

**BARNSTABLE COUNTY ASSEMBLY OF DELEGATES**  
**Report and Summary Minutes of the Standing Committee on Finance**  
**Proposed Ordinance 16-09**  
**December 7, 2016**

Dear Mr. Speaker and Assembly Delegates:

This is a report on Proposed Ordinance 16-09. The proposed ordinance was submitted to the Assembly of Delegates by the Board of Regional Commissioners at the Assembly of Delegates regular meeting on November 16, 2016. A public hearing was scheduled and held by the Standing Committee on Finance on Wednesday, December 7, 2016 at 3:00 p.m. at the Assembly of Delegates Chamber Hall, First District Courthouse Route 6A, Barnstable, Massachusetts. The public hearing was duly advertised in the Cape Cod Times on November 30, 2016.

The purpose of the proposed ordinance is to appropriate and transfer the sum of \$185,000.00 from the "Salary Reserve" account to the FY2017 Operating Budget for the purpose of implementing a 2% Cost of Living Adjustment (COLA), to current employees who have not received a COLA for FY2017, including those union members who may negotiate a COLA for FY2017 and retroactive for all current employees meeting these criteria to July 1, 2016.

Committee members present: Chairman John Ohman, Teresa Martin (arrived 3:05 p.m.), Suzanne McAuliffe (arrived at 3:30 p.m.), Deborah McCutcheon and Julia Taylor.

Chairman John Ohman opened the committee meeting for the purpose of conducting a public hearing on Proposed Ordinance 16-09 and opened the public hearing.

**Julia Taylor motioned, and it was seconded, to waive the reading of the public hearing notice. Motion carried 3-0-0.**

County Administrator Jack Yunits, Finance Director Mary McIsaac, and Commissioner Leo Cakounes were present, made comments and answered several, but not all, questions of the committee.

Discussion points: Why proposed ordinance being brought forward now

- County Administrator emphasized that COLAs was not part of the FY17 budget due to the uncertainty of county finances at the time the FY17 budget was developed.
- Submitter of proposed ordinance was not present (Delegate Princi) but Commissioner indicated it was the right thing to do in order to be fair to all employees. Some employees have received COLAs in other divisions (CLC and CCC, and two unions now making the argument that they should receive it because others in the county have). Full-time, permanent employees who are eligible for the COLA are concerned they are not being treated fairly and administration is concerned about the damage to morale and the potential cost to the county if more unions are created. Following through with a COLA could, in the long run, contribute to a leaner government.
- Appropriate to have the current Assembly act on this measure because the current Assembly adopted the FY17 budget.

Discussion points: Pros

- Employees were called upon to tighten budgets and the response resulted in the county finishing FY16 in a positive position – it was reported there was approximately \$400,000 in excess revenues over expenses. This was not anticipated or known at the time the FY17 budget was being developed. Funds are available.
- Previously, 2 million dollars had been used from reserves to balance the budget. Reserves are in a much better position than previous years a reserve policy is being developed going forward. The \$185,000 funding request will not adversely affect any ratings for the county – it represents a small amount.
- A parity compensation policy will be under consideration in the near future but one is not in place at this time. At this time steps, COLAs and merit is what is in place and is typical for work environments without unions. County should apply system in place now and look at making changes for next cycle.
- Health care costs will be increasing for employees (25% shared by employees) and a COLA will offer little gains.
- Public sector employees are being compensated at a higher rate than public employees.

Discussion points: Cons

- Assumption that some employees have received or will receive an increase in compensation (by way of step, longevity or merit) in FY17 – and committee would like to know how many of the total (excluding CLC and CCC) will receive additional raises.
- Health care costs will be increasing for the county and will demand more budget dollars (75% shared by county).
- County should exercise caution during a time of uncertainty and crisis with regards to additional spending.
- There are other funding obligations to be considered in the near future such as attorney fees, litigation, possible layoffs due to reorganizations, health insurance increases.
- A piecemeal approach to budgeting is not a responsible approach.
- Deeds tax increase passed on 7/1/16 was argued and supported due to budgetary problems that reflected cut backs including no COLAs for employees.

There were no additional comments from the committee or public and the public hearing was closed by the Chairman at 3:55 p.m.

**Julia Taylor motioned, and it was seconded, to recommend Proposed Ordinance 16-09 as submitted to the full Assembly. Motion carried 3-2-0. Suzanne McAuliffe and Deborah McCutcheon voted no.**

Suzanne McAuliffe motioned, and it was seconded, to adjourn the meeting at 3:55 p.m.  
Unanimous.

Respectfully submitted:

John Ohman, Chairman  
Teresa Martin  
Suzanne McAuliffe  
Deborah McCutcheon  
Julia Taylor