



The Town of Barnstable
Comprehensive Financial Advisory Committee (CFAC)
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CFAC Committee:

Chair:

Chris Lauzon

Members:

Vice Chair, Jim Sproul
Clerk, Jeremy Shea
Chris King
Frank Ward
Lillian Woo

Staff Liaison:

Mark Milne

Councilor Liaison:

Betty Ludtke

MEETING MINUTES

Comprehensive Financial Advisory Committee

11.17.2025

6:00 PM

Join Zoom Meeting: <https://townofbarnstable-us.zoom.us/j/81944914977>

PHONE: 877-853-525

Meeting ID: 819 4491 4977

Roll Call:

Chair Lauzon called the CFAC Zoom meeting to order 6:00pm

- CFAC Members Present: Chris King, Chris Lauzon, Jim Sproul, Frank Ward, and Jeremy Shea
- Roll call and quorum verified by Jeremy Shea
- CFAC Members Absent: Lillian Woo
- Councilors Present: Kris Clark, and Betty Ludtke
- Staff Present: Finance Director-Mark Milne
- Others Present: None

Member notes:

There are now two (2) vacancies; Hector Guenther submitted his resignation, and Tom Keane has been sworn in as a Town Councilor.

Members express their gratitude for both Hector's and Tom's service to CFAC, as well as wishing Tom the best in his new role as a Town Councilor

Public Comment: None

Motion to approve the minutes of October 27, 2025, made by Jeremy, seconded by Jim

Roll call vote by Jeremy: Chris K.-yes, Chris L.-yes, Jim-yes, Frank-yes, and Jeremy-yes

Minutes approved as submitted

Presentation from Jim Sproul and Chris King on a Draft of the Popular Annual Financial Report (PAFR)

- The draft is template based on the format of the report created by the Town of Arlington
- The content is created from the discussion members have had and is derived from CFAC's Annual Financial Report.
- The goal is to provide this abbreviated version both online and in print to increase public engagement as well as to direct and encourage readers to seek further, more in-depth information in the full report.
- The format is designed to be a bi-fold, four (4) page pamphlet
- The report design will be more useful and accessible to the general public; it will also be cost effective to produce a print version and be available in public spaces
- Comparative charts of other towns were chosen due to their proximity to Barnstable, but could be changed to expand others if members want that
- Residential tax exemptions have no distinction with other towns, obtained through an AI search likely from the states database; numbers could not be validated from individual searches. For communities with residential exemptions, it is difficult to make those comparisons. Mark explains the challenges in trying to compare information available from other communities and the geographical property differences. The state does not provide median tax bills by communities, the only way to obtain that information would be to reach out to each community.
- The chart will raise questions; actual comparisons would add value but would need to identify specific communities.
- Barnstable's data is unique because tax bills are impacted by the Fire Districts; other communities have EMS and Fire Districts are built into their General Fund.
- This project aims to increase interest in the town's finances and bring more readers into looking at the annual report and engaging in other conversations
- Mark will assist Jim and Chris K. in further fine-tuning the data, keeping the Cape communities as they are equally unique, identifying those that have separate fire districts and what their average tax bill is. By contacting each town's Assessing office and getting both the median and average tax bill for each one a more meaningful comparison can be made.
- Jim and Chris K. will continue to work on the data, refining it to ensure it is perceived appropriately, bringing it back to the committee at a future meeting; any remind members to send them any further comments or suggestions

Discussion on CFAC's approach to Reviewing the Proposed Capital and Operating Budgets for Fiscal Year 2027.

- Members agree that establishing sub-committees to review the Capital Program and the Operating Budget is preferred, as sharing the tasks works well. Mark will create a sub-committee calendar and share it with members at the next meeting; those meetings will begin in December.
- Membership will be back up to seven (7) once the newly appointed member has been sworn in.

- The Capital Plan committee begins work in December, and the Operating Budget committee will begin in January; the Capital sub-committee will include Jeremy and Jim; the Operating sub-committee will include Frank and Chris K.
- Members will wait to hear from Lillian as to which sub-committee she would like to participate in; Chris L. will attend both but not act as a sub-committee member so as not to create a quorum; and members will wait to see which sub-committee the newly appointed member wishes to participate in as well.

Meeting date changes and updates:

Members have agreed to change the meeting dates for the remainder of the year

- Cancelling 11/24, 12/8 and 12/22 and changing them to 12/1 and 12/15
- Sub-committee meeting dates will be scheduled for Tuesdays, and that schedule will be forthcoming
- Mark has begun working on the 2026 meeting calendar, keeping with the 2nd and 4th Mondays of each month
- Mark will be providing CIP meeting dates
- Members would like to be invited to and attend the Capital Plan meetings

Review of the Town's Capacity to Finance new Capital Projects

Capital Trust Fund Cash Flow Analysis report distributed to members prior to the meeting by Mark Milne

- This is the fund used to finance the General Fund Capital Program; this includes everything, all Enterprise Funds except the Enterprise Fund for the HYCC which does get some General Fund support because enough revenue is not able to be generated necessary to pay off the loans for necessary improvements to the facility.
- This report shows the 10-year projection of this funding source and review included: Review included:
 - * Beginning Trust fund balance: Investment earnings that go directly into the fund; over the 5-year period FY 27 will be the last year for the contribution of new property tax growth in the amount of \$750k for CWMP; this will be added to the base transfer from the previous year ensuring consistent General Fund dollars are provided to the Capital budget, decisions are made annually on how to allocate resources between the budgets; transfer from General Fund, total current year resources, and total available resources.
 - * Commitments: Existing debt service payments to both the General fund and Enterprise funds, authorized and unissued debt for both prior years CIP and FY26 CIP, estimated debt services for FYs 27-31, commitment to the CWMP, cash program – a portion of capital funding is committed for cash funding projects as opposed to financing CIPs with loans; current year commitments and net increase (decrease) in Trust Fund balance
 - * Ending Trust Fund balance
 - * Commitments as a percentage of available resources
 - * Debt service increase (drop-off)
- Other items to take into consideration include analyzing capacity, the estimated debt service payments and everything authorized and unissued to date, and what could possibly be funded going forward.
- Mark provided further explanation regarding new bonds over the next five (5) years; when commitments begin to exceed the resources that draw on the fund balance, and how the commitments cannot exceed 80%. Going into the development of the Capital program, we need to see what the needs are, and in addition to what the funding capacity is, other items to be considered are immediate public health and safety issues, projects that have off-setting grant opportunities associated with them, immediate potential failure of an asset.
 - * CWMP funding reviewed

Comments:

- Operating budgets are feeling the impacts
- Interest rates are something to be concerned about with debt service going out in future years

- Current borrowing is approaching 4% again
- Cash flow analysis is provided annually and is reviewed with the task force; Department heads are aware of what the estimated capacity is as they prepare submissions; those submissions are based upon a need, and those needs must be known to address them
- The actual projections go out 40 years
- The projections include a 20% buffer set aside should an unforeseen circumstance arise; the other cushion used is General Fund reserves which can go for capital financing as well
- As requested, a header or footer will be added to identify who created it, and when, as well as who could be contacted if there are questions

Preliminary Fiscal Year 2027 General Fund Budget Projection

This document was also shared with members prior to the meeting and is attached to these minutes.

- As the budget develops this document will go through several modifications as more information becomes available
- Items reviewed
 - * Property tax levy: this base could be increased by 2 ½% annually under Proposition 2 ½, a new factor could be added for new property growth. Two (2) exclusions could be added as well, one for our share of the investment for the Cape Cod Commission and one for our share of the debt exclusion for the Cape Cod Regional Technical High School (CCRTHS). A portion is also set aside for the overlay reserve and used for eligible property owners' abatements and exemptions.
 - * Other taxes include excise taxes, and changes in number of new vehicle purchases and their values affect these numbers
 - * State aid – most of which is Chapter 70 aid
 - * Charges for services are largely made up from Recreation (beach stickers and parking)
 - * Fees are estimated to be level funded
 - * Fees, fines and penalties
 - * Licenses are also close to level funded
 - * Other revenue is derived from investment income and renewable energy revenue
 - * Total permits
 - * Total special assessments are mostly from commercial property taxpayers who do not file required paperwork
 - * Transfers – from special revenue accounts
- The expenditure side of the budget:
 - * School Assessments; preliminary estimates from the State are expected in January. The Regional school district will send the assessment based on enrollment at CCRTHS and we anticipate our student population to be about the same as last year
 - Employee Benefits: Premium rate increase on health insurance premium rates will be higher than currently projected School employees and retirement reviewed, as well as other employee benefits and related costs.
 - Other Fixed costs: Celebrations for the 4th of July, Unity Day, Village celebrations supported by DPW to name a few; if funds for the 4th of July are not spent, those funds could be applied to the upcoming 250th anniversary. Insurance premiums have increased significantly resulting in a supplement request coming before the Town Council. Grants to libraries may need to be addressed as well.
 - State and County assessments received from various agencies reviewed
 - Operating Budget allocations briefly discussed
 - Potential areas that could be outsourced to reduce costs; it was noted that the Water Enterprise Fund operation is outsourced, the Town only has two (2) employees there.

Correspondence from members: None

Correspondence from Staff:

- The CIP Task Force meeting is scheduled for December 2nd and will be held at the JFK Museum, second floor in the Scudder Family Center for Civic Engagement. The meeting is scheduled from 9:00am-3:00pm. Mark has extended invitations to members should they like to attend as an observer; Jim, Chris L. and Jeremy will check their schedules, as they would like to attend, and lunch will be provided. Departments will be presenting their highest priority projects which will give the members of the Task Force opportunities to ask questions. The Task Force is comprised of Department Heads and other key staff members of each department; they use an evaluation tool rating each project on criteria which are then ranked under priorities and other considerations which will assist the Town Manager when those projects are brought forward. Any other members wishing to attend should let Mark know. This is not a public meeting; it is a staff working meeting .
- The draft CIP document that includes @90 projects that have requested FY27 funding will be sent by the end of the week.
- Mark will also send out the 2026 meeting calendar for review and adoption at the next meeting
- Mark has asked and received confirmation from members that the 2nd Tuesday at 6:00pm is the preferred day and time so he can then schedule the sub-committee meetings. As meetings are being scheduled, members are reminded to keep in mind the rules for quorum.

Matters not reasonably anticipated by the Chair: None

Closing public comment: None

The next CFAC meeting is scheduled for December 1, 2025

Motion duly made by Jim, seconded by Chris K. to adjourn the meeting

Roll Call vote by Jeremy: Chris K.-yes, Chris L.-yes, Jim-yes, Frank-yes, and Jeremy-yes

Meeting adjourned at 7:30pm

Respectfully submitted

Theresa M. Santos

This meeting was recorded and is available at <https://townofbarnstable.us/boardscommittees/CFAC>



2025.10.27 Minutes
CFAC Draft.pdf



FY 2027 Capital
Trust Fund Cashflow .



FY27 General Fund
Budget Projection.pdf



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Arlington_FY2023
PAFR.pdf