



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

Chair:

Hector Guenther

Members:

Vice Chair, Chuck McKenzie
Clerk, Chris Lauzon
Tom Keane
Chris King
Jeremy Shea
James Sproul
Lillian Woo

Staff Liaison:

Mark Milne

Councilor Liaison:

Betty Ludtke

MEETING MINUTES

Comprehensive Financial Advisory Committee

05.12.2025

6:00 PM

Join Zoom Meeting: <https://townofbarnstable-us.zoom.us/j/88061668463>

PHONE: 877-853-5257, Meeting ID: 880 6166 8463

Roll Call:

Chair Guenther called the CFAC Zoom meeting to order at 6:02pm

- CFAC Members Present: Jim Sproul, Chris King, Lillian Woo, Hector Guenther, Tom Keane and Jeremy Shea
- Roll call and quorum verified by Jeremy Shea
- CFAC Members Absent: Chuck McKenzie, Chris Lauzon
- Councilors Present: Betty Ludtke
- Staff Present: Mark Milne-Finance Director
- Others Present: Frank Ward, and Bob Powers

Motion to approve the minutes of April 28, 2025, made by Lillian Woo, seconded by Tom Keane

Discussion: Minor editing

Roll call vote by Jeremy Shea: Jim-yes, Chris K.-yes, Lillian-yes, Hector-yes, Tom-yes, and Jeremy-yes

Minutes approved as amended

Operating Budget Subcommittee

Update provided by Lillian Woo

- The report is anticipated to be completed and provided to members within the next two weeks; and ready for review and approval at the May 27th meeting.
- Once approved, the report would then be scheduled for presentation at the June 5th Town Council meeting.

Councilor Ludtke requested clarification on the following:

- Concerns about issues being raised on social media regarding how and what the Comprehensive Wastewater Management Plan (CWMP) is doing to the Operating Budget of DPW. Would there be any data going back to see if those resources are going to the CWMP and neglecting other areas.
- Has anything been done with the PILOT study from 2007, where many non-profits were identified and who did not claim PILOT.

Discussion:

- In 2007, the former Town Council assigned an Ad-Hoc to review the PILOT program and see if there was any feasibility; the result was that there was none as the agreements are voluntary.
- In 2018, a previous CFAC committee was assigned to review that report and update the report.
- A current Town Councilor requested an update on that report, and the Assessing Department produced a current list of tax-exempt properties; that listing was grouped by taxpayer names and provided to that Councilor.
- Mark will share both 2007 and 2018 reports with members and Councilor Ludtke
- Investments into DPW's operating budget continue and additional funding is provided on an annual basis. All positions created for the implementation of the CWMP come from new resources being dedicated to that program, no programs or funding have been cut and redirected to the CWMP. Those new investments are derived from a new dedicated revenue source. Existing social media posts stating that funds are being taken from DPW budget and allocated to the CWMP are not accurate.

Town's General Obligation Bond Sale

Update provided by Mark Mine

- There are about nine (9) projects ready to move forward and will be implemented with funding with bond issue. That is a total of @\$5.4m.
- A total of e (8) bidders responded. The winning bidder was FHN Financial Capital markets with a rate of 3.66%. Three (3) weeks prior to the bid going out, our financial advisors, Hilltop Securities, advised that AAA rated agencies were seeing bond issues at more than 4%.
- Our bond rating remains AAA, all positive factors citing financial performance, budget flexibility, financial policy and procedures, strong residential tax base, and more.

- The bonds issued over a 20-year period are mostly for building improvements, there are some loans which will be amortized over a shorter period of time.
- FY24 bond issue was a bit smaller, and FY26 the bond issue is anticipated to be a bit larger.
- Enterprise fund reserves reviewed
- Also reviewed were Investment portfolios, cost of borrowing and fees associated with bonds.
- The three (3) main goals for borrowing are safety, liquidity, and yield.

Federal Funding Changes

Update provided by Mark

- All TOB Federal programs are being watched for potential changes
- One entitlement program is the Airport Improvement program see @\$1m annually, this program helps with capital projects; to date, there has been no communication or negative information on potential cuts to this program.
- The Community Development Block Grant Program (CDBG) which operates under the Housing and Urban Development (HUD) program is being proposed for full elimination in FY26. These funds can be used for small business loans, façade improvement, affordable housing, handicap accessibility are some examples of past use of funds
- School program funding changes include:
 - * Title I and Individuals with Disabilities and Educational Assistance (IDEA) programs for schools are preserved at this time
 - * Smaller grants from the Title II and Title IV programs will likely see reductions, the exact amount is unknown at this time.
 - * The Title III, which is for English Language Learners (ELL) will be eliminated
 - * Should the Department of Education (DOE) be eliminated, it is anticipated and likely that many school grant programs will be moved into other departments.
- Police Department
 - * One entitlement program grant in the amount of @\$20k annually does see any indication of being eliminated.
 - * One outstanding competitive grant in the amount of \$250k is for the addition of two (2) Officers, those costs must be absorbed in the budget over three (3) years. Those reimbursements have been received regularly with no indication of change or elimination.
- State revolving loan funds *could* see an indirect impact.
- The TOB continues to submit applications to the Environmental Protection Agency (EPA) when opportunities arise that fit a capital project that we want to implement. We have received several from EPA on a competitive basis, there are no entitlements under EPA.

Discussion:

- The State budget overall appears to show very little net growth in state aid for the TOB
- Neither the House nor Senate versions of the State budget show a significant increase for the TOB
- Members request regular updates from Mark regarding status and changes coming from the Federal Government
- Host Community Agreement (HCA payments – Vineyard Wind (VW) and Park City Wind(PCW):

- * Payments from VW go into a dedicated stabilization fund for water supply that was adopted by the Town Council. Should those payments cease, drinking water rates would be impacted.
- * The current payments are used to mitigate fee increases for the Barnstable Water Enterprise Fund (Hyannis).
- * Should VW assets be removed, and the project ceases to generate electricity, they would no longer be taxable and those tax dollars they used to pay would need to be redistributed to all taxpayers. The funding model does not include this variable.
- * There is nothing official yet as to where potential PCW project funding would go, this is built into the funding model to view a 'what if' scenario.
- * There is an HCA for PCW, however, if and when the project goes forward, this must be brought forward to the Town Council with an adjusted dedication of that revenue stream, or it would go directly into the General Fund. The funding model includes this to show what the impact would be, running different scenarios. The HCA includes agreements to pay for additional items, this agreement is on the TOB website.

Matters not reasonably anticipated by the Chair: None

Closing public comment: None

The next CFAC meeting is scheduled for May 27, 2025

Motion duly made by Lillian, seconded by Chris K.

Roll Call vote by Jeremy: Jim-yes, Chris K.-yes, Lillian-yes, Hector-yes, Tom-yes, and Jeremy-yes

Meeting adjourned at 6:58pm

Respectfully submitted

Theresa M. Santos



2025.04.28 Minutes
CFAC Draft.pdf

Attachments: