



The Town of Barnstable

Comprehensive Financial Advisory Committee (CFAC)

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CFAC Committee:

Chairman:

John Curtis, Chair

Members:

Bill Brower
Laura Cronin
Ralph Krau
Tom Michael
Jim Sproul

Staff Liaison:

Mark Milne

Councilor Liaison:

Richard Barry

CFAC MEETING MINUTES

11.03.08

7:00 PM

Selectman's Conference Room

CFAC Members Present: Bill Brower, Laura Cronin, Jim Sproul, Ralph Krau, John Curtis

CFAC Members Absent: Tom Michael

Councilors Present: None

Staff Present: Mark Milne

1. Upon a quorum duly present, Chairman Curtis called the CFAC meeting to order at 7:00 PM in the Selectman's Conference Room.
2. Old Business: Mark M. passed out a 2009 calendar for CFAC meeting dates. Committee agreed that the dates were acceptable. Mark said he was still working on finding a new location for the meetings as the Selectman's Conference Room was no longer available.

John C. asked members to find potential candidates for members on the committee as CFAC is currently down 3 members. Names, if any, should be submitted to the council's office. Bill B. said he would try to touch base with Councilor Curtis to see if there were any potential candidates currently being considered by the appointments committee.

Mark M. mentioned that there would be a joint meeting between the School Committee and the Town Council where the school department was going to be making an FY10 budget presentation.

Jim S. said he received two phone calls from the Field of Dreams Committee. Jim and Tom M. are going to draft a response to the proposal on behalf of CFAC.

Jim S. said that a letter of interest was sent to the State School Building Authority indicating that the school department was planning on closing two elementary school buildings and building a new one on Rt. 28 in Marstons Mills.

4. New Business: Bill B. and Ralph K. met with the Town Manager to discuss CFAC's role in the FY10 budget process. The Town Manager was looking at a comprehensive policy review on reserves and would like CFAC to review the process used to develop the budget.

Ralph K. asked if the general fund could borrow money from the enterprise fund reserves to help mitigate budget cuts in the general fund. Mark M. said he did not think this was possible and it would ignore the issue that general fund budget cuts need to be made.

Mark M. discussed the difference between enterprise fund debt and general fund debt. All debt issued by the town is backed by property taxes, even enterprise fund debt. We can't issue "revenue bonds" in the state of MA whereby we pledge a certain revenue stream; for example sewer rate revenue, to repay a sewer fund loan. This is the downside. If any of the enterprise fund debt could not be paid by the enterprise fund revenue stream, then the general fund would be required to pay the loan. The upside is the borrowing rates for general obligation debt are much more favorable than it is for "revenue bonds".

A discussion on multiple budget development models ensued. The committee asked Mark to email them the budget instructions that were issued to department heads.

Bill B. suggested that CFAC sit in on budget meetings between department heads and the Town Manager.

John C. said that the committee needed to establish its operating budget sub-committee.

Mark M. said that he will email CFAC all current finance policies. Mark M. passed out a schedule of all town reserves and reviewed it with the committee. A copy of the schedule is attached to the minutes.

5. Adjournment

Upon a motion duly made and seconded, it was voted to adjourn at 8:30 PM
VOTE: Unanimous.

CFAC Meeting Minutes
11.03.08

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	Balance	Reserved	Designated		Undesignated	Used to Balance FY09 Budget		FY08 Revenue	Fund Use
	7.1.2008		Municipal	School		Amount	Purpose		
General Funds:									
Free Cash*	9,445,143	5,041,389	2,461,437	1,942,318		6,165,669	general fund operating cost; one-time and recurring costs		Any legal purpose Tax abatements and exemptions; excess closed to free cash
Allowance for Abatements & Exemptions	3,048,747				3,048,747				
Totals	12,493,890	5,041,389	2,461,437	1,942,318	3,048,747	6,165,669			
Special Revenue Funds:									
Sale of Real Estate - Grade 5	2,952,989			2,952,989					Any expense for which a community could borrow for; not operating costs
Sale of Real Estate - Other	218,500				218,500				Any expense for which a community could borrow for; not operating costs
Parking meter receipts	75,268				75,268	32,000	parking enforcement and parking lot maint.	32,945	parking enforcement and parking lot maint.
Sale of Cemetery Lots	95,084				95,084			19,828	Cemetery maintenance
Wetland protection fund	179,381				179,381	35,000	Enforcement of wetlands protection Act Debt service on Pleasant St Dock and	26,283	Enforcement of wetlands protection Act Expenses associated with operating in and
Embarkation fee revenue	244,007				244,007	147,375	general fund operating expenses	159,520	around Hyannis Harbor Expenses associated with waterway operations
Mooring fees	545,050				545,050	176,000	General fund operating expenses	197,938	and maintenance
Recreation revolving	221,239				221,239				Recreation programs
Senior services revolving	16,301				16,301				Senior programs
Weights and measures revolving	420,237				420,237				W&M programs
Building permit revolving	369,748				369,748				Municipal permits & commercial permits > \$
GIS revolving	12,830				12,830				Map requests
Shellfish revolving	81,658				81,658				Shellfish propagation
Totals	5,432,292	-	-	2,952,989	2,479,302	390,375		436,514	
Trust Funds:									
Aff Hse / Eco Dev Trust Fund	1,049,811				1,049,811				Affordable housing & economic development activities
Pension Reserve	3,557,803	3,557,803				381,500	County pension assessment		Employee pension costs
Insurance Reserve	600,734	600,734							Self insurance and insurance premiums
Capital Trust Fund	12,379,306				12,379,306	2,403,353	FY09 capital program		Any legal purpose
Totals	17,587,654	4,158,537	-	-	13,429,117	2,784,853			
Enterprise Funds:									
Airport surplus*	4,202,371	4,202,371							Enterprise fund capital and/or fee mitigation
Solid Waste surplus*	2,044,722	2,044,722				471,820			Enterprise fund capital and/or fee mitigation
Sewer surplus*	2,606,900	2,606,900				426,030			Enterprise fund capital and/or fee mitigation
Water surplus*	555,875	555,875							Enterprise fund capital and/or fee mitigation
Marinas surplus*	131,049	131,049							Enterprise fund capital and/or fee mitigation
Sandy Neck surplus*	200,398	200,398							Enterprise fund capital and/or fee mitigation
Totals	9,741,315	9,741,315	-	-	-	897,850			
Grand total	45,255,151	18,941,241	2,461,437	4,895,307	18,957,166	10,238,747		436,514	

* These amounts are still waiting certification from the MA Dept. of Revenue.