal payment due in 2025.
- Conclusion is not consistent with the contents of the WPC paragraph; Begin the sentence with 'With the exception of the CWMP portion of the WPC fund, and the HYCC, the Enterprise Funds continue ...'.
- Under the description of each fund, inclusion of funding sources to be delineated for clarity. Mark will forward a table with updated information and sources of funding for Lillian to review and insert.

Fixed Costs

- Fixed costs are all funded prior to funding municipal and school budgets.
- Sources of revenues for fixed costs provided.
- Minor editing changes

Expenditures

- Primary fixed costs shown and should include the sources here also.
- Minor editing changes

Looking Ahead

- Minor editing and grammatical changes
- CWMP: Mark will forward his April 6th presentation to the Town Council; slide 14 shows the operating budget impact projection over the next ten years. The details of the CWMP funding should be incorporated back into the Enterprise Fund section; the summary section should just be summary.
- Inflation: Add 'and Interest Rates' to the section title. Remove first sentence.

All changes to this report discussed during this meeting will be implemented and ready for final approval.

Proposed FY 2024 Operating Budget from Finance Director Mark Milne

The proposed report is now on the website, located under Finance; a link has been emailed to CFAC members. The best place to start review would be under the Town Managers budget message.

- Highlights the revenue sources to fund the general fund operating budget in FY24.
- Explanation of the property tax increase
- The amount set aside for 2023 abatements has allowed for a reduction in FY24
- Chapter 70 aid reviewed.
- General fund reserves have been reduced significantly.

** Conflict on CFAC report page five (5), approved fiscal year total is different than the figures in this report. That will be reviewed by Chuck and Mark.

- Looking at the transfer for the capital trust fund and debt service, those budgeted amounts is the capital program, it is the annual debt service paid for bonds issued and the transfer to the capital program for future borrowing commitments. That collective amount has increased by \$3 million. That amount includes an increase to base contribution by 2 ½% plus another \$750k from new property growth dedicated to the capital program and another \$2 million further enhancing funding for the capital program.
- Pension assessment accounts for a large portion of the increase in employee benefits.
- School assessments decreased slightly.
- Snow and ice removal is one area where deficit spending is permissible.
- Employee position changes and additions reviewed. Some funding for positions is being transferred to the general fund so those positions can be maintained.
- The decrease in the amount of jet fuel purchased by the airport accounts for the significant decrease in their enterprise fund.
- The CWMP is not funded through user rates, it has a separate funding source.

Should anyone have any questions, please reach out to Mark.
This year's CFAC report is the best one yet; well done.

The next CFAC meeting is scheduled for May 22nd.

Agenda to include review of the final version of the operating budget and approval.
Begin the drafting of the annual budget summary document.

Motion to adjourn the meeting by Hector, seconded by Chris.

Roll to adjourn called by Chuck: Lillian = yes, Neil = yes, Hector = yes, Wendy = yes, Chris = yes, and Chuck = yes

Meeting adjourned at 7:34pm

Respectfully submitted.

Theresa M. Santos