



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
Neil Kleinfeld
Jacky Johnson
Wendy Solomon

Staff Liaison:

Mark Milne

Councilor Liaison:

Paula Schnepf

MEETING MINUTES

12/19/2022

6:00 PM

Zoom Meeting : <https://townofbarnstable-us.zoom.us/j/84613887716>

Meeting ID: 846 1388 7716

Roll Call:

Chair Woo called the CFAC Zoom meeting to order at 6:00 pm, Clerk McKenzie called the roll.

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

Approval of Minutes

August 22, 2022 - Vice Chair Guenther motioned to approve the minutes, Member Solomon seconded.

Vote:

Aye: Hector Guenther, Chuck McKenzie, Wendy Solomon, Lillian Woo, Neil Kleinfeld, Jacky Johnson

Nay: None

Communication from Committee:

Chair Woo welcomed the new members to CFAC and asked committee members to introduce themselves. Hector has been on the committee for 4 years and his background is in corporate finance in New York. Lillian has been on the committee since 2013 and she is an economist and has done state budgets for the last 35 years. Wendy has been on the committee for 2 years and has worked in New York and Boston on the investment side on the world. Chuck has been on the committee for about 2 years and spent his career in institutional money management for 40 years. Councilor Schnepf represents Precinct 12 and is the liaison to the committee. Neil has spent most of his career in consulting, started as an engineer, received MBA and worked for Xerox. Jacky is interested in the community in general and has a background in finance and accounting.

Wendy and Chuck attended the CIP taskforce meeting. Wendy commented that there are many playground projects in multiple villages and there are many needs for storage by multiple departments. Chuck commented on the process and was curious on how the projects would be ranked against each other. He also commented that there was a lot of good dialogue and it will be interesting to see how things get flushed out.

The CIP sub-committee

Public Comment:

None

Correspondence:

None

Communication from Staff:

Mark commented that at the November Town Council meeting the tax classification votes were conducted and a 20% residential exemption was adopted again and a Residential factor of 1. Mark explained that the residential exemption provides some tax relief to residents that declare Barnstable as their primary residence for tax filing purposes. Adopting a split tax rate would result in very little tax savings for residential taxpayers at the significant expense to commercial taxpayers. Property tax bills will be going out at the end of December and will reflect the new assessed values. Residential values have significantly increased due to market conditions and there is a significant decrease in the tax rate as a result.

Hector asked about the deadline for filing a residential exemption. Mark commented that the deadline is the end of March.

Mark reviewed the budget calendar with the committee. CFAC's report on the capital plane is due April 10th and May 15th is when CFAC's report on the operating budget is due.

Mark then reviewed the cashflow projection for the capital trust fund. The fund's capacity allows it to absorb about \$10 million in new borrowing authorizations for the next 5 years and \$5 to \$8 million for cash funded projects. This fund is used to fund General Fund capital. Enterprise funds are required to finance their capital through their rate structure with the exception of the Hyannis Youth & community center enterprise fund operation.

Capital submission far exceed what this fund can absorb which is why the town conducts a process to review submissions and rank them. The first ranking process determines which projects must be funding due to a public safety or regulatory requirement, etc. This also provides department managers a better understanding of projects and an opportunity to ask questions. The second review process uses a matrix of 10 evaluation criteria that ties closely to the Town Council's Strategic Plan. Taskforce members are asked to evaluate the submissions against the criteria so that the town can come up with a prioritized list of projects likely to be funded.

Councilor Schnepf asked if the Capital Trust Fund provided funding for the CWMP. Mark commented that the town has created additional funding sources outside of this fund to finance the CWMP.

Wendy asked about the proposed DEP regulations and how this would impact homeowners. Mark said that it appears that if a property is part of an approved CWMP plan they could be exempt from the new regulations. We won't know the real impact until the final regulations are passed. Councilor Schnepp commented that they want 75% of the nitrogen removed within a 20 year period and the devil is in the details so we need to wait until the final regulations are issued. Our goal is to avoid having property owners update their Title V system if they are part of the sewer expansion program.

Neil asked if there are certain types of projects that tend to dominate the plan. Mark responded that high usage assets tend to gravitate to the top as well as those that offer grant opportunities and immediate public health and safety issues.

Hector G. left the meeting at 6:54 pm. A quorum of members still exist.

Lillian asked if there are any departments the committee would like to invite to the next meeting. Wendy commented that many of the projects seem to be DPW so they should be invited. Chuck agreed. Lillian asked if there were many school projects. The committee discussed that the school department would be a good candidate for a meeting. Wendy commented that it would be good to have the Environmental Affairs operation come to the next meeting as they have a lot of projects. Chuck agreed that these would be the most interesting 3 groups to have come to a future meeting.

Mark commented that there is a lot of money available from the NRCS for the fish-run projects.

Lillian asked if the committee's preference was to meet via Zoom or in person. Members agreed that Zoom would be preferred.

The capital sub-committee will consist of Neil, Hector and Wendy.

The operating budget sub-committee will consist of Jacky, Lillian and Chuck.

Matters not reasonably anticipated by the chair:

None

Adjournment:

The committee adjourned at 7:12 PM.

List of documents handed out:

Capital Trust fund Cashflow