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
Email: cfac@town.barnstable.ma.us

CFAC Committee:

Chair:
Chris Lauzon

Members:
Vice Chair, Jim Sproul
Clerk, Jeremy Shea
Hector Guenther
Tom Keane
Chris King
Frank Ward
Lillian Woo

Staff Liaison:
Mark Milne

Councilor Liaison:
Betty Ludtke

MEETING MINUTES

Comprehensive Financial Advisory Committee

10.27.2025
6:00 PM

Join Zoom Meeting: https://townofbarnstable-us.zoom.us/j/86945195465
PHONE: 877-853-5257
Meeting ID: 869 4519 5465

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

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

Public Comment:
Bob Schultte via email: Unable to attend this CFAC meeting due to scheduling conflict; "…CFAC will be continuing its discussion of the FY 2026 Summary Report, I would just like to reiterate the comments I made to the Committee at its last meeting and request CFAC to include bullet point references to both the Zoning and Housing and Offshore Wind projects in the "Looking Ahead" section of it's FY 2026 Summary Report." I believe the two above-mentioned topics continue to have the potential for significant impact on the Town's financial condition in the coming year(s) and it is essential they be mentioned in the FY 2026 Summary Report.

Motion to approve the minutes of October 14, 2025, made by Tom, seconded by Lillian
Roll call vote by Jeremy: Hector-yes, Tom-yes, Chris K.-abstain, Chris L.-yes, Jim-yes, Frank-yes, Lillian-yes, and Jeremy-yes
Minutes approved as submitted

Approval of CFAC's Financial Overview Report for Fiscal Year 2026
Comments:
* Hector: One grammatical edit, and appreciation to Frank for the additional information regarding sewer costs
* Lillian:
  The document is detailed and extraordinary; appreciate all Tom's work in gathering and incorporating all additions from members. Provides CFAC's purpose, history and what can and cannot take place under the Code and as directed by the Town Manager (TM), or the Town Council (TC) as well as what the TC is currently considering relative to financial issues. CFAC has not received requests from either the TM or the TC to review the financial impacts of either zoning and offshore wind projects and believe they should be removed from the "Looking Ahead" section of the report.

Motion duly made by Lillian that CFAC eliminate those two bullets from our fiscal 2026 financial overview report, to keep the work consistent, factual, and within the scope entrusted to us by the Town Council.

Motion seconded by Jim

Discussion:
* Hector references the Charter, and reasoning for keeping the aforementioned items in the report. The *Looking Ahead* section identifies challenges facing the Town in the future, and opposes the motion
* Lillian: Concurs that the Code does permit research of topics within the Committee, and identifies past work performed within and with the approval of the Committee. CFAC has not been asked to discuss or review the two bulleted items, nor have they been discussed or reviewed within the committee.
* Chris L.: All items and language were agreed upon, and approved by all members at the previous meeting, the items in the report are all broader concerns that may have impact on the financial future of the Town of Barnstable (TOB). The current discussion entails how best to use zoning and land use policy which has major fiscal impact on the Town.
* Chris K.: In reading the last sentence, "CFAC stands ready to provide advice to ensure that policy decision do not place undue strain on the town's budget or its taxpayers." ; CFAC is ready to review, support and analyze should the TM or TC request that be done.
* Jim: In the interest of moving this report forward, remove the two bullet items in question and review the Charter at a future meeting
* The *Looking Ahead* section offers no opinion or analysis, but is looking at long-term financial topics
* Members discuss further reasons for either keeping the bullet items or removing them
* Betty – supports the two issues, and believes an analysis should be done

Roll call vote by Jeremy: To remove the bullet points on offshore wind and zoning from the *Looking Ahead* section; a yes vote will remove the bullets, a no vote will keep the bullets.
Hector-No, Tom-abstain, Chris K.-No, Chris L.-No, Jim-yes, Frank-No, Lillian-Yes, and Jeremy-No
Bullet points remain with 5-No, 2-Yes, and 1-abstention

Motion duly made to approve the report by Hector, seconded by Jeremy
Roll call vote by Jeremy: Hector-yes, Tom-yes, Chris K.-yes, Chris L.-yes, Jim-yes, Frank-yes, Lillian-yes, and Jeremy-yes
Report is approved

FY26 Tax Levy Shifting Options – Split Tax Rate and Residential Exemption

Review provided by Mark Milne

- Presentation was provided to the TC on 10/23 in anticipation of the two (2) annual upcoming votes on the shifting the tax levy between and within tax classes.
- Review included:
  * Calculation of FY26 tax rate which comes to $5.96 per $1,000 of valuation; this is the rate before any tax levy shifting options are approved. The reason why this is less than tax rate in FY25 is because total assessed value for the town's property increased by @5.8%.
  * Allocation of Fiscal 2026 tax levy by class (residential / commercial / industrial / personal)
  * TC Order 2026-050 Split Tax Rate: Shifting more of the residential levy over to the CIP classes of property providing some residential tax relief
  * Illustration of Split Tax Rate – Tax Bill Impact: Using median assessed value for FY26, tax savings, and impact on commercial, industrial or personal property taxpayer.
  * TC order 2026-051 – Residential exemption: TC could authorize exemption up to 35%. The property must be the primary residence as used for income tax filings; and does not change the amount itself or impact CIP property owners, it only shifts the taxes within the residential class. The shift results in a higher tax rate for all residential properties, and a deduction from every qualified property's value before the tax is calculated at a higher tax rate. Still under review for the TOB is the Seasonal Communities Act (SCA), which if approved, the exemption could increase to 50%.
  * Residential Exemption Calculation: Exemption may not exceed 35% of the average assessed value of all residential properties.
  * Residential Exemption Impact on Residential Tax Rate (No Impact on CIP Rate): Removing a portion of the property value subject to taxation results in a higher tax rate for the residential class as the same amount of taxes are levied on this class of property.
  * Tax Bill Comparison: Identifies the difference if there were no exemption at all, if the TC eliminated the exemption, and the tax bills at each level, and if the TC were to reauthorize (for example) a 25% exemption; shifting higher tax rates on higher value and secondary homes
- Every five (5) years, the TOB must complete a comprehensive revaluation of the town's property values and submit it to the State Department of Revenue for review. Currently the TOB is currently in a recertification year, this has been completed and submitted to the state, and it is currently under review. Once that review is completed, the TOB is provided with a *preliminary certification*; once that is received there is a mandatory 5-day public notice of preliminary assessed value to everyone for the coming tax year; recipients of that notice should review and address any errors and notify the Assessing Department so adjustments may be made before the final certification. Should the preliminary certification not be received in time to provide that five (5) day public notice the TC will not be able to act on these items at the November 6th TC meeting, postponing them until the November 20th meeting. The goal is to address these items with the current TC, and not with new Councilors who are likely unfamiliar with the information and process; timely approval is needed as tax bills must be printed and mailed by the end of December.

Discussion

- Permissible tax deductions
- Difference between average and median home valuations, and amount of high value properties in the TOB
- Gradual shift in the growth rate of commercial CIP
- Out of @25k parcels in the TOB, @10k get a residential exemption, leaving @15k parcels that are other either second homes, short term rentals, businesses, or just do not apply for the exemption.
- Recertification process and timing
- Similar to the CWMP funding model, Mark recommended to the TC for CFAC to review; he further suggests that members identify issues believe to be most immediate with short and long term financial needs; and for staff to recommend to the TC resulting in a directive by the TC for CFAC to do explore, research and advise on; CFAC should not explore topics that they have not been asked to do so. The issue of long-term funding of the CWMP with a debt exclusion override and mitigating the tax impact by increasing the residential exemption gradually is something Mark would like to see CFAC review.

Correspondence from Committee Members

- Request consideration of the following:
  * Dedicate a meeting to discuss and provide clarity on CFAC's role and purpose, review the Charter and its language noting that the Charter permits topics to be researched within the confines of the Committee.
  * Issues with long-term impacts on the budget

* What the TC is working on and concerned about
* The ability to raise topics and bring them to TC and address them, if they are directed to do so
* Members would like an agenda item to include what issues they identify as needing in-depth review, and/or what the TC requests that members review. Chair Lauzon recommends members make a list of items that are important for CFAC to address, provide it to the TC, and request they review and identify what they want CFAC to focus on.
* Review of the one-page document derived from the Summary Report

Correspondence from Staff:

- Mark requests Jeremy to provide his information on breaking down the report into social media posts for the next meeting agenda
- Status of both the Municipal Empowerment Act and Seasonal Designation are still being reviewed
- Capital submissions are due by November 3rd; however, they will likely not be ready for CFAC's November 10th meeting
- Capital Trust Funds cash flow analysis will be reviewed and placed on a future agenda
- After conversations with Communications Director, Lynne Poyant at the last CFAC meeting about increasing CFAC's presence, Chair Lauzon will participate in Town Talk on Channel 18

Matters not reasonably anticipated by the Chair: None

Closing public comment: None

The next CFAC meeting is scheduled for 11/1025

- Agenda to include Social Media distribution methods by Jeremy Shea

Motion duly made by Hector, seconded by Lillian to adjourn the meeting
Roll Call vote by Jeremy: Hector-yes, Tom-yes, Chris K.-yes, Chris L.-yes, Jim-yes, Frank-yes, Lillian-yes, and Jeremy-yes

Meeting adjourned at 7:23pm

Respectfully submitted
Theresa M. Santos

2025.10.14 Minutes CFAC Draft.pdf

FY26 Tax Classification Hearing

2025 10 26 - Public Comment Email - Bol