



The Town of Barnstable

Comprehensive Financial Advisory Committee (CFAC)
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CFAC Committee:

Chair:

John Schoenherr

Members:

Robert Ciolek
Cynthia Crossman
Ralph Krau
Lillian Woo
Joseph Mladinich
Allen Fullerton
Hector Guenther

Staff Liaison:

Mark Milne
Nathan Empey

Councilor Liaison:

Paula Schnepf

MEETING MINUTES

04.09.18

6:00 PM

Planning & Development Conference Room

Roll Call:

- CFAC Members Present: Lillian Woo , John Schoenherr, Joseph Mladinich, Cynthia Crossman , Hector Guenther, and Allen Fullerton
- CFAC Members Absent: Ralph Krau, and Robert Ciolek
- Councilors Present: None
- Staff Present: Nathan Empey, Finance/Budget Analyst
- Other Present: None

Call to Order:

John Schoenherr called the CFAC meeting to order at 6:00 PM in the Growth Management Conference Room of Town Hall.

Act on Minutes:

The following minutes and capital report were approved by unanimous vote:

03.12.18

CFAC CIP Report 2019-5 Draft

New Business:

Hector G. noted that CFAC's summary within the CIP Report says, "Maintain a strong credit rating", and asked CFAC is it the town's goal to maintain a AAA credit rating? Hector G. also asked should the town pursue other rating agencies? John S. noted other rating agencies use different metrics, and that our demographics may not be favorable to those metrics. There may also be additional costs when seeking a secondary credit rating agency.

Nathan Empey, Finance/Budget Analyst reviewed the FY19 Budget Summary handout with committee members.

Comments & Takeaways

- Total all budgeted funds is increasing by \$6,251,531 or 3.18%
 - o The General fund is the bulk of the increase at \$6,448,085, but is being mitigated by reductions in Water Supply and Airport Enterprise Funds.
- Municipal operations are increasing by \$1,431,061, all education by \$3,183,481, and fixed costs by \$1,933,419.
- The police department is showing the largest increase in Municipal operations due to budget request such as, 3 new civilian dispatchers, increased fuel costs, and police academy costs for 5 new officers. The Hyannis Fire Department is fully funding the new civilian dispatchers, and due to several retirements at the police department, police academy costs are required to hire replacement officers.
- Planning & Development has the largest budget increase in percentage terms. This is a result of the reorganization, which has transferred programs into the department. In addition, Planning & Development will hire two new positions for an Economic Coordinator and Assistant Direct of Planning & Development.
- The largest percentage increase in the school department is in School Choice Assessment. This is a result of students leaving the district to attend other schools, which Barnstable is then assessed a cost by those receiving schools. It was noted schools such as the new Regional Tech School being built might that students enticed to leave the district. The Regional School District Assessment is up 4.15%.
- Retirement assessments are increasing 3.39%
- Health Insurance for active employees is increasing 10.95%. Nathan noted Barnstable pays the state minimum at 50% of employee's premium costs, but most Cape communities pay 80%.
- Debt service costs are up \$495,667. The town has had large capital projects recently, including the 21st Century Learning Center for the school department.
- Snow & Ice removal deficit is \$1,275,000.
- Property taxes will increase \$4,222,698, but other taxes are only anticipated to increase 1.42%. Nathan E. noted we have seen strong vehicle sales for the past three years, but the motor excise category may have peaked.
- The FY19 General Fund budget will use \$3,582,351 of reserves to balance the budget. This includes the standard contributions for unemployment insurance; retire benefits for sick and vacation buybacks, and snow & ice deficits. Although, added uses in FY19 include \$250,000 for a Town Council reserve fund, and \$67,666 to balance the municipal operation.
- The Marina Enterprise Fund will be a balanced budget in FY19. There are no major changes to the budget, but will include the annual \$20,000 for dock repairs.
- Sandy Neck Enterprise Fund will use \$175,740 of reserves to balance the FY19 budget. This budget includes \$40,000 for gatehouse and \$60,000 to reimburse the General Fund for sand purchased in FY18.
- The Golf Course Enterprise Fund will use \$146,433 of reserves to balance the FY19 budget. This enterprise will also receive \$190,012 in General Fund subsidy. The golf courses have seen strong pro shop sales, and therefore, \$30,000 is included in the FY19 budget for purchase to resale merchandise.
- Hyannis Youth & Community Center will be a balanced budget. This enterprise will receive \$976,532 in General Fund subsidy.

- The Public Educational, Government Enterprise Fund will be balanced budget for FY19. Hector G. what is this enterprise fund? John noted this is the local government Channel 18.
- Solid Waste Enterprise Fund will use \$549,589 of reserves to balance the FY19 operating budget. This budget includes \$135,000 for the disposal of recycled material if needed.
- Water Pollution Enterprise Fund will be a balance budget, however, this budget includes \$40,000 to purchase upgraded computer software.
- Water Supply Enterprise Fund will use \$611,929 of reserves to balance the FY19 budget. This budget includes cost reductions to purchase water from neighboring water systems because of the installation of water filtrations systems.
- The Airport Enterprise Fund will use \$300,263 to balance the FY19 budget. Because revenues continue to decline, the budget includes reductions to multiple expense accounts.

Old Business:

None

Matters not reasonably anticipated by the chair:

None

Discussion of topics for the next meeting:

Request either the School Department or Police Department to meet and review their FY19 budgets.

Adjournment:

CFAC's next meeting will be Monday April 23, 2018 at 6:00pm.

List of documents handed out

1. 3.12.18 Minutes
2. CFAC CIP Report 2019-5 Draft
3. FY19 Budget Summary for CFAC