



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:

Lillian Woo

Members:

Vice Chair, Hector Guenther
Clerk, Chuck McKenzie
John Schoenherr
Melanie Powers
Tracey Brochu
Wendy Solomon
Ronald Fone

Staff Liaison:

Mark Milne
Nathan Empey

Councilor Liaison:

Paula Schnepf

MEETING MINUTES

03.28.22

6:00 PM

Zoom Meeting : <https://zoom.us/j/97139631150>

Meeting ID: 971 3963 1150

Roll Call:

Chair Lillian W. called the CFAC Zoom meeting to order at 6:00 PM. Clerk Chuck M. called the roll.

- CFAC Members Present: Lillian Woo, Hector Guenther, Wendy Solomon, John Schoenherr, and Chuck McKenzie
- CFAC Members Absent: Tracey Brochu, Ronald Fone, and Melanie Powers
- Councilors Present: Paula Schnepf and Gordon Starr
- Staff Present: Mark Milne; Finance Director, Nathan Empey; Finance/Budget Analyst, Matthew Sonnabend; Chief of Police, Anne Spillane; Director of Finance & Support Services Police, Gareth Markwell; Deputy School Finance Director, Meg-Mayo Brown; School Superintendent, Robert Steen; Assistant Director of Public Works, Tracy Regazio; Solid Waste Foreman, Andrew Boule; Pollution Control Supervisor, Henricus Keijser; Water Supervisor, Patrick Kelliher; Solid Waste Supervisor
- Other Present: None

Act on Minutes:

The following minutes were approved by unanimous vote:

03.14.2022

Public Comments:

None

Correspondence:

None

Staff Report:

None

New Business:

Matthew Sonnabend; Chief of Police and Anne Spillane; Director of Finance & Support Services reviewed with the committee their departments most pertinent FY 2023 operating budget request. Chief Sonnabend noted the first priority for the department is personnel. Chief Sonnabend noted police recruitment has been on the decline for several years, which this year was probably the lowest amount of applicants we have ever seen. Chief Sonnabend noted employee retention is also a challenge for the department as employees as soon as they hit their sixties are retiring as soon as they can. Chief Sonnabend noted we have sixteen vacancies and several people out injured. Vice Chair Hector G. asked is sixteen vacancies relatively high, and what was it a few years ago? Chief Sonnabend responded it is high, we have seen a number of people take early retirement, and that ten vacancies would be a high number for us. Wendy S. asked does the officers going through training account for the eight positions? Chief Sonnabend responded that currently eight are attending the police academy, and therefore our vacancies will be down by that number.

Chair Lillian W. asked based on the operating budget requests from the Police Department, are the personnel request adequate? Chief Sonnabend noted that funding relates to training, as it is mandatory, and that every three years an officer must be certified. Chief Sonnabend noted every year an officer must attend classes and accumulate mandatory hours of training, which is dictated by the state. Chief Sonnabend noted that after three years an officer should have accumulated the number of required hours to be recertified by the state, however, if the officer fails to complete that training their certification could be suspended. Chief Sonnabend noted if an officer is not recertified, we cannot employ them in any capacity.

Chief Sonnabend noted a big priority for us is information technologies, which last year we outsourced our information technology services. The outside vendor Ockers provides two people to manage our IT services. Ockers has identified weaknesses in our IT and developed a five-year plan. Ockers has determined the current system is not meeting the department needs. Included within the IT operating request is upgrades to software and replacement of hardware. Chair Lillian W. asked what is the life of our contract with the Ockers IT services? Chief Sonnabend responded it is year to year. Chair Lillian W. asked is the vendor helping to update the Police Department IT systems? Chief Sonnabend responded yes, they will help provide the installation and wiring of different things, and upgrading of systems.

Chair Lillian W. noted the Police have requested monies to replace vehicles? Chief Sonnabend noted it is the same request as last year, which we rotate through our vehicles. The current fleet is doing very well; however, the cost of vehicles has gone up, which the current request is to replace seven vehicles and move to some hybrid models. Clerk Chuck wondered if the pistols have been replaced, and how is the officer wellness program going? Chief Sonnabend responded yes, we are continuing with the wellness program and the pistols are just fine.

School Finance Director Gareth M. noted the School Department started its operating budget process back in October, which the School Committee will adopt the budget at the April 6th meeting. Gareth M. noted our FY 2023 proposed operating budget is \$76.78 million, that is a 4.44% increase over last year. Gareth M. noted the school operating budget

is labor intensive with 81% being salary/wages. Gareth M. noted all our budget lines will increase next year with the exception of special education, systems administration, and athletics. Gareth M. noted we're moving a greater expense to our Circuit Breaker from special education, which is a grant from the state for extraordinary special education cost. Gareth M. noted we receive that money from the prior year and budget for the following year. Gareth M. noted the athletics is decreasing because of additional expenditures incurred in FY 2022 for replacing athletic uniforms.

Superintendent Meg-Mayo B. noted that most of our budget is the result of salary changes. Meg-Mayo B. noted our personal care assistance that supports students could be both a general and special education forum. Meg-Mayo B. noted we're recommending four additional special education teachers, and that English Language Learner (ELL) teachers will experience another large increase. Meg-Mayo B. noted we have an overall decline in student enrollment at our schools, however, the needs of those student that are coming into the system are far more diverse and intensive. Meg-Mayo B. noted we take a snapshot of our enrollment in October and again March within the same fiscal year. Meg-Mayo B. noted we had seven-hundred ELL students in October, but in March, that number jumped to nine-hundred ELL students. Meg-Mayo B. noted the state mandate specialized instruction for ELL students. Meg-Mayo B. noted that we're seeing an increase in special education, and we need ELL teachers to create a staffing model that caters around these types of diverse needs. Chair Lillian W. asked how many different languages are there? Meg-Mayo B. noted primary in Barnstable we have Portuguese and Spanish; however, across the district we have thirty-two different languages. Chair Lillian W. asked of the nine-hundred ELL students, what percent is that of total enrollment? Meg-Mayo B. noted somewhere around 17%. Gareth M. noted that any state aid through the Chapter 70 aid is based on the October enrollment. Gareth M. noted we're finding the ELL students are coming in at a later time of the year and missing the October enrollment, and to a certain level we are disadvantaged by that because they are not captured within the Chapter 70 aid correctly. Meg-Mayo B. noted based on the enrollment numbers and increased staffing levels, it requires an additional need for workspace. Meg-Mayo B. noted because of the needs of our program we're going to need additional space. John S. asked do you have information of what percent of ELL students are coming to the school via open enrollment verses residents of the town? Meg-Mayo B. responded the vast majority are new moving into Barnstable. John S. asked based on the numbers concerning retirement, what about the school staff retention rate? Meg-Mayo B. responded that Barnstable is one of the district's where teachers tend to stay, and teacher retention is a metric the state uses. Wendy S. asked how would the retirements effect salary rates and benefit numbers going forward? Gareth M. noted at retirement the teachers are typically at maximum salary and grade level, and we budget the replacement at a masters levels, which is the minimum requirement. Gareth M. noted the schools retention rate is around 88% compared to the state average of 86%.

Gareth M. noted our Five Star contract is our bus transportation, which this will be our sixth year of the contract and includes a 2% escalation each year, it will be interesting to see how the contract will fare given inflation. Gareth M. noted we're increasing our out of district transportation, which the state requires us to transport homeless students, even if the student moves outside of the town. Gareth M. noted we have seen an increase in expense for this over the last five years. Chair Lillian W. asked the bus year-to-year contracts? Gareth M. responded that the large bus transportation contract is a ten-year contract, based on a five year term, three term, and two year term. Gareth M. noted we are just entering into the sixth year contract, so no it is not a year-to-year contract. Gareth M. noted when we enter the request for proposal we ask them to provide a per bus cost based on different transportation tier structure, and they were settled five years. Gareth M. noted based on our peers, we're right in the middle. Wendy S. asked what if the bus provider goes bankrupt because we have such favorable rates? Gareth M. noted we monitor our vendor relationships, and Five-Star consolidated with another transportation provider, so they have a lot of resources, but there were a considerable amount of providers that did not make it through the pandemic.

Assistant Director of Public Works Rob Steen presented the Department of Public Works operating budget requests and the number of challenges facing them. Rob S. noted principal challenges are resources, which includes people and materials. Rob S. noted we are having a difficult time getting people regardless if they are seasonal or full time, we have had jobs posted beyond a year. Rob S. noted this has caused us to look at the markets and found we are well under market value, we have raised our rates, but it has had marginal success. Rob S. noted we are also having problems with

the cost of materials as everything is going up. Rob S. noted we are also having challenges with the construction-bidding environment, which are seeing bids come in at 60% higher than expected. Rob S. noted the bidding environment could get worse, and just the scope of the Comprehensive Wastewater Management Plan is going to effect the construction market. Chair Lillian W. asked based on the challenges how would they rank from most difficult or are they all equal? Rob S. noted he thinks they are all equally difficult and it depends on what issue you have in front of you at the time, they are equally valued. John S. asked can you comment about the renewable energy sources declining, is that an inevitable trend or are we trying to bend the curve? Rob S. noted that any mechanical device ages, we're almost over a decade on the windmills at the pollution control facility. Andrew B. noted these facilities are now ten years old and become more likely to breakdown. Andrew B. noted we had a transformer that failed in our system and it was over a month lead-time. Andrew B. noted at peak season we're producing about a \$1,000 of energy a day, which is received in credits from the utility. Andrew B. noted this could add up fast, we are projected to exceed our electricity budget due to two major outages this year. John S. asked are we experiencing the same declines with the solar as well? Andrew B. noted not so much, the concern is breakdown, which is about 2%-3% a year on the system as a whole. Andrew B. noted due to the parts and downtime, the real concern is with productivity out of the systems. Vice Chair Hector G. asked how many solar locations, do we have throughout town? Director Mark M. noted we have the solid waste facility, senior center, airport, and several on school buildings throughout the district. Rob S. noted when we think of renewable systems, we think of it as a system that gives, but now we're going to have to start looking at the cost of these systems and if the cost exceed the value. Wendy S. asked with rising energy cost, do solar energy projects yield more benefit now? Director Mark M. noted the less energy your buying off the grid, and if those grid prices are going up, you're gaining a greater benefit from the renewable projects. Chair Lillian W. asked how are we keeping the cost of disposal under control at the transfer station? Patrick K. noted we do have a contract with New Bedford Waste Services. Chair Lillian W. asked is it a multiyear contract? Patrick K. noted it is a multiyear contract, which includes escalators. Vice Chair Hector G. asked are any of the recyclables generating revenue? Patrick K. noted we are breaking even on the cardboard, metal has a good return, but we are paying on glass, papers, and plastics. Patrick K. noted the big change is the company we have a contract with just was bought out, so we are waiting to see the impact. Wendy S. asked what is the differential between recycling cost and the average cost of waste removal. Patrick K. noted it depends on the materials; it is \$98 tipping fee a ton on the trash with a \$12 hauler fee. Patrick K. noted we are paying \$150 flat rate for hauling on recycling per containing, but depending on the material, which metal is a net positive back. Vice Chair Hector G. asked where does the trash go? Tracy R. any number of places, New Bedford Waste has contracts with a bunch of different places, once it leaves us we really have no way of knowing where it goes.

Wendy S. asked in Cotuit, the saline amount in our well water has gone up based on the salt that is going down the roads during the wintertime, which saline is extremely difficult to get out of water. Hans K. noted it is not a new phenomenon and is hard to get out; we are also experiencing the same trend within the Hyannis Water System. Hans K. noted the issue is finding the balance between drinking water and safety on icy roads. Rob S. noted we have had many conversations regarding this topic based on the most effective and environmental appropriate method, we do this by calibrating so that we use little as possible salt on the roads. Chair Lillian W. asked regarding the CWMP, the design process can be funded through the Sewer Construction Fund, but we don't qualify for the State Revolving for the design part? Rob S. responded no body qualifies for the design funding from the State Revolving Fund. Chair Lillian W. how quickly do you start the project after design? Rob S. it is not just one big design, so design is a constant ongoing process, between preliminary to final design takes about 2 years potentially, and then it goes into a bidding process. Director Mark M. noted the design funds are not eligible for State Revolving Fund, our strategy has been to pay for the preliminary design with cash reserves, and then final design typically requires bonding because it is much larger. Director Mark M. noted it really depends on the availability through the State Revolving Fund or Cape & Islands Protection Fund on how much we can anticipate getting, there's no definitive percentage we can expect to get. Chair Hector G. asked based on the Vineyard Wind project, they talked about three different landfalls. Rob S. the difference is there are separate projects, Vineyard Wind, Park City Wind, and Commonwealth Wind. Rob S. noted there are three separate distinct projects with host agreements.

Chair Lillian W. asked what has been the impact with Public Works not being able to find more staffers? Rob S. responded the impact has been more overtime and things are slowed up.

Director Mark M. wanted to inform the committee that last week we had a public fee hearing, 4% increase in sewer rates, 7% increase water rates, and transfer sticker of \$300. Director Mark M. noted the Town Manager is taking public comments, and those fee costs are necessary for one-hundred-percent cost recovery. Director Mark M. noted we have a consultant we work with every year to conduct these fee studies.

Chair Lillian W. noted the CFAC operating budget subcommittee is eager to get to work. Director Mark M. noted the budget is scheduled to be submitted to Town Council May 10th. Director Mark M. noted the book won't be available until one-week before that. Director Mark M. noted he is hoping to have a final budget mid-April. Chair Lillian W. asked when do you think we can get all the information that we would need? Director Mark M. noted mid-April, but what information would you like to have to create your report. Director Mark M. noted we are still meeting with departments.

Old Business:

None

Matters not reasonably anticipated by the chair:

None

Adjournment:

Meeting adjourned

List of documents handed out

1. 03.14.22 draft minutes
2. School Operating Budget Presentation
3. Police Department topic Operating Request Presentation
4. Public Works Department Major Challenges Presentation