



The Town of Barnstable

Comprehensive Financial Advisory Committee (CFAC)

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CFAC Committee:

Chairman:

Bill Brower

Members:

Robert Ciolek
Laura Cronin
Peter Eastman
Stanley Hodkinson
Ralph Krau
Henry McClean
Tom Michael
Jacqueline Michelove

Staff Liaison:

Mark Milne

Councilor Liaison:

Richard Barry
James Tinsley

CFAC MEETING MINUTES

5.16.11

7:00 PM

Growth Management Conference Room

CFAC Members Present: Bill Brower, Laura Cronin, Stanley Hodkinson, Ralph Krau, Henry McClean, Jacqueline Michelove, Peter Eastman

CFAC Members Absent: Tom Michael, Robert Ciolek

Councilors Present: James Munafo, Hank Farnham

Staff Present: Mark Milne-Finance Director, Deb Childs - Finance/Budget Analyst

1. Call to Order

Upon a quorum duly present, Bill Brower called the CFAC meeting to order at 7:00 PM in the Growth Management Conference Room.

2. Act on Minutes

Motion made and accepted to approve the minutes of 05.02.11.

Vote: Unanimous

3. Chairman, Staff & Councilor Comments

Bill Brower welcomed Peter Eastman, a new member of the committee to his first meeting.

Mark Milne reviewed that the FY12 Operating Budget is slated to be presented to the Town Council at Thursday night's meeting. Budget workshops with the department heads would be conducted at the meeting. Mark does not anticipate any votes. There was some discussion on when the next Town Council meeting was scheduled. Mark will follow up with the Town Council. There was concern regarding the timing of the presentation of CFAC's budget report. If the next Town Council meeting is 6/2, CFAC will hold a special meeting prior to that to finalize their report.

4. Old Business

Operating Budget Sub-Committee

The Operating Budget Sub-Committee has no further updates.

Solid Waste Sub-Committee

Ralph K. indicated there were no new updates. Henry M. commented that the committee was still awaiting some numbers and data from Mark Ells.

FY12 Operating Budget

Mark M. had distributed budget books to the committee members for review. He welcomed any questions.

Mark reviewed two major topics.

1. The creation of a trust fund for OPEB costs. There has been a lot of press regarding new accounting rules requiring the disclosure of these liabilities and their cost. This is a proactive step to address any issues bond rating agencies may have.

2. The adoption of section 18A of Chapter 32B. This requires all future retirees to enter into Medicare, when they become eligible. This helps address OPEB's unfunded liability. It will save money and decrease the liability. The existing retirees would be grandfathered.

However, the issue could be trumped by a current initiative in the State Budget that would require the mandatory transfer of all current and future eligible retirees to Medicare.

Ralph K. inquired about the estimated savings?

Mark replied that it would take an actuarial calculation to determine the number however, the unfunded liability would most likely shrink by millions.

Bill B. inquired if the summary document regarding the budget would be published.

Mark replied yes and that is should currently be in the Town Council mailboxes.

Laura C. inquired if any consideration was given to increase fees in the Golf Enterprise Funds?

Mark responded that yes those fees are reviewed on an annual basis. He noted that this year they considered lowering fees to attract more business. They are very conscientious of keeping the course in good condition and making it affordable.

Laura asked if any thought any been given to outsourcing or privatizing the courses?

Mark replied that no analysis of that had been done yet. He cautioned that if it were privatized you would need to be careful it did not become an exclusive club.

Laura questioned the Water Pollution Control and the funding from Meals and Rooms Tax.

Mark explained the accounting details of how it was needed to be reported. Once a Sewer Trust fund is approved the revenue can be credited directly under it but until then it has to be reflected under the General Fund and transferred over.

Ralph K. inquired if there was an update on that legislation?

Mark indicated no there was none to date.

Laura inquired about the Snow Removal deficit and asked for more detail.

Mark indicated he would follow up with that information.

Jacqueline M. inquired about moving salary funding from the general fund to a revolving fund within the Senior Services Dept. Did we have the funds to support that on an ongoing basis?

Mark replied yes the participant fees are supporting that move and will provide some relief to the general fund. He indicated the program has grown and now provides approx. \$150K in fees.

5. New Business

None

6. Old Business

None

7. Discussions

None

Meeting adjourned at 7:40 p.m.

Next Meeting is scheduled for June 6, 2011.