



The Town of Barnstable

Comprehensive Financial Advisory Committee (CFAC)
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CFAC Committee:

Chair:

Laura Cronin

Members:

Robert Ciolek
Cynthia Crossman
Ralph Krau
Gregory Plunkett
Lillian Woo
John Schoenherr
Joseph Mladinich

Staff Liaison:

Mark Milne

Councilor Liaison:

John T. Norman

MEETING MINUTES

11.09.15

7:00 PM

Growth Management Conference Room

CFAC Members Present: Laura Cronin, Robert Ciolek, Gregory Plunkett, John Schoenherr, Cynthia Crossman, and Joseph Mladinich

CFAC Members Absent: Lillian Woo, Ralph Krau

Councilors Present: None

Staff Present: Mark Milne, Director of Finance, Nathan Empey, Finance/Budget Analyst

1. Call to Order

Laura Cronin called the CFAC meeting to order at 7:00 PM in the Growth Management Conference Room of Town Hall.

2. Act on Minutes

The following minutes were approved by unanimous vote:

10.26.2015

8.24.15 Executive Minutes

3. New Business

Laura Cronin read Ruth Weil Town Attorney's response to approving Executive Minutes in regards to the Open Meeting Law complaint filed by Mr. Ron Beaty. As quoted, "On Friday, November 6, 2015, the Town Clerk, the Town Attorney and I reviewed the 8/24/15 Executive Session minutes. I approved these minutes and authorized their release. The minutes are available at the Town Clerk's office."

CFAC voted unanimously to appoint Lillian Woo as committee secretary. Mark noted that every committee is required to have a secretary.

Bob Ciolek noted CFAC would experience some absence members at meetings during the winter months due to the snowbird affect. Therefore, Bob suggested we reach out to Town Council and seek a new member to fill the vacant position. This would help support any quorum concerns at these winter meetings.

Mark presented to the members a review of the Fiscal Year 2016 Tax Bill Classification & Exemptions. Town Council is expected to vote Nov 19th on property tax levy and tax levy shifting options. There are three tax levy-shifting options: Minimum Residential Factor (MRF), Residential Exemption, and Small Business Exemption.

Single tax rate from Fiscal 2015 is expected to change minimally from \$8.40 to Fiscal 2016 \$8.41. The Town of Barnstable is predominantly a residential community, not many Commercial, Industrial, and Personal Property (CIP) to share the cost, however, 30% of new growth in the tax levy limit is comprised of CIP.

Key factors and takeaways

- Minimum Residential Factor shifts the tax burden from residential to Commercial, Industrial, and Personal Property Classes (CIP). The maximum tax burden shift to CIP can be up to 1.5 or 50% of the single tax rate for residential. There is a greater burden placed on CIP and little savings for residential under this policy. This is because Barnstable is residential community.
- Residential Exemption allows for a shift in the residential tax from primary residences to secondary residences. This option only shifts the taxes within the residential class, it does not change the levy amount itself. There is a limited amount of benefit that primary residents can receive, which is based on their property value. A property value of \$921,000 receives no benefit from a shift in taxes. This is compared to \$910,000 last year. Barnstable has 12,381 qualified properties for the residential exemption. Mark noted you could look on the Town of Barnstable's website for individual property values using street address. The Town of Barnstable currently has the Residential Exemption in place; however, Mark noted that any change in Residential Exemption would need to be done gradually over time. Council would receive significant backlash if any sudden change in policy because the residential taxpayers would experience a large increase in tax bills. Mark noted this policy has been in place for ten years.
- Small Commercial Exemption has never been adopted in the Town of Barnstable. Certain criteria must be met in order to qualify. For example, a property must be occupied by a business with no more than ten employees, property value must be less than \$1,000,000, and if more than one business is occupying the property, then all businesses must qualify. Important to note, this policy does not directly benefit the small business owner, but merely passes on the savings to the property owner.

Laura Cronin asked who performs the property valuation for the Town of Barnstable? Mark noted the Town of Barnstable performs property assessments internally. This year's valuation was done by a full calendar year of sales data in 2014. The Department of Revenue (DOR) must review Barnstable's valuation analysis and signoff. Town Council cannot approve any tax policy without DOR signoff. There has been no significant change in abatement cost for the Town in the past five years.

Mark noted there is expected to be no change in policy from the previous year. There will be a single tax rate factor of 1, 20% exemption, and no split tax rate.

Mark noted Town of Barnstable is the only community on Cape Cod to utilize the Residential Exemption. Thirteen communities in Massachusetts have adopted this policy.

Laura Cronin open discuss on remote participation. Mark mentioned he spoke with the Town Manager and Town Attorney. The Town Attorney believes the Town Manager has authorization to approve remote participation for committees. This form of access is considered more important for active boards than advisory committees. In addition, there is concern what message remote participation may send to other committees. This may encourage members to be away for longer periods. Mark will be meeting with the Town Manager Monday for further review. CFAC may be used as a potential test subject.

Mark read the following Remote Participation polices from the mass.gov website.

(1) Minimum Requirements for Remote Participation

(a) A quorum of the body, including the chair or, in the chair's absence, the person authorized to chair the meeting, shall be physically present at the meeting location, as required by M.G.L. c. 30A, sec 20(d);

(b) Members of public bodies who participate remotely may vote and shall not be deemed absent for the purposes of M.G.L. c. 39, sec 23(d);

CFAC 2016 Meeting calendar was reviewed an adjustments made to July and August. Meeting dates have been moved from July 25th to 18th, and August 29th to 22nd.

4. Other matters not reasonably anticipated by the chair

CFAC will tentatively meet with DPW and Community Services on Dec 14th, and potentially meet with Schools early January and Airport late January.

5. Discussion of topics for the next meeting

Mark will give a presentation to CFAC members on the Town of Barnstable's Opengov initiative. This Opengov will not be public until internal feedback has been received from department heads. The meeting will be held Nov 23rd in the Finance Conference Room 3rd floor School Admin Building.

Mark noted there are three candidates for the Superintendent position at the School. The Town Manager search committee has received three different bids from consulting firms.

6. Adjournment

List of documents handed out

1. 10.26.15 Minutes
2. 8.24.15 Executive Minutes
3. Fiscal Year 2016 Tax Bill Classification & Exemptions
4. Comprehensive Financial Advisory Committee Drafted Calendar for 2016
5. Attorney General's Office Open Meeting Law polices handout