



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

Staff Liaison:

Mark Milne

Councilor Liaison:

John T. Norman

MEETING MINUTES

10.11.16

7:00 PM

Growth Management Conference Room

CFAC Members Present: Joseph Mladinich, Lillian Woo, Cynthia Crossman, John Schoenherr, and Gregory Plunkett

CFAC Members Absent: Robert Ciolek, and Ralph Krau

Councilors Present:

Staff Present: Mark Milne, Director of Finance, Nathan Empey, Finance/Budget Analyst, and Meg Mayo-Brown School Superintendent

1. Call to Order

John Schoenherr 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:

09.26.2016

3. New Business

The committee met with Barnstable's new School Superintendent Meg Mayo-Brown. Meg was former School Superintendent in Fall River since 2009 and had been in the school district since 2003. The new Superintendent noted Barnstable offers tremendous support for its schools, a well-run system, and that consolidation of finances and human resources between the schools and municipal is a model for the state.

Her entry plan as new Superintendent is to get a sense of the community and meet with interest groups. This will provide an opportunity to understand what is important, their values, and direction of the community. Barnstable's school district is becoming highly diverse. How do we service this growing diverse student population? We can build capacity of our educators through additional training, and ensuring funding is aligned with our goals. The Superintendent met with 45 administrators throughout Barnstable's school district, including principals, to create four key goals: high quality curriculum, rigorous school system, system of support, and collecting data. A key factor includes creating a system of support, so that 80% of students complete the initial dose of instructions. Another key factor is making decisions based on hard data points. There is a wealth of data available to help incorporate best practices such as new learning tools. Committee members asked if performance measures would be used to evaluating administrators to benchmarked goals. Meg noted teachers need the flexibility on how to teach the curriculum. Members also asked if a school district assessment is being conducted. Meg responded that state targets provide early advice of change with short and long-term outcomes based on the data. At a minimum, the school district should exceed the state minimum targets.

Committee members asked Meg about Question 2 on the state ballot to lift the charter school cap. Meg responded that parents should be able to have a choice and want to have options available to them. She also felt the school district should be a provider first and be able to provide those options, and that charter schools service such a small percentage of the population. There are also economies of scale within a public school district.

The Superintendent noted future challenges are focused on the English Language Learners (ELL) and transitioning students. There are currently 32 languages spoken in the school district and 530 ELL students out of 5,000 students in the district. Furthermore, students transition frequently between schools and districts between grade levels. Meg noted a new model is needed in the future to reduce the number of transitioning students.

Barnstable's school budget process has begun, which Meg informed the committee the budget process is different from Fall River. Fall River receives 80% of its school budget as state aid. This had created numerous constraints for Fall River's school budget when trying to incorporate sound financial planning or long term planning. The committee voiced concern about the bus transportation contracts. Due to the one provider on Cape, there is limited competition on Cape Cod for school transportation providers. Meg noted the school finance team is looking at different models or contract durations for more favorable cost. In addition, health insurance premiums are a concern amongst the teachers union. Currently, the town pays the state minimum requirement of 50% while other communities contribute as much as 80%. This can make it difficult to retain talent as a teacher may seek benefits that are more favorable elsewhere.

Committee asked the Mark Milne if Question 2 on the state ballot passes, what would be the impact to the town? Mark didn't expect additional charter schools at this time. Currently, charter schools must get state approval to expand campuses and student enrolments. The town pays \$2.7 million annually to local charter schools for 226 students from Barnstable. If those students were to transition back into the Barnstable school district costs to the charter schools would go away. Barnstable needs to create a strong public school system to attract students away from the local charter schools.

CFAC members voted unanimously to approve the FY16 CFAC Annual Report to be provided to the Town Manager's office for review.

Director of Finance Mark Milne reviewed the estimated and uncertified free cash/surplus calculations for the town's general fund and enterprise funds as of June 30, 2016. The Division of Local Services will review and certify these free cash/surplus calculations. Free cash represents cash free and clear of any encumbrances, which is available for future appropriations. Potential increase in free cash is due to positive budgetary variances caused by revenues exceeding estimates and unexpended appropriations. Most funds saw an increase year-over-year free cash/surplus. The town's general fund estimated free cash of \$13.1 million, which is slightly down from last year. Enterprise funds estimated surplus: Airport \$2.7 million, Golf \$727k, Solid Waste \$2.4 million, Sewer \$8.4 million, Water \$3.4 million, Marinas \$765k, Sandy Neck \$714k, HYCC \$501k. Committee inquired if Mark felt any of these numbers were abnormally high or low. Mark felt HYCC was low, but emphasized it still is a relatively new enterprise fund, and that building up reserves takes time. He would also like to see the golf enterprise fund be higher for rainy days and seasonality factors. Furthermore, Hyannis golf course is also old with potential unforeseen costs to infrastructure. Working capital, age of infrastructure, and unforeseen events are important factors to consider with free cash levels.

Mark M. reviewed the FY 2018 Budget Action Calendar with the committee. Notable dates mentioned below.

- Nov 14th department capital submissions are due
- Dec 15th Town Council will vote for a new president/vice president (annual process)
- Dec 21st departments operating budget submissions are due
- Jan 18th department operating narratives are due
- Mar 15th Town Manger recommended FY18 Capital Budget due
- Apr 6th CFAC will submit their review of recommended FY18 Capital Budget
- May 4th Town Manager FY18 Operating Budget due
- June 1st CFAC submits their review of recommended FY18 Operating Budget

CFAC assigned preliminary members to the capital and operating subcommittees as follows:

Capital Subcommittee: Gregory Plunkett, Robert Ciolek, Cynthia Crossman, and Ralph Krau

Operating Subcommittee: John Schoenherr, Lillian Woo, Joseph Mladinich, and Allen Fullerton

4. Other matters not reasonably anticipated by the chair

Mark noted CFAC could meet with Public Works and school department to review highest priority capital projects. Nov 22nd the Town Manager will begin his' formal review of CIP projects.

Lillian Woo mentioned Water Resource Advisory Committee (WRAC) has not yet consolidated around a plan, and that CFAC Subcommittee to WRAC will continue to work with them.

The shooting range is currently in the process of going through a land swap, which will swap local conservation land for the state owned shooting range parcel. This will allow Barnstable to reopen the shooting range, and thus minimize the cleanup cost. If the shooting range were to close, Barnstable would be responsible for cleaning

up the entire parcel due to lead contamination. The FY18 Operating Budget may have an expense for reopening the shooting range. It is anticipate the police department may oversee the shooting range operations.

5. Discussion of topics for the next meeting

The next meeting is October 24, 2016

6. Adjournment

List of documents handed out

1. 09.26.16 Draft Minutes
2. FY 2018 Budget Action Calendar
3. Town of Barnstable Free cash/Surplus Funds Calculation