



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

02.22.16

7:00 PM

Growth Management Conference Room

CFAC Members Present: Laura Cronin, Lillian Woo, Ralph Krau, John Schoenherr, and Cynthia Crossman

CFAC Members Absent: Robert Ciolek, Joseph Mladinich, and Gregory Plunkett

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:

01.25.2016

3. New Business

Mark Milne presented the Massachusetts State Governor's FY17 Budget Proposal as it relates to the Town of Barnstable's Cherry Sheet. The Cherry Sheet is a list of both receipts and assessments by the state, which the town receives in the form of state aid.

Comments & Takeaways

Cherry Sheet Receipts

Chapter 70 state aid is anticipated to be \$920,000 greater than fiscal 2016. This increase is due to changes in the foundation budget formula because of free and reduced price lunch data is no longer available for all districts when calculating poverty lines for students. This new formula uses economically disadvantaged students data based on state-administered programs such as, Supplemental Nutrition Assistance Program (SNAP), Transitional Assistance for Families with Dependent Children (TAFDC), Department of Children and Families' (DCF) foster care program, and MassHealth (Medicaid). Currently, 36% of K-12 Barnstable students qualify as economically disadvantaged, which caused the large increase in state aid from the previous year.

Laura C. asked if the large increase in Chapter 70 aid would reduce the financial burden on the general fund, which supports school operations. Mark M. replied it helps cover cost when balancing the operating budget.

Ralph K. does the increase in chapter 70-aid change the revenue sharing formula between the school and general fund? Mark M. replied any changes to the 60/40 percentage split would have to be done collaboratively by the town manager and school superintendent.

Charter Tuition Reimbursement state aid is expected to continue to decrease every year due to the way the formula works. Student enrollment is expected to remaining study.

School Choice is roughly unchanged from fiscal 2016. This category refers to students attending Barnstable school district, but come from other towns.

No change in unrestricted state aid

Public Libraries receipts, all state aid goes to Barnstable's libraries

Overall, the Town of Barnstable is estimated to receive \$934,251 in additional receipts in state aid.

Cherry Sheet Assessments

Retired Teachers Health Insurance is down from fiscal 2016. This may be caused by teacher mortality rates. All teachers go into the state system upon retirement from Barnstable. The town has to pay 80% to 90% of health insurance premiums for retired teachers.

Mosquito assessments are up modestly. The entire budget for the Cape Cod mosquito control Project is \$2,100,000.

Regional Transportation on Cape Cod receives most of its' financial support from state/federal. Barnstable's assessment is up 8% from fiscal 2016.

Charter School Sending Tuition and School Choice Sending Tuition assessments are for students' that leave Barnstable's school district to attend other schools. Roughly, 100 students leave Barnstable school district, which compared to 70 students coming into the school district. Charter School Sending Tuition is estimated to increase \$200,000 in fiscal 2017

John S. asked does school choice and charter school assessments relate to K-12 students? Mark M. replied yes.

Cynthia C. asked if these tuition assessments also related to private school students? Mark M. replied these two assessments do not include private school student enrollments.

Barnstable is a high effort community with a strong ability to pay based on property values. Because the state considers Barnstable a high effort community, this caps the town's potential state aid in foundation budget at 17.5%.

It is anticipated to take 3 to 5 years for Barnstable to get the max amount of foundation aid in order to reach the 17.5% of actual school required expenditures. School Choice is not included in the foundation budget.

Governor Baker is still supporting the continuation of full day Kindergarten education grants.

All districts receive at least \$20 per pupil in additional Chapter 70 aid over the prior year. The Chapter 70 state aid budget is up 3%, but for Barnstable its 10% from fiscal 2016.

John S. any towns received a decrease in Chapter 70 aid due to the change in formula? Mark M. replied, those towns that had a decrease in economically disadvantaged students might have received less in state aid.

Open Budget Discussion

Mark M. opened discussion on the town's Open Budget initiative by seeking feedback and suggestions from committee members. Mark noted that department managers use the Open Budget website during meetings; however, he has received no response from taxpayers or town council members. Mark will be meeting with the IT department to review the websites user traffic, which is being recorded by google analytics.

Laura C. suggested that Mark could utilize the Open Budget website at a town council meeting by answering council member inquiries through an Open Budget presentation.

Cynthia C. asked if the town has promoted or advertised the Open Budget website. Mark M. replied there was an article in the Barnstable Patriot newspaper, town manager newsletter, and Barnstable bulletin. Mark will be meeting with Sarah Colvin to do a video segment for the website.

John S. commented that the Open Budget has to be a part of the organizational culture in order to get maximum usage of the website.

Mark commented that labor unions might use the Open Budget website for negotiations.

John S. asked is it possible to setup alerts for departments on Open Budget that will notify of variance changes? Mark replied there is nothing in Open Budget; however, we monitor our internal accounting software Munis on a weekly and monthly basis.

Update from CFAC Water Resource Advisory Subcommittee (WRAC)

Lillian W. presented to the committee members the current WRAC status. WRAC has met three times since the inception. Lillian W. noted Paul Niedzwiecki, Executive Director of Cape Cod Commission gave a brief overview to the WRAC members about the 208 Plan, which refers to the section 208 of the Clean Water Act. Much of the concern to implement the plan involves how to both fund the massive undertaking as well as evenly distribute ownership of the project amongst the cape towns.

Lillian W. mentioned the Chair of Committee Lindsey Counsell asked the WRAC members if they all thought to involve the Comprehensive Financial Advisory Committee (CFAC). The meeting would discuss potential involvement by CFAC with the financial planning on the wastewater resource plan. WRAC will need to provide CFAC a formal invite in order to organize a future meeting to discuss CFAC's future involvement.

4. Other matters not reasonably anticipated by the chair

5. Discussion of topics for the next meeting

Next Meeting will be March 14, 2016 to discuss CFAC's Capital Improvements Plan Report, review the town's recent bond rating and bond issue reports, and public hearing for fee changes for enterprise funds: Solid Waste, Water Supply, and Water Pollution Control.

6. Adjournment

List of documents handed out

1. 01.25.16 Minutes
2. State Cherry Sheet