



The Town of Barnstable

## Comprehensive Financial Advisory Committee (CFAC)

367 Main Street, Village of Hyannis, MA 02601

v. 508.862.4654 • f. 508.862.4717 [www.town.barnstable.ma.us](http://www.town.barnstable.ma.us)

Email: [cfac@town.barnstable.ma.us](mailto:cfac@town.barnstable.ma.us)

### CFAC Committee:

#### Chair:

Chris Lauzon

#### Members:

Vice Chair, Jim Sproul

Clerk, Jeremy Shea

Chris King

Rimas Puskorius

Frank Ward

Lillian Woo

#### Staff Liaison:

Mark Milne

#### Councilor Liaison:

Betty Ludtke

### MEETING MINUTES

## Comprehensive Financial Advisory Committee

03.03.2026

6:00 PM

#### **Join Zoom Meeting:**

<https://townofbarnstable-us.zoom.us/j/87696967690>

#### **PHONE:**

877-853-5257

#### **Meeting ID:**

876 9696 7690

#### **Roll Call:**

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

CFAC Members Present : Lillian Woo, Chris Lauzon, Rima s Puskorius, Chris King, and Jim Sproul

- Roll call and quorum verified by Jim Sproul
- CFAC Members Absent: Jeremy Shea, and Frank Ward
- Councilors Present: Betty Ludtke
- Staff Present: Finance Director-Mark Milne
- Others Present: None
- Public Comment: None

Motion to approve the minutes of February 9, 2026, made by Lillian, seconded by Chris K.

Discussion: None

Roll call vote by Jim: Chris K-yes, Lillian-yes, Chris L.-abstain, Rimas-abstain, and Jim-yes

Minutes approved as submitted

***Review and approval of CIP Subcommittee on their FY 2027 Report***

Review provided by Jim Sproul

- Purpose was to fulfill the obligation with the independent review of the FY27 budget
- The format has changed from past reports and focuses on the funding options; primarily the \$589m gap from the Comprehensive Wastewater Management Plan (CWMP)
- The three (3) main components of the report include:
  - \* History – last 50 years since CFAC’s inception, and future 50 years.
  - \* Three funding options include Debt Exclusion, Water Infrastructure Investment Fund (WIIF), and the Multipurpose Stabilization Fund (MSF). These three(3) were reviewed resulting in a recommendation for the Town to act on one (1) of those options in the analysis by spring of 2027. Recommendation was also made to review and potentially increase the sewer assessment equity based on the construction cost index.
  - \* Private Sector Participation (PSP) is a new alternative strategy to access revenue and cost containment; the data and research are included as appendix in the report. This factor is an alternative to raising taxes for revenue.

Discussion:

- Members share gratitude for Rimas’ exceptional effort and hope that a way is found to work with the Town Manager and Town Council (TC) to include and use these strategies going forward. The appendix
- This report offers a generational solution as the financial makeup of the Town is critical. Invoking new funding mechanisms be it revenue enhancements or cost reduction measures would allow continued investment in other crucial areas of the Town, i.e. water infrastructure, beaches, schools, etc.; and the Town can then continue to move forward.
- This new, fresh approach focusing on revenue sources is critical, and offering helpful choices to Town leadership and TC
- History structure and future options are valuable
- The recommendation for a spring 2027 vote was accidentally deleted and will be put back in
- Page number structure to be updated as well
- There will be a cover page
- The goal was to focus on looking at this from a strategic perspective as opposed to a tactical approach.
- Identifying the gap over the next five (5) years and knowing that the gap beyond those five (5) years has not been identified and is significantly larger; and this is the opportunity to look to the next 50 years. Other municipalities have used this method successfully. The goal is to integrate these initiatives in a way that best serves the Town.
- The level of detail incorporated in the report would not have been possible without Rimas’ level of expertise
- The closing paragraph identifies that should the PSP be accepted, a working committee for the PSP would be in place that could assist the Town
- Councilor Ludtke shared appreciation for the work put into the report, her views, requested and received confirmation that this report will be presented to the TC
- Appreciation to all subcommittee members for their tireless efforts in creating a valuable report

***Motion duly made to approve the report as written with the addition of the Spring 2027 action item, page numbering and cover page made by Chris K., seconded by Lillian.***

***Hand vote – all in favor***

## ***Motion passed, report approved***

### Presentation review:

- Jim shared that the report is a tool created by Notebook AI; the content was taken from the report and the program then creates slides. It captures the story over the last 50 years, and looking at the next 50 years; transition the fiscal policy of routing oversite to something providing long term financial resilience \* Slide 1: Choice Architecture: history of the past 50 years, and where we are headed in the next 50 years, transitioning to something providing long-term financial resilience
  - \* Slide 2: The Context: This highlights the examination of what is currently in place is working and what is then needed to fix it in the future. Addressing the current and significant \$589m Capital Improvement Plan (CIP) gap; to date \$337m has been appropriated for the CWMP, this will exceed \$1b and needs to be addressed. The current Capital requirements for five (5) years is \$829m, of which \$335m is for the CWMP, \$344m is for General Fund projects, and less \$90m in projected funding capacity
  - \* Slide 3: The Foundation: This slide identifies what is being asked of the TC to look at the three (3) options (debt exclusion, WIIF, and MSP) each of which have merit. Guidance received from Mark Milne is that the debt exclusion would be the most appropriate and solid approach. The MSP must be approved annually by the TC. It should be noted to the TC that the committee was asked to provide a deeper review of the debt exclusion and conduct an analysis.
  - \* Slide 4: The Fairness Doctrine: Sewer Assessment Equity: presentation language will include an assessment for all participants in the sewer program. Discussion included costs for those who connected in the beginning, costs to those connecting as the project expands, subsidies, and the effects of cost construction impacts. Mark shared that in the existing sewer ordinance the cap is \$10k, however the TC can vote as often as it wishes to make adjustments to that amount based on a construction cost index, recognizing inflation; the goal is to equalize all who connect receive a subsidy from the Town, the subsidies are different because of those constructions costs.
  - \* Slide 5: Attachment A: Beyond Taxation (PSP):
    - \* The slide presents PSP, which is an opportunity to generate revenues, to access capital and realize operational efficiencies
    - \* Balancing public services with economic stewardship which requires management of key risks of political and public trust
    - \* Equity and access to infrastructure
    - \* Assessing public service provided by enterprise funds versus their intrinsic asset value ensuring they are aligned.
    - \* Fiscal risks and financial exposure of going with PSP or remaining status quo
    - \* Operational and service quality issues
    - \* Implementation and management capacity issues; accurate capacity to design, manage and monitor programs
    - \* Legislative and regulatory risks associated
    - \* The key way to manage the risks and issues include proactive public engagement, clear statement of objectives and providing answers to questions posed.
    - \* Ensuring contractual provisions and regulatory framework is robust
    - \* Staff training and capacity building
    - \* Incorporating technical, financial and legal advisors
  - \* Slide 6: Fiscal Architecture Conclusion: Slide is meant to summarize everything reviewed
  - \* After listening to the list of capital requirements from departments within the Town, the number of exclusions is large due to lack of funding. New mechanisms for funding must be developed to address other strategically important areas of our community and maintain them in the future

\* The intent is to give a vision to the TC that the committee has put considerable thought over the years on the approach and are now asking them to take action and be on the ballot by Spring 2027.

Discussion:

- Slides will be finalized at the subcommittee level and used as a tool to communicate ideas at a high level during the presentation
- The public hearings on the CIP begin on March 26<sup>th</sup>; Mark will be asking the TC President to entertain a presentation by CFAC to the TC at that time. When Mark receives the final draft, he will provide that to TC as soon as possible in advance of the presentation.
- Members will be sitting together at that TC meeting during the presentation, and the presentation is anticipated to be @15 minutes
- Councilor Ludtke suggests members review the TC meeting where the \$10k assessment was implemented prior to presenting on March 26<sup>th</sup>.
- Further sewer assessment discussion included:
  - \* A report CFAC created in 2021 where the initial sewer assessment recommendation was for \$17k; Mark will provide that document to members. \* Measuring affordability and fairness
  - \* Should the option of passing 100% of the cost on to homeowners, each residential area would see different costs. Average costs per residence are between \$60k and \$70k. The choice was made not to fully assess it out to homeowners but instead subsidize if with the General Fund.
  - \* \$.22 of the tax rate is committed to paying off the buildout of the system. Everyone is paying for it, even those who are not sewered
  - \* There is no systems development charge status; homeowners did not need another added charge
- Once the final touches are completed, Jim will provide the documents to members. Members are encouraged to attend the presentation and provide support. The document will also be posted on the town's website.

Correspondence from Committee Members: None

Matters not reasonably anticipated by the Chair: None

Correspondence from Staff:

- The next full CFAC meeting is scheduled for March 9, 2026, and the agenda will include an overview of the GF Operating Budget. Projections were provided to members, and meetings with department heads to review and discuss the FY27 budget requests will be starting as well. CFAC's OB Subcommittee, which consists of Lillian, Chris K., and Frank, to provide dates and times of meetings to Mark who will then set up those meetings
- Councilor Ludtke shares that the TC Strategic Planning Committee has not met yet but hopes that those meetings will commence after CFAC's presentation.
- One application for a new member to CFAC has been received but has not yet been vetted by the Appointments Committee.

Closing public comment: None

Motion duly made by Lillian, seconded by Rimas to adjourn the meeting

Roll Call vote by Jim: Lillian-yes, Chris L.-yes, Rimas-yes, Chris K.-yes, and Jim-yes

Meeting adjourned at 7:02pm

Respectfully submitted

Theresa M. Santos

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



2025.02.09 Minutes Barnstable\_Strategic\_CFAC\_Final\_Draft CFAC  
Draft.pdf Capital\_Vision\_(6) (1). Report\_v3\_030326.pdf

ADMITTED