



The Town of Barnstable

Comprehensive Financial Advisory Committee (CFAC)

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CFAC Committee:

Chairman:

John Curtis, Chair

Members:

Bill Brower
Laura Cronin
Stanley Hodkinson
Ralph Krau
Tom Michael
Jim Sproul

Staff Liaison:

Mark Milne
Deb Childs

Councilor Liaison:

Richard Barry

CFAC MEETING MINUTES

12.15.08

7:00 PM

Selectman's Conference Room

CFAC Members Present: Bill Brower, Laura Cronin, John Curtis, Stanley Hodkinson, Ralph Krau, Tom Michael

CFAC Members Absent: Jim Sproul

Councilors Present: None

Staff Present: Mark Milne , Deb Childs

1. Call to Order

Upon a quorum duly present, Chairman Curtis called the CFAC meeting to order at 7:03 PM in the Selectman's Conference Room.

2. Staff Communications

John Curtis introduced and welcomed new member Stanley Hodkinson to the committee.

Mark Milne introduced and welcomed staff member Deb Childs. Deb is a Budget/Finance Analyst who will be recording the minutes and facilitating the gathering of documents and information as needed for the committee.

Mark provided copies of additional department CIP requests for the members of the Capital Sub- Committee's review.

Mark noted that Bill Brower had requested an excel spreadsheet that would encompass the details of all CIP Requests to facilitate the review. Bob O'Brien is working on the spreadsheet and will provide once complete.

3. Act on Minutes

A motion was made and seconded to accept the minutes of the 12.01.08 meeting.

Vote: Unanimous

4. Old Business

Review of Town Financial and Management Policies

Committee noted they left off at section D - the General Fund.

John C. inquired about additional comments. The first comments relate to section F - Property values.

Bill B. questioned if property appraisals should be done annually versus triennially.

Mark M. referred to the DOR (Department of Revenue) requirement that states that an appraisal must be done annually to avoid large spikes in reevaluation amounts. The interim reviews are not as in-depth as the triennial review which is subject to audit by the DOR.

Ralph K. inquired about the cost of the process and what is done for site visits.

Mark M. explained that personal property is contracted out while all other review is done in house by the staff which consists of a Director of Assessing and three assistants. Mark explained that roles of each staff member.

Property lister makes daily visits to walk, measure, and assess any changes to properties. Each property is required to be inspected one time every nine years. The lister will attempt to gain access to the inside of the house (with homeowner approval) but with limited success as many people are not home at the time of site visits. The property lister does try to contact the homeowner prior to the site visit to schedule appointments.

Building/Permit Inspectors - Physically pull permits and go to sights to inspect the activity and update field cards as needed.

Assessors- Perform sales review of recent properties for price, location, etc. They also attempt to verify the work of the Property lister and Building Inspector.

Ralph K. inquired if we would gain any revenue by adding another staff position and moving to a 5 year rotation versus a 9 year. There are approximately 25,000 properties reviewed on average 3,000 a year to meet the 9 year requirement.

Mark M. indicated he will follow up with Jeff Rudziak.

Ralph K. inquired as to the State Average for town inspections. Where does Barnstable rate in relation to communities of like size?

Mark M. will follow up with Jeff Rudziak to see if this information is available through any professional organizations or if could be obtained.

Tom M. inquired if this ruling has imposed any problem to the town.

Mark M. responded no as a position was created specifically for that purpose.

John C. inquired as to the process for businesses and personal property.

Mark M. reviewed that this process was contracted out and the contract was recently expanded from 15K to 40K which resulted in the identification of about 150K in new taxes for FY09.

John C. questioned if there was a difference in requirements depending on if the property is leased or owned.

Mark M. will investigate and provide a response. At this time Mark M. requested that if committee members have specific questions to put them in writing to his attention and he will research. Mark would like to insure all questions are gathered and responded to appropriately.

John C. and Laura C. both agree this section should have expanded language to include the DOR requirements.

Mark M. would like to add a sentence to Section G - to clarify the timeframe that applies to the property tax collection percentage.

Laura C. inquired who handles Section H - Charges for services and requested an example.

Mark M. explained that the various departments where the fee is charged need to provide documentation and evidence supporting the need to change a fee amount. An example would be beach stickers.

Bill B. addressed Section I - maintenance of facilities and indicated he believes this is not being done and that there is a significant amount of deferred maintenance.

Discussion on what language might be added/ changed occurred.

Ralph K. would like to see a percentage of funds designated specifically for maintenance; for example 10% of the overall operating budget.

Mark M. indicated there has been no increase in the budgeted funds for facilities and that requiring a percentage would require the town to amass large quantities of funds set aside for capital replacements and that it would be difficult to instill this type of fiscal responsibility as folks would likely point to those reserves for use in other budget shortfalls (i.e. school, etc).

Laura C. questioned if just adding wording to have the maintenance aspect considered in the project planning process for future impact and cost needs.

Bill B. would like to know what the current ratio of debt service is as referenced in section J under General Obligation debt.

Mark M. indicated he will gather and provide the number. He noted that the state allows up to 2.5% as opposed to the 1.5% mentioned in this section.

Laura C. questioned what an offset receipt was as noted in section K.

Mark M. replied it is similar to a Revolving Fund and noted that Barnstable does not currently have any offset receipt funds.

Bill B., Mark M. and Stanley H. agreed they would like to see a formula or further explanation provided for how the debt service coverage number is calculated.

Bill B. noted a conflict in the wording for Section M - Capital Trust Fund when reviewed with Section 4 - Management Policy. All concurred #2 under section M should be amended and recommended it be changed to a minimum of six million annually or whatever the current number was.

Mark M. and Tom M. would like to strike A under Section 2 - Insurance. It is redundant with section B and C. All concur.

Bill B. and Laura C. both noted section 4 - Computers and Automation seem outdated and would like to see this section expanded or re-written.

Laura C. inquired about added details about the RFP or RFQ process to section 5 Procurement.

Mark M. will inquire with the Chief Procurement officer for input and suggestions.

John C. would like to add something with reference to the Trust Fund Advisory Committee (TFAC) to section 6 - Trust Fund Management. Ralph K. concurs.

All agreed that Section 4 - Management policy should be updated annually to include documentation on the rationale used to arrive at the recommended split in revenue between the Municipal Departments and the School Department. They also recommend that # 3 be updated to wording regarding the current year actual split versus a number as it may change over time.

John C. asked for a volunteer to make the updates to the document. Laura C. will attempt with Bill B.'s assistance.

2. New business

David Anthony will be invited to the 01.05.09 meeting to discuss Insurance.

Next meeting is scheduled for January 5th, 2009 in the Growth Management conference room.

Meeting adjourned at 8:35 PM.