



The Town of Barnstable

Comprehensive Financial Advisory Committee (CFAC)
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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

Comprehensive Financial Advisory Committee Operating Budget Sub-Committee Meeting Meeting Agenda May 1, 2023 6:00PM

Zoom Meeting: <https://townofbarnstable-us.zoom.us/j/85233762034>
Meeting ID: 852 3376 2034

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

Review Second Draft of Committee's FY 2024 Operating Budget Report

Discussion and comments:

- Page one is busy. Content is important but will need to be updated, maybe move some of the content to the last page depending on how the rest of the document lays out.
- Mark will notify Town Councilors prior to posting this on the website.
- Table of contents page numbers will be finalized when the document is complete.

Methodology and Overview

- Largely unchanged from last review. Highlights will be removed when the data is fully updated.
- Need consistency in how dollars are stated (MM or million)

Revenue

- Mark will go through the report and verify percentages and dollars for accuracy.
- Second to last paragraph 'Sewer Enterprise Fund' to be changed to 'Water Pollution Control Enterprise Fund'.

General Fund

- Minor editing and grammatical changes
- Table inserted works well as part of the General Fund section
- Updates for FY24 needed.
- Focus on what the trend was for the last five (5) years, and what the drivers of the change were. Sources will need updating. The \$13m increase will be detailed under the departmental sections.
- Request for Mark to review and verify the information in the first paragraph. Mark will provide modified language to Chuck.
- The next piece comes from the prior version and speaks to reserves applied. The summary section will remain.
- Change the name 'K Mart Plaza' to 'The Landing'.
- Chuck will forward the updated changes to Mark.

Expenditures

- Line 2 figures to be updated.
- Minor editing and grammatical changes.

School Department

- Minor changes from previous version
- Minor editing and grammatical changes
- Summary first paragraph remains the same.
- Summary second paragraph added based on recommendations; and the possibility of either a new or additional reserve may be considered if there is a reduction in state aid. Marks advises that if there is a reduction it would impact the Town not the schools. It is agreed that the relevance in this paragraph should be moved into the revenue section where Chapter 70 aid increase are mentioned, and how the town now sees 15% of its operating budget paid for with state aid, and any future cuts across the board would impact the towns overall operating budget more significantly because of how much state aid is relied upon. Chuck will implement that change.

- Second paragraph second section is duplicated.
- Details have not changed significantly.
- Chapter 70 detailed explanation expanded; it is important for Town Council to be informed on. The inclusion of the total costs is important.
- Page 10 incorporates both the growth rates of school budget and Chapter 70 aid.
- The Student Opportunity Act made changes to Chapter 70 aid.

Student enrollment:

- English Language Learners accounts for the largest change.
- The numbers for the Economically disadvantaged has decreased.
- Incremental foundation budget explained; another important piece for Town Council to know.
- The diversity of the school population has increased and poses challenges in finding ways to translate and accommodate them.
- Minor editing and grammatical changes.
- Additions to school staffing
- Details consolidated in the table.

Cost efficiencies

- Finding more ways to save expenses is on-going. School staff have met many of those challenges.
- Grant funding continues to be an important and valuable focus; the diversity of funding sources throughout the town is very complex.
- A positive endeavor was the Superintendent engaging a consultant to understand a forecast of the demographics to help fund the enrollment and the skills needed to get ahead of the issues.
- CFAC should continue to work with the town to identify and create more revenue sources to help offset inflation.
- Each member will review the information, share thoughts and recommendations, and forward them to Chuck.
- Point of clarification from Mark – reference to demographic forecasts; what the school department is conducting is enrollment forecasts not demographic forecasts. That language needs to be corrected. Mark will request the school department to review this section for accuracy.
- There are inconsistencies in the formatting of tables, only one section with citations; it is a visual difference. This formatting will be reviewed further once the editing has been completed.

DPW

- Highlighting personnel increases have been added, as well as vacancies, both of which are challenging. Limitations exist on promotion from within and hiring salary impediments.
- CWMP funding under Water Pollution Control (WPC) has been elaborated on. This is a project within our Sewer Enterprise Fund. Now that the CWMP team has been established it has been moved into WPC EF, which is where the major funding source from non-user rates can be seen. The debt service on the capital can also be found here.
- Further funding sources and locations reviewed by Mark.
- Minor editing and grammatical changes

Police

- Introduction remained the same.

- Table inserted – should be all on one page.
- American Rescue Plan Act (ARPA) grant funding has ended, and the positions funded by that grant shifted to the operating budget.
- Staffing is the biggest challenge they are facing.
- Adding the School Resource Officer program is valuable and has been highlighted.

Enterprise Funds

- Based on new information received today, adjustments will be made to update the data; the two tables will be adjusted for consistency.
- Minor editing and grammatical changes
- Suggestion made to identify that the decrease under the airport was due to jet fuel costs. ARPA funding received as well as funds from operating grants and increases in capital grants. Airport has been receiving discretionary FAA funding on top of their entitlement funds. Oversight over the airport is done by the Airport Commission.

Fixed Costs

- Updated information received today will be input.
- Tax revenue numbers came from an allocation to cover the costs. Unrestricted General Government Aid (UGGA), and reimbursements for charter school assessments received.
- School choice is a reimbursement from the state and goes directly to the Committee and used at their discretion.

Looking Ahead

- CWMP: Mark suggests removing \$1.1b from the second sentence in the first paragraph, that amount is far too difficult to estimate because of the amount of funding sources involved. Change language to reflect that the CWMP is the biggest capital project in the history of the Town and will take 30 years to complete. With economic cycles it is not possible to identify what the total costs will be, and therefore will be working in five (5) year increments and include what those five (5) year costs will be.
- Remove 'Water Infrastructure Investment Fund (WIIF)'; it does not provide enough funding to solve the problem; and would require an override approved by the voters. Chuck will rework that language.

Both Staffing and Inflation are good.

Chuck requests members update their respective sections and submit them to him by Friday, May 5th; he will then incorporate it into the document and forward it to Mark for his review. Once Mark receives that he will request content review by the school.

The next regular CFAC meeting is scheduled for May 8th.

Agenda: Update from Subcommittee on FY 2024 Operating Budget Report
Overview of Proposed FY 2024 Operating Budget from Finance Director

Meeting adjourned at 7:24pm

Respectfully submitted.

Theresa M. Santos