



The Town of Barnstable

Comprehensive Financial Advisory Committee (CFAC)
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CFAC Committee:

Chair:

John Schoenherr

Members:

Robert Ciolek
Cynthia Crossman
Ralph Krau
Gregory Plunkett
Lillian Woo
Joseph Mladinich
Allen Fullerton
Vacant

Staff Liaison:

Mark Milne
Nathan Empey

Councilor Liaison:

John T. Norman

MEETING MINUTES

06.26.17

6:00 PM

Growth Management Conference Room

Roll Call:

- CFAC Members Present: Cynthia Crossman, John Schoenherr, Lillian Woo, Ralph Krau, Joseph Mladinich, Gregory Plunkett, and Robert Ciolek
- CFAC Members Absent: Allen Fullerton
- Councilors Present: None
- Staff Present: Mark Milne, Finance Director, Nathan Empey, Budget Analyst

Call to Order:

John Schoenherr called the CFAC meeting to order at 6:00 PM in the Growth Management Conference Room of Town Hall.

Act on Minutes:

The following minutes were approved by unanimous vote:

Minutes 06.12.17

Old Business:

Mark M. reviewed the Cape Cod Tech Massachusetts School Building Authority (MSBA) Feasibility Phase & Schematic Design presentation with the committee. Robert Sanborn, Superintendent, Cape Cod Regional Technical High School had presented this to Town Council eight weeks ago. It has been estimated to cost between \$36-\$65 million for basic repairs and \$123-\$125 for complete renovation, however, based on these costs, constructing a new facility is being recommended. Mark M. noted if the committee had any questions about the presentation, they could contact Robert Sanborn, Cape Tech Superintendent.

The new facility is projected to cost \$142-\$144 million, which MSBA could potentially contribute 30% of those costs with grant funding. The remaining project costs will be prorated based on student enrolment by sending districts. Mark M. noted the bond issue needed to pay for the project should receive a favorable bond rating because the cost of the project is being shared by twelve districts across Cape Cod. The bond issue is anticipated to have a coupon rate of 5% on debt over 30 years, or \$6.5 million in annual loan payments. Barnstable currently sends 183 students to the tech school, which equates to 29% of the student enrolment, and thus is responsible for 29% of the annual debt payments. This could cost Barnstable \$1.8-1.9 million in annual cost on top of the current assessment the Town already receives. Mark M. noted this additional cost would compete with the Town's limited dollars in the budget. Mark M. also noted the additional cost would be a 50% increase in the annual school assessments. Joseph M. asked is there any change in student enrolment? Mark M. responded it would be the same number of students with the new building. At the last Town Council meeting, it was decided to move forward with a debt exclusion vote before the districtwide vote for the Cape Tech School project. The debt exclusion override vote will be September 19th, and districtwide vote on the Cape Tech School project Oct 24th. Bob C. asked would the district vote still go forward if Barnstable's debt exclusion override fails? Mark M. responded that all communities are going to require a debt exclusion vote. Ralph K. asked if any other opportunities exist for more grant funding? Mark M. responded he didn't know of any other opportunities. Mark M. noted that tech schools are more costly to build because of the specialized equipment, and MSBA has limitations on what they would fund. Mark M. noted Town Council is inviting the Cape Cod Technical School back in August because they are concerned the public is not being educated enough on the project.

John S. asked would CFAC be involved in the communication? Mark M. noted the Town cannot spend any resources to influence the public. John S. asked could we provide info on what debt exclusion is? Mark M. responded yes, we have reached out to the state department to provide an educated question & answer page on the Town's website.

New Business:

Committee voted unanimously to appoint John S., Chairperson, Bob C., Vice Chairperson, and Lillian W., Secretary.

John S. noted he would make all the edits to the FY17 Town Council annual report. Bob C. and Ralph K. suggested adding bullets to the report referencing CFAC's involvement with the Water Resource Advisory Committee (WRAC). John S. asked when is the annual report due to Town Council? Mark M. responded that Lynne Poyant, Community Services Director provided a due date July 15th in the town of Barnstable Annual Report, although end of July is fine.

Committee reviewed its annual Financial Overview Report. John S. suggested adding new, interesting, and useful material to the report. Members noted last year's report received positive feedback from the public. This report was handed out to realtors, libraries, coffee shops, and barbershops. Bob C. suggested the report should include bullet points on future financial issues that CFAC is monitoring. Ralph K. noted the

information could include major financial hurdles, such as Other-Post-Employment-Benefits, Solid Waste, and water. John S. suggested adding the significant FY18 budget changes. John S. suggested keeping the Open Budget communication in the report. Mark M. noted we should include references to the pictures within the report.

Matters not reasonably anticipated by the chair:

None

Discussion of topics for the next meeting:

Topics for next meeting include approve CFAC's Town Council annual report and Financial Overview.

Adjournment:

CFAC's next meeting will be Monday July 17, 2017 at 6:00pm.

List of documents handed out

1. 06.12.17 Minutes
2. Cape Cod Tech Massachusetts School Building Authority (MSBA) : Feasibility Phase & Schematic Design