



# The Town of Barnstable

## Comprehensive Financial Advisory Committee (CFAC)

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### CFAC Committee:

#### Chair:

Lillian Woo

#### Members:

Vice Chair, Hector Guenther  
Clerk, Chuck McKenzie  
Jacky Johnson  
Neil Kleinfeld  
Chris Lauzon  
Wendy Solomon  
James Sproul

#### Staff Liaison:

Mark Milne

#### Councilor Liaison:

Paula Schnepf

### MEETING MINUTES

11.27.2023

6:00 PM

**Zoom Meeting:** <https://townofbarnstable-us.zoom.us/j/81425774807>  
Meeting ID: 814 2577 4807

### Roll Call:

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Chair Lillian Woo called the CFAC Zoom meeting to order at 6:01pm

- CFAC Members Present: Lillian Woo, Neil Kleinfeld, Hector Guenther, Jim Sproul, Chris Lauzon, and Chuck McKenzie
- Roll call and quorum verified by Clerk Chuck McKenzie
- CFAC Members Absent: Wendy Solomon, Jacky Johnson
- Councilors Present: Betty Ludtke, Kristen Terkelsen and Paul Neary
- Staff Present: Mark Milne, Director of Finance
- Others Present: None

### Public Comment

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None

### Correspondence

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None

Welcome and introduction of new Town Councilor Kristen Terkelsen

### **Approval of Meeting Minutes for November 13, 2023**

Motion to approve duly made by Hector Guenther, seconded by Jim Sproul to approve the minutes of November 13, 2023

Roll call vote: Lillian-yes, Neil-yes, Hector-yes, Jim-yes, Chris-yes, and Chuck-yes  
Minutes approved.

### **Learning from Review of Popular Annual Financial Reports (PAFR), interview and Studies**

The Town of Barnstable's (TOB) fiscal report is a fact-based overview of the TOB's operations, revenues, and expenditures; this report has evolved over the past nine years. It is an informative and valuable tool with a goal of reaching as many residents, taxpayers, and businesses in the community as possible; providing an opportunity to be informed and understand the town's financial status and outlook. Members agree that the length of the report is good and are pleased with the content.

A suggestion was made to produce a condensed version and facilitate expanded readership distribution to a much wider base, in addition to providing a printed version for targeted distribution. Another suggestion included altering or offering a different style which could offer a more in-depth version of a specific topic. Printing costs remain a driving factor in the production of the report. Members continue to find ways to increase community outreach as well as trying to identify how many are picked up and from where.

Neil's research into other towns (about 50 in total); in and out of Massachusetts identified a wide array of styles, length, content, and graphics. In speaking with folks from other towns, their answers and purposes varied widely. Some distribute their reports solely at their Town / City halls, others only provide a PDF version. Neil suggests producing two different versions next year – one traditional version available via PDF/download, and one back-to-back two-page version printed and distributed town wide. Mark will inquire with the Communications Director, Lynne Poyant, as to whether including the whole report in the E-News would be possible.

Best practices identified included:

- Having a theme to draw the reader in
- Lead with a cover letter and/or photo
- Use charts and graphics.
- Maximum of 8 pages
- Readable by the average citizen
- Provide follow-up options for citizens wanting more information.

The TOB Communications survey resulted in just one, albeit a very positive response. One interesting comment in that response was a suggestion to have capital projects broken out by village, not by precinct. There have been no complaints or comments to CFAC's email address to date. That response will be provided to members.

### **Review of Fiscal Year 2024 Tax Levy Allocation Options** provided by Mark Milne

This review has been presented to the Town council and will be voted on at the December 4<sup>th</sup> Council meeting; this vote needs to be done prior to the issuance of the 3<sup>rd</sup> quarter tax bills. The Town Council's decisions will revolve around allocating this budget, not changing the amount of revenue levy raised.

Marks review included:

- How the tax rate and tax bills are impacted by the Split Tax Rate (STR) and the Residential Exemption (RE). The tax levy is allocated based on value by class (residential / commercial / industrial / personal). Determinations on residential property are made by analyzing sales data of the previous year, valuations of personal property tax assessments are from data at the end of the calendar year, neither of which reflect today's market value.
- Changes from FY23 to FY24. As noted, 2022 showed continued growth in the value of residential properties; and Vineyard Wind was the driving factor in the personal property growth. Vineyard Wind is required to provide Assessing with valuations of infrastructure.
- Calculations explained for the FY24 maximum allowable levy, allocations by class and the impact, and the FY24 tax rate. Part of this review included the Cape Cod Commission's role as a regional planning agency that provides technical services not just in our community but all of Barnstable County. Because the increase in property values exceeded the 3.2% increase, the result was a drop in the tax rate to 7.9%.
- History of allocations
  - \* Comparisons provided for FY15 through FY24
  - \* The TOB does not conduct studies on the potential effects to local businesses; but businesses could possibly reduce their tax burden by deducting the taxes as a business expense. The TOB does not advise on tax policy and cannot advise on personal tax situations.
  - \* Scenario – Option 1: Split tax rate option shows the tax rate determinations on property value assessments and how shifts in that levy may affect taxes on different classes. Should residential class see a reduction the CIP class would see a significant increase. Split tax rate impact based on medial residential values reviewed.
  - \* Scenario – Option 2: Residential Exemption: There are ownership and primary residence requirements. Out of 351 communities, only 18 have adopted the residential exemption. This exemption option shifts the taxes within the residential class only, it does not affect or impact the CIP property owner.
  - \* Residential exemption calculation and impact on the residential tax rate reviewed. The allocation, which has been in place since FY06 allows for a 35% tax exemption for primary residences.
- Tax bill comparisons broken out by 'no exemption', '20% exemption - qualifying', and '20% exemption – non qualifying' reviewed. More property taxes are shifted to non-qualifying. Even those property owners on the higher value property end will still benefit from filing for an exemption.

Discussion:

- The exemption percentage has been consistent despite the average assessed value having seemingly doubled.
- It is anticipated that the Town Council will have a decision at the 12/7/23 meeting. They have been provided with all the information presented tonight, and Mark will provide an additional abbreviated version again on December 7<sup>th</sup>; a few Councilors have reached out to Mark requesting more in-depth conversations to obtain information, education, and guidance.

**2024 CFAC Meeting Schedule**

Members agree to continue meeting via Zoom.

**Fiscal Year 2025 Town Budget Action Calendar**

- CIP task force workshop is scheduled for December 14<sup>th</sup>; Both Neil and Jim will be attending, Mark will send a calendar invite. Submissions for several hundred proposed projects are anticipated. The TOB IT department is in the process of creating 'links for CIP project submissions.
- Committee assignments:
  - \* CIP – Jim, Neil, and Hector
  - \* Operating budget – Chris, Chuck, and LillianJacky and Wendy will choose their committee assignments upon their return.

Next CFAC meeting is scheduled for December 11th and topic will include:

- CIP submission review: Mark will extend an invitation to the school.

Motion to adjourn the meeting duly made by Hector, second by Chris.

Roll Call vote by Chuck: Lillian, Neil, Hector, Jim, Chris, and Chuck

Meeting adjourned at 7:31pm

Respectfully submitted.

Theresa M. Santos

Attachments:



FY 2025 Budget  
Action Calendar.pdf



CFAC 2024 Meeting  
Schedule.pdf



FY24 Tax  
Classification 2.pdf



Three-page-summar  
y.pdf