

BARNSTABLE COUNTY ASSEMBLY OF DELEGATES
Report of the Standing Committee on Finance
Proposed Ordinance 14-01
April 16, 2014

Dear Mr. Speaker and Assembly Delegates:

This is a report and minutes on Proposed Ordinance 14-01. 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 19, 2014. A public hearing was scheduled and held by the Standing Committee on Finance on Wednesday, April 16, 2014 at 2:00 p.m. The public hearing was duly advertised in the Cape Cod Times on April 9, 2014.

The purpose of the Proposed Ordinance was to make appropriations for Barnstable County's operating budget for the Fiscal Year 2015, 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, Leo Cakounes, Christopher Kanaga, and Julia Taylor.

Leo Cakounes motioned, and it was seconded, to waive the reading of the committee and public hearing notices. Motion carried. 4-0-0.

Chair John Ohman opened the public hearing a 2:05 p.m.

Public Hearing Comments:

County Commissioner Sheila Lyons spoke to the committee regarding the Information Technology Department, the increases within that budget, and the strategic plan for the department. The department has been working on a strategic plan for approximately three years. The costs and expenses budgeted for FY15 will enable the County to handle the work that is on-going in all departments and with other municipalities and entities. Personnel and/or contractual issues are taken up and handled by the Commissioners in executive session.

John Ohman asked why a position, requested by the Cooperative Extension for a Flood Rating System Specialist, was not approved when it would have saved residents money on flood insurance premiums. Director Bill Clark and Mark Zielinski provided some background and history on the development of this concept. Commissioner Lyons indicated the concept came before the County Commissioners a bit too late for FY15 consideration but it will be revisited for FY16.

Commissioner Lyons addressed comments made by Leo Cakounes regarding the IT strategic plan presentation made to the Commissioners. Leo Cakounes pointed out an example where the cost budgeted for licensing in FY15 will be over \$300,000 and will be on-going for an additional two years at a total cost of over 1 million dollars. Commission Lyons indicated that updates and

upgrades will provide uniformity within the County and in the regional services it will provide to municipalities into the future.

Finance Director Mark Zielinski pointed out to the committee that department heads have made requests for things that are reasonable, smart, and regionally oriented. Commissioners had to make choices because not all requests could be funded for FY15. It was pointed out that most department heads were present in the audience to answer any questions the committee might have regarding their department.

Julia Taylor said she understood the need to have a strong infrastructure when it comes to information technology especially when you look at its association with the need for economic development. Leo Cakounes stated that he understands that updates and upgrades to the County's IT infrastructure are necessary for County business versus for use by other entities or municipalities.

Chairman John Ohman informed the committee that a written comment from Ron Beaty, dated April 10, 2014, was submitted for the public hearing. In summary, it was a request to reject, reduce or remove the 2.5% from the proposed budget (that would represent an amount directly allocated to the Cape Cod Commission) and it was requested that a resolution be issued (deadline specific) directing the relocation of the Cape Cod Commission Offices to a County facility. The full text/written comment is available in the Clerk's Office.

Jari Rappaport spoke in favor of a full presentation of the IT strategic plan to the full Assembly in the future. It will be a benefit to all and is a positive reflection on the County and the IT Department.

Delegate Deborah McCutcheon made an inquiring to Mark Zielinski regarding facility capital expenses. It appeared that expenses continue to appear in the budget year after year and are not being completed. Mark Zielinski said the projects were being done in phases and that was why it may appear as repeating. But that is not the case. The annual expenses are phases of a larger project. Parking lot work and jail house roofing were offered as examples of phased projects that appear within the budget for several years until the last phase is completed.

Leo Cakounes motioned, and it was seconded, to close the public hearing. Motion carried. 4-0-0.

Chairman John Ohman closed the public hearing at 2:30 p.m

Committee Discussion and Deliberation:

Julia Taylor motioned, and it was seconded, to approve the minutes of April 2, 2014. Motion carried. 4-0-0.

At the request of Leo Cakounes, Mark Zielinski and Human Service Director Beth Albert clarified questions related to the Human Service budget and the Human Rights Commission. The HRC is a contracted service. A request was made for additional funds but the Commissioners did not grant the full request. It was brought to the attention of the committee that this is a

service agency of the County but it is a contractual obligation. The HRC had requested additional compensation for the Coordinator without additional hours. It is difficult to make a comparison to a County employee because it is contractual obligation – the Coordinator is not a County employee. Once the budget is approved and an RFP is awarded, the funds are distributed to the agency and then applied to its budget where the board feels it is needed.

The Shine Program will be cost the County additional funds because it will be under the administration and control of the County in FY15.

The total cost of COLA for the County for FY15 is \$125,000.

Marl Zielinski informed the committee that funding for OBEB was not included in the FY15 proposed budget. Mark Zielinski estimated that the annual liability for the County could be around 4.5 million dollars. It is a big commitment and the Commissioners might consider booking a portion of this liability on the balance sheet in FY16.

Lengthy discussion took place regarding the increased costs in the Informational Technology budget for FY15. Julia Taylor asked if the areas of increase represent the best use of funds and efforts for the County. Leo Cakounes expressed concerns regarding the budget increase for the purchase of Microsoft service agreement (licenses) that will also extend out for an additional 2 years. IT Director Bill Traverse explained that there is a non-appropriation (escape) clause within the agreement so the contract can be terminated in year 2 or 3 if desired. This agreement is needed so County operations and users will be legally compliant and standardized. Analysis by the department supported the argument that purchasing this service agreement with Microsoft was the cheapest and most cost effective way to obtain the services, programs and compliance that is needed and required. Prior to this compliance was questionable.

This service agreement will accommodate up to 310 users. Christopher Kanaga asked for a breakdown of the groups of users for the County and asked whether or not it included groups such as Cape Light Compact, Cape Cod Commission, etc. Mark Zielinski said user groups would consist of anyone or group using the County computer system and share the cost. Leo Cakounes would like to see a cost allocation sheet to verify users are paying a fair share of the cost.

The salaries and wages account line is increasing due to a shift from contracted services to an employee expense. The account category did not decrease proportionally because hardware and software will need to be replaced and supported.

The telephone system was upgraded in 2013 and will be completed at the end of this fiscal year. A video conferencing ad-on is budgeted in the FY15 budget for the telephone system.

The requests that are being made within the IT budget for FY15 are for essential services for County operations.

Julia Taylor motioned, and it was seconded, to recommend Proposed Ordinance 14-01, as presented to the full Assembly. Motion carried. 4-0-0.

Julia Taylor motioned, and it was seconded, to adjourn the meeting. Motion carried. 4-0-0.

The meeting adjourned at 3:50 p.m.

Respectfully submitted:

John Ohman, Chair

Leo Cakounes

Christopher Kanaga

Julia Taylor