

BARNSTABLE COUNTY ASSEMBLY OF DELEGATES
Standing Committee on Finance
Report on Proposed Ordinance 15-02
April 8, 2015

Dear Mr. Speaker and Assembly Delegates:

This is a report on Proposed Ordinance 15-02. The Proposed Ordinance was submitted to the Assembly of Delegates by the Board of Regional Commissioners at the Assembly of Delegates regular meeting on February 18, 2015. A public hearing was scheduled and held by the Standing Committee on Finance on Wednesday, April 1, 2015 at 2:00 p.m. The public hearing was duly advertised in the Cape Cod Times on March 25, 2015.

The purpose of the Proposed Ordinance was to make appropriations for Barnstable County's operating budget for the Fiscal Year 2016, including the operations of the County Assembly, Executive branch, County agencies, boards, commissions, departments and institutions and the maintenance of certain County functions; for interest, reserve funds and serial bond requirements of the County, and for County Capital improvements and to borrow money to pay therefore.

Committee members present: Chair John Ohman, Teresa Martin, Suzanne McAuliffe, Deborah McCutcheon, and Julia Taylor.

The committee met to review the proposed budget ordinance and to make recommendations to the full Assembly.

Based on discussions and analysis the committee took the following action:

- 1. Julia Taylor motioned, and was seconded, to oppose any increases to proposed budget for FY16. Motion carried. 4-1-0.**
- 2. Suzanne McAuliffe motioned, and was seconded, to recommend a 2% COLA only for non-union employees (no steps or merit). Motion carried. 3-1-1.**
- 3. Committee recommends a reduction of the Human Rights Coordinator position to a 19 hr/p/wk part-time position with no payroll related benefits.**
- 4. Committee recommends considering charging fees for services provided to the towns in the future. For example, Fire Training Academy.**
- 5. Committee recommends a reduction in the Regional Commissioners budget to remove the \$4,000 annual holiday party expense.**
- 6. Committee recommends the Regional Commissioners request to reduce Facilities bonding in the amount of \$246,000.**
- 7. Committee recommends the request of a change in language in Proposed Ordinance 15-02, Section 13.b. sentence two, to reflect a change in bonding terms from 10 to 20 years.**
- 8. Committee recommends the reduction of the 3.5 new positions proposed for FY16 and corresponding revenue.**

General Committee Comments:

Julia Taylor expressed concerns regarding the status of the Human Rights position within the Human Rights Commission. A suggestion was made to consider recommending the position from its current budget request to a 19 hour per week position with no payroll related fringe benefits.

Julia Taylor suggested the County consider whether or not it will continue spending \$150,000 for a County Administrator and \$140,000 for a Finance Director. She suggested considering a less expensive alternative.

Julia Taylor suggested consideration be given to not increasing the budget in any areas such as Elder Services given the concerns about budget shortfalls. It was suggested that no increases be made to the Regional Commissioners budget as presented.

Julia Taylor expressed interest in discussing further the COLAs and step increases. Although not opposed to COLAs and steps she was not aware of merit raises.

Julia Taylor expressed interest in considering either 1 or 1.5 new positions within the Information Technology Department to support their mission. Doing this will enable the department to prepare for services towns will be requesting although no contracts are in place at this time.

Julia Taylor would like the Fire Academy to recapture its costs. If towns are not willing to pay for the services she questions its viability into the future.

Deborah McCutcheon commented on the priorities of the budget that is being presented. She expressed interest, at a previous meeting, in freezing steps, merit and COLAs for one year but compromised and agreed to recommend COLAs only.

Deborah McCutcheon commented on budget priorities and suggested monies budgeted for a holiday party should be removed. The expense is frivolous and given current budget constraints.

Deborah McCutcheon suggested recommending the reduction in bonding expense and the lengthening of bond terms as outlined by Interim Finance Director Bob Lawton.

Deborah McCutcheon expressed interest in seeing the County reimbursed for the services it is providing to towns and other agencies such as CVEC and CLC.

Suzanne McAuliffe suggested a modest salary increase for employees for FY16. She supported a reduction of steps and merit at a previous meeting and agreed to a COLA only.

Suzanne McAuliffe expressed concerns that the Information Technology Department doesn't have contracts in place to support the requested increase in staff for FY16. It may make more sense to request supplemental funding once contracts are signed but would consider a compromise of 1 staff position.

John Ohman expressed concerns regarding revenues associated with the staff increases in the Information Technology Department. Contracts are not in place and he does not feel they are realistic or will materialize. Cutting the expense side of the budget will also reduce the revenue side and this will actually increase the anticipated shortfall to over 1 million dollars.

Teresa Martin felt that questions need to be answered before the business plan can be expanded. When she contacted towns regarding potential contracts with the County no commitment was indicated. The project needs to incubate.

Julia Taylor asked if investment money would be needed to promote the mission.

Deborah McCutcheon mentioned that the Standing Committee on Information Technology could assist the department with its efforts and mission going forward.

Teresa Martin saw parallels between the Fire Academy and Information Technology. Is the focus of budgeted expenses on developing services that are offered to towns. Is this what the County wants to accomplish.

Julia Taylor said the budget is “historical” and truly based set on priorities. There are certain things and services the County can do and has traditionally done. If there are other services that towns want, they may need to pay a modest amount to receive the service. The Commissioners have established development of the Information Technology Department as a priority and is interested in supporting this priority to provide regional services in this area to towns.

Suzanne McAuliffe wants to take a conservative approach to any department development.

Julia Taylor expressed the belief that the Regional Commissioners should set the priorities, but of course the Assembly can comment, discuss and ultimately vote on these.

John Ohman and Deborah McCutcheon agree that the Finance Committee should consider priorities and make recommendations to the Assembly.

John Ohman commented on the mixed message that is sent to employees when salary cuts are proposed yet new positions are recommended. New positions can be justified and many generate revenue but the County is spending more than it collects in revenues.

Reserves of approximately \$750,000 are being used to balance the budget and questions were asked regarding the justification of new reserve account funding.

Julia Taylor feels she could support the budget as presented by the Commissioners even with the concerns that have been expressed. She suggested writing a report that would express what the Assembly would like to see done by a new County Administrator and the Regional Commissioners to prevent being in the same position next year.

Suzanne McAuliffe commented that a proposed budget was presented with new requests. She

recognizes the financial challenges for FY16 and years to come but the County have to pay back what it has used in years past.

Deborah McCutcheon views the position of the committee as advisory to the Assembly, but it is the job of the committee to do analysis and identify problems.

Julia Taylor said cuts could be made to reserves and other suggestions such as COLAs but there could be more discussion about this.

Deborah McCutcheon cited the ripple effect in making cuts to payroll such as taxes and workers compensation costs. Reducing payroll will have the largest effect on reducing the proposed budget. An amendment to the full Assembly to cut steps, merit and COLAs is expected to come forward.

Meeting adjourned at 5:40 p.m.

Respectfully submitted:

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