

**BARNSTABLE COUNTY ASSEMBLY OF DELEGATES**  
**Report, Recommendations and Minutes of the Standing Committee on Finance**  
**Proposed Ordinances 17-03 and 17-06**  
**April 12, 2017**

This is a report on Proposed Ordinances 17-03 and 17-06. Proposed Ordinance 17-03 was submitted to the Assembly of Delegates by the Board of Regional Commissioners at the Assembly of Delegates regular meeting on February 15<sup>th</sup>, 2017 and Proposed Ordinance 17-06 was submitted to the Assembly of Delegates by the Board of Regional Commissioners at the Assembly of Delegates regular meeting on March 15<sup>th</sup>, 2017.

A public hearing was scheduled and held by the Standing Committee on Finance on Wednesday, April 12<sup>th</sup>, 2017 at 2:00 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 April 5<sup>th</sup>, 2017.

**Committee Members Present: Chairperson Ronald Bergstrom, Edward Lewis, John Ohman and Patrick Princi. Deborah McCutcheon absent.**

**Meeting Called to Order**

Chairperson BERGSTROM: It's 2 o'clock. I will call this meeting of the Finance Committee to order and begin with the reading of the Notice of the Public Hearing, unless we want to dispense with it.

The Standing Committee on Finance will meet on Wednesday, April 12<sup>th</sup>, beginning at 2 p.m. in the Chamber of the Assembly of Delegates, which is where we are now.

The purpose of this meeting is to conduct a Public Hearing on Proposed Ordinance 17-03, the Proposed Operating Budget for Fiscal Year '18 of \$28,685,423, and Proposed Ordinance 17-06, the Proposed Capital Budget for the Fiscal Year '18 of \$645,000.

Immediately following the Public Hearing, the committee will discuss the Proposed Ordinances and consider comments taken at the Public Hearing and reports from standing committees. Votes may be taken by the committee on recommendations to the full Assembly.

**Public Hearing Opened at 2:05 p.m.**

Okay. Does anyone wish to address the Finance Committee in this Public Hearing on the budget ordinances Operating and Capital Budgets?

Yes, I see a hand. Why don't you come up forward? We don't have a mic for you, right? Unless that mic is on.

**Comments from the General Public**

**MS. MIMI FRANK:** Yes, my name is Mimi Frank, and I am a registered voter and a property owner in the town of Falmouth. And I just had two comments I'd like to make to your subcommittee as you get ready to go back to the full Assembly. I knew I had to come down today because you guys aren't televised.

I started -- I watch all of the Assembly of Delegates meetings on YouTube. I also watch all the County Commissioners meetings, and they just had one today.

There are two things that are in the budget that I wanted to speak on just very, very quickly. One of them is for, and I know you have this in your finance for the director so I know I'm at the right meeting; I'm totally against placing the Cape Cod Water Protection Collaborative under the Cape Cod Commission. I think the Cape Cod Commission is a planning organization. The Health Department is an implementation department, and why would we have a Health Department that's outstanding nationwide reputation, why would the County even consider placing the Collaborative under any other department?

I strongly urge and recommend that you bring back to the Assembly that the Collaborative be put under the Health Department. I mean who did P-town go to when they had questions about sewerage and whatever? They went to the Health Department. We have a great Health Department.

I noticed today at the Commissioners' meeting they had someone from the Collaborative there speaking, and the 208 is going to be put under the Collaborative and it was a unanimous motion that they would be the Advisory Committee and take on that role.

I think it's so important to keep them separate from the Cape Cod Commission. If they are to be an objective group and not a rubberstamp of the Cape Cod Commission, which many of us fear, that we would get back into going back a few years back into DCPC.

So I would just like to ask you to please, as the Finance Committee, when you're looking at a chairman for that committee and whatever, but seriously know that there are many of us out there that would like to see it under the Health Department.

The other thing that I want to speak on if I could, please, is to ask support for the Commissioners' propose Grant Fund. After listening to all of -- I would also wonder why or if the Assembly of Delegates could be mandated to have to watch the Commissioners meetings. I think that might help them because I really believe after listening that the state auditors know that the way it is in the budget now is not legal. It never should've been done that way. So I believe -- and no one's suggesting that any of the programs aren't really, really good programs; Meals on Wheels or the Arts Foundation. That's not the problem. The question is why are non-County organizations in the County budget?

I think what needs to be worked on is a policy and procedures for a group to be able to apply to the County for a donation. And with a County grant if there are proper procedures and policies in place that could be taken care of.

No one is disputing the programs that you people have been discussing, but I do think to be fiscally responsible, more transparent so that those of us in the general public can understand a little better what's going on, the Grant Fund makes perfect sense, and it also seems what the state auditors are asking.

Thank you for your time.

Chairperson BERGSTROM: Thank you. Is there anyone else who wishes to address the Finance Committee? Hearing none.

### **Operating Budget Discussion and Comments from Others**

Chairperson BERGSTROM: We'll not go into discussion on Proposed Ordinance

17-03, the Proposed Budget for Fiscal Year '18. I'll open this up to my colleagues; do we have any comments on the budget?

Anyone can comment on -- anyone who wishes to comment can comment, they can.

Let me start out with just a couple of points. The change in the Water Collaborative will be done through an ordinance. Right now, we're looking at the budget and included in the budget is \$70,000 under the Department of Health. So, our only action is to recommend keeping that in the budget or taking it out.

There will be a separate ordinance submitted to change the existing ordinance under which the Water Collaborative works. So that is something that will come up either simultaneously or shortly after the budget is presented.

Okay. What else? What's the second thing, John?

Mr. OHMAN: The Grant Fund.

Chairperson BERGSTROM: The Grant Fund. Yes, well, I haven't gotten a written legal opinion on the Grant Fund yet. But the mechanism by which people will submit requests for money from that Grant Fund and grants will be issued has yet to be finalized, although it would have to be done by ordinance so.

Anyway, Ed.

Mr. LEWIS: Thank you, Mr. Speaker. My problem with the Grant Fund is that there's no specific revenue stream that goes into a grant fund. The way I understand it, it's whatever surplus of money that would normally go into, and I always forget the terminology; I always call it Free Cash because I've had so much experience in a town.

But there's no specific method by which we're going to take a Grant Fund that they've talked about where people can apply or departments or organizations can apply for grants, whether it be the Water Collaborative or the Arts Foundation, or Meals on Wheels or any of these so-called organizations apply for grants.

It's on a year-to-year basis whether there is a surplus or there isn't a surplus. And based on what I hear from the staff or the administration as well as from the Commissioners is one minute we're in dire straits, and if we're in dire straits, then there won't be any money because we're using every penny that we have to fund what we have. And the next minute we're going to have excess money to put into a Grant Fund.

And if there's going to be a Grant Fund, in my judgment, if there's going to be a fund like this for which organizations can apply, then there should be some specific revenue stream that gets the money there.

Governments put aside, I mean, they put aside money for grants, whether it's for education, for any different -- a myriad of different things. And there's money that's there specifically for that, that whether its schools or whether its organizations, or whether governments can apply for grants; we don't have that.

What we have is this fund that the Commissioners want to have at their disposal. We don't know how much money will be in the fund; we don't know where the money's going to come from, and it makes it extremely difficult for any of the organizations that are going to apply for them that in the past received them to plan because they can't plan until the end of the fiscal year to find out whether or not they're going to get it or not.

And I find that disconcerting, and I find it difficult from a financial standpoint to make any sense to me.

Chairperson BERGSTROM: Anybody else? Yes, the problem with the Grant Fund

is it's not in the budget. So, you know, we're looking right now at the budget as proposed. And a lot of the issues that come up in the County that are intended to be provided by this Grant Fund is not really something that we can vote on because, once I say, it's not in the budget.

So, anything that's not -- any surpluses that exist at the end of the year, normally would go into reserves, Unrestricted Reserves, after all the checks are paid and the debts are accounted for.

The difference between Unrestricted Reserves and the Grant Fund is yet to be determined. So, I mean, the word earmarks have been used. I don't know earmarks. The earmarks are not part of our budget process. That's something that we can rely on the good faith of the Commissioners and/or the Assembly which can pass ordinances to make expenditures out of Unrestricted Reserves. We can even do that in the current fiscal year.

In other words, if we see an excess in a certain department, the Wastewater Collaborative, we can have an ordinance where you take money out of one department and put it into another this year.

So, I'd like to limit this discussion to what is in the budget and what has been recommended by the various committees that sat down with us a week ago. There are some changes from the Commissioners' budget. There's the -- we voted -- this body voted to eliminate the funding for an Assistant County Administrator. I think that came to 98,000; John, I mean Ed/

Mr. LEWIS: \$98,253.

Chairperson BERGSTROM: \$98,253. I have here the list, but I mean if I remember correctly, the Health and Human Services took \$10,000 out for -- \$40,000 for Elder Services' Meals on Wheels, and \$8,000 for the Human Rights Coordinator on the addition of the Human Rights Coordinator hours.

It's my understanding that the Human Rights Commission had agreed to the original inclusion of the -- I think it was \$20,000. So the Health and Human Services increased it by \$8,000.

So I guess my question to the Finance Committee is are we, the Finance Committee, in making our recommendation to the full Assembly going to include the recommendations made by the individual subcommittees, or are we going to stick with our recommendations, which I guess is probably the \$98,000 on the Assistant County Administrator, and allow the chair of those committees to simply make their individual amendments during the process.

So, what do you think? Don't all speak at once.

Mr. OHMAN: I think we should go with what we want to do, and let the chairs of the individual committees do their own thing.

My biggest problem with the budget is the Joint Initiatives. I think it has been so well run by the Cape Cod Commission that I'm very upset that it's been zeroed out and doesn't exist anymore. Apparently, according to our County Counsel, we have no right to add a line item to it.

I'm going to have a very difficult time voting for this question with the Joint Initiatives being zeroed out and going into a grant -- Commissioner Beaty called it a Slush Fund after the budget is passed. So I'm going to have a difficult time voting for this budget.

But I think to answer your original question, I think we should put into what our recommendations are and let the committee chairs vie for what they think is right.

Chairperson BERGSTROM: All right. So you're recommending that we submit -- we, obviously, move the budget and then we move to amend by deducting the \$98,000 and change from the budget?

Mr. OHMAN: To put this on the floor as it sits and amend from that point in time. I think that's the legislative -- the most expedient way.

Chairperson BERGSTROM: Ed, did you have something you wanted to say?

Mr. LEWIS: Yes. I think based on the fact that we have a meeting where the chairs of the different subcommittees come to the Finance Committee and give their recommendations, I think it's up to -- it is our job to at least take those recommendations up as the Finance Committee, and we expand on those recommendations.

I happen to agree with what we've decided, which was to take the 98,253 out. I also agree with the Natural Resources idea of taking the \$70,000 out of the Health Department and putting that towards the Water Collaborative.

I don't have a problem, if acceptable to the Water Collaborative, of having it under the Cape Cod Commission. I understand there are those who disagree with me and that's fine but disagreement is part of life; otherwise, every horse race would be won by the same person or the same horse, excuse me.

But I think we do have an obligation to, at least, discuss some recommendations that have been made by the other subcommittees, and that's my feeling.

Chairperson BERGSTROM: Well, I guess the big issue then would be some of the increases recommended by the subcommittee are \$10,000 for Buy Fresh Buy Local; \$8,000 Human Rights Coordinator; \$4,000 for Elder Services' Meals on Wheels.

This goes into the County -- our County Attorney telling us we can't increase the budget. I don't believe a word that he says. We'll get an attorney that we hire and see what he says.

But the question of whether or not the Commissioners have to spend it or not, that's another question entirely. But we're submitting the budget.

I believe, very strongly, that the budget for Barnstable County is not the budget that was created by the Commissioners. The budget for Barnstable County is the budget that we passed, and we can do anything we want to it. That's what the Charter says.

Now the attorney says differently, but I can read English. "The Assembly shall adopt a budget," not the budget, "The Assembly shall adopt a budget" period. So we can include this money and get into a big fight or we could not include it. It seems like an academic exercise since the Commissioners have told us they're probably going to spend it anyway out of their Grant Program. So now this is just a matter of principle or are we going to stand on this?

Ms. ZUERN: Mr. Chairman.

Chairperson BERGSTROM: John knows the answer. Yes.

**Ms. ZUERN:** Before you go ahead and discuss any further, I believe at the Natural Resources Committee, the subcommittee, that they decided to take the \$70,000 out of the budget completely, not put it under the Cape Cod Commission because they took \$10,000 of that to put it back into Buy Local. And I think at that meeting, Paul Niedzwiecki had said that he could sort of absorb that position.

And so as far -- that was my understanding of it was that that money was not in the

budget at all, and that was one of the things I disagreed with. I thought that money should be there just in case we do need some position.

Chairperson BERGSTROM: Yes, I have your decrease -- the recommended decrease of \$70,000.

Ms. ZUERN: Decrease.

Chairperson BERGSTROM: Yes, from Natural Resources.

Ms. ZUERN: But it wasn't moved over to the Cape Cod Commission.

Mr. OHMAN: Right.

Chairperson BERGSTROM: Well, that would have to be done by ordinance, you know. I mean it's in the Health and Human Service budget, but we could always switch it over.

Is there any further comment on this? Yes, Ed.

Mr. LEWIS: I don't want to beat a dead horse or anything that would be redundant, but the budget as it is constructed includes, obviously, a certain revenue stream to fund the budget. And we go back to this idea of this Grant Fund, which is not in the budget, but is expected to be there from the revenue stream.

So if we look at some of the stuff that we wanted to increase, such as the Buy Fresh, or the Human Rights Coordinator, or the Elder Services, there's a disconnect here, at least in my judgment, as to where the money is coming from for the Grant Fund and why the revenue is not being reported to support other parts of it. Whether it be the initiative, Joint Initiatives or whatever it be, you know, there to support. Those have been zeroed out and yet we're told about this Grant Fund, which I think it's imperative that we figure out where that's coming from because the revenue has been underreported or under forecasted as far as the budget is concerned with the knowledge there's going to be more which will give them a Grant Fund, that, to me, doesn't make sense. It isn't good financial sense.

So I'm concerned about what the revenue forecasts are and how that's going to impact this so-called Grant Fund, and yet it doesn't seem to want to impact those items on the people on the different Standing Committees have voted to put back in the budget.

And the way I understood Attorney Troy's comments, there is a line item there. It's been zeroed out but there still is a line item. Because it's been zeroed out, it wasn't taken out of the budget completely. So I think there's a disconnect also there. If it's zeroed out but it's got all the history there, is that still a line item?

Chairperson BERGSTROM: Well, most of -- my understanding is that -- you're right. Either revenues were underreported or underestimated or expenses were overestimated. This isn't uncommon. Some people do it on purpose and some people do it just simply because they didn't have the right facts at their disposal.

The budget will be -- when the budget is certified, at least at the end of the year, probably September/October, we'll close the fiscal year '17. It is anticipated that we will have several hundred thousand dollars left over from last year's budget. It's the assertion of the Commissioners and, in this case, I happened to agree with them that we can't anticipate that money being available until it's actually, you know, the books are closed. So we can't spend money that would be left over from this year's budget unless, by ordinance, we take money out of some departments this year and put it into something else, into Unrestricted Reserves.

And so, you know, the existence of the, I don't want to call it a Slush Fund, the Grant Fund how it differs from simply Unrestricted Reserves is still a question. I think some should be designated as a Rainy Day Fund in case revenues in the next fiscal year are not up to what is estimated.

So let's say we come in \$200,000 less and then what we estimate in revenues we'll have \$200,000 in this Rainy Day Fund. If we come in more, then we can put more money in the Rainy Day Fund. That's the way a lot of legislative bodies do it because especially when, unlike towns, which can estimate pretty much what they get but adjusting the tax rate, we don't know what we're going to get, so we have to guess.

So we can designate certain monies coming that are available at the end of the year, we can designate them to go into a fund. But until that fund is created, to me, it doesn't exist. Okay.

And as far as the Grant Fund goes, well, once we have an amount in Unrestricted Reserves that's not committed to a Rainy Day Fund or anything else, by ordinance, we could take that money out and do with it what we wish. We could restore the \$70,000. We could send \$10,000 to -- or \$40,000 to the Elder Services' Meals on Wheels. I don't think its good fiscal policy, but I don't know what the alternative is.

Mr. PRINCI: I'm understanding what you're saying there, and I also wanted to talk a little bit about the Human Services budget here.

If you look at the vote on the increase of the Human Rights Coordinator, it was a 3-2 vote, and it's pretty clear to the members of the committee that the chair isn't planning on filing any amendments to the budget to increase these monies, and it would be coming from an individual member, if necessary.

However, with the Unrestrictive Reserves, that's, I mean, how many times have we seen in the past where we have had to dip into these Unrestricted Reserves to help the County out. And, sure, it's not the best financial way to do things; however, when you've got a budget, as you say, that can fluctuate and it's not certain, it's kind of the way that we have to do things. It's the way that we're set up to do things.

And I know there's been a lot of criticism on the Commissioners and so forth about this Slush Fund and everything, but, in essence, it's an Unrestricted Reserve Fund, and if it does get built-up to levels that become high, I mean there's ways that we can work with that to help out departments that are in need, to work with departments that are actually bringing in revenues and maintaining themselves.

So I don't necessarily look at that as a bad thing. And I do agree with what the auditor said on the monies going to various nonprofits that it probably should not have been done. And if there's another way that we could go about doing that, it would be better. But if we don't do it, it would probably be best.

Because our mission is to support the County departments that many of the heads are all here, that's our role. We're not a County where we're supposed to be supporting nonprofits. We're a County government and our revenues and unrestrictive revenues should be used for the purposes of assisting our departments.

That's all.

Chairperson BERGSTROM: Yes, Ed.

Mr. LEWIS: Yes, I don't have a problem supporting what Pat has just said. But what I go back to is if there's a so-called Grant Fund, then there should be an ordinance that

produces some type of percentage of whatever unrestricted reserve -- unrestrictive dollars come in that a certain goes into this so-called Grant Fund as against whatever we get we'll have, and that may not be the exact terminology the Commissioners used.

When you look at municipalities, good and very competent administrative managers, what they do is they under-forecast revenue. They under-forecast revenue as well as maybe over-forecasting a little bit expenses so they can build up Free Cash. And the money goes into Free Cash, and Free Cash is used for capital expenditures and for a lot of other things.

But it isn't a specific grant fund unless it's stated that it has to be a Grant Fund, and we can still do that by taking money from these Unrestricted Reserves, and it's by ordinance, and assigning some of it to a Grant Fund, and then giving the Commissioners that fund in which to go ahead and decide who's going to get the grants.

But there has to be some kind of a protocol as to how the revenue is created. It can't just be catch as catch can. That's what the disturbing part is for me again.

Chairperson BERGSTROM: John.

Mr. OHMAN: I actually -- I agree with both of you on this. Especially the Elder Services, as wonderful a program it is, it's really not in our wheelhouse. And I'll accept the auditors -- and also for the Arts Foundation.

And nothing against them, they're terrific organizations. They do the right thing, but it is something that we are not privileged to do within our budgetary process.

But I'd like to ask you about the Human Rights Coordinator, the Buy Fresh Buy Local program, and the \$15,750 for Professional Services, which is essentially our ability to have a written synopsis of our meetings.

So, do you want to talk about any of those to add to the budget and where we take it out of if we want to present a balanced budget, especially, Ed, you wanted to talk about these things?

Mr. PRINCI: I looked into the Assembly under Professional Services, and as it was presented to us with the new technology that we'll be getting up in the new Assembly chamber, it was indicated that that technology would, in essence, eliminate the staff person for that service, meaning it would just be computerized through a system that would automatically generate the minutes to the meetings.

Apparently, that's not necessarily the case, and it's not -- and there's really -- and I'm not certain for sure what is going to happen there. So, that could be -- that, I believe, would be something that we'd be looking to go into Unrestricted Reserves for without budgeting for it when the time comes.

Because I've looked at what the town of Barnstable has, and they have a system where they have the meetings videotaped and it's all set up internally, similar to what we're going to be building here, and then it's actually transcribed during the meeting by the clerk. And then the clerk of Barnstable goes back and basically reviews what she came up with at that meeting, and then reviews the video and audio of the meeting and comes up with the minutes.

So, I mean, that's just a question as to how we're -- it's going to be done; it's just a matter of how we want to do it.

Mr. OHMAN: As I recall, County Counsel said that minutes are, by definition, a sketch of what is happening in a meeting. When you're a legislative body, it's much better to have a transcript of exactly what happened because certain votes are taken.

And County Counsel had recommended, to the best of my recollection, that we do not cut that. And that's why I would rather see it back in until there's some proven technology that Barnstable County has accessibility to to perform that in a degree, which meets our certainties and needs. So I'd like to see it in the budget.

Chairperson BERGSTROM: Okay. Well, is it the 3<sup>th</sup> of May that the budget will be voted on.

So on the 3<sup>rd</sup> of May, the Speaker will call the Assembly to order, and then we'll go into the budget process. Someone, probably myself or John or someone else, will put the budget on the table. And then we will have to make an amendment where somebody will raise their hand and say, "Madam Speaker, I move to amend the budget of" I think its 28 or whatever it is, "by doing the following." You know, and so as it stands now, we're making one recommendation of the \$98,000 for the Assistant County Administrator.

Do we want to include other recommendations in there so that we can give the Assembly a bottom line number? In other words, when we amend the budget, we're going to have to give them a different number. That's going to be our number.

So then the next question to get into right away is do we go with the Grant Fund or do we put earmarks for these programs like Elder Services and so on, Arts Foundation, or do we allow, once again, do we allow the individual subcommittees to do that. So I guess we are going to have to wrestle with the existence of this Grant Fund.

And we're also going to have to wrestle with the existence of -- if we add \$8,000 for a Human Rights Coordinator, the County Counsel didn't tell us we can't do that. Although, I don't know if he's going to station somebody at the door, so when we try to amend it they're going to call the police in and tell us we can't do that? I mean, I don't know how they can stop us, but they have to have some plans.

Mr. OHMAN: I take your point, Ron. But I think the coordinator, the Human Rights Coordinator exists, so we're not adding a line item to that. We're adding six hours a week to their program.

Chairperson BERGSTROM: No, yes.

Mr. OHMAN: So in that particular case, I think we have every right to and find the money to do it.

Chairperson BERGSTROM: And it is a County program.

Mr. OHMAN: Right, exactly.

Chairperson BERGSTROM: So I have to agree with you there.

Mr. OHMAN: But adding something that doesn't exist before, apparently, is at odds with the thought process of the County lawyer -- County Counsel thinks that that's true. I recommended it at the last meeting -- at our last meeting.

I think we should get a second opinion because I totally disagree with my reading of the Charter that his opinion is correct. And I would love to see the Commissioners give us some money and some time to get a second opinion on that because it's very important in going forward.

Chairperson BERGSTROM: I want to keep today's meeting clear. If we, indeed, decide to acquiesce in the Grant Fund, then a lot of this is going to go away. In other words, they can give \$40,000 to Elder Services; they can give \$10,000 to Buy Fresh Buy Local, but it's not going to be part of the budget, which is what we're making a recommendation on.

So I guess at this point, each one of us is going to have to make a decision whether or

not we're going to include these things in the budget, or whether we're going to presume that after Fiscal Year '17 is closed, we can then make appropriations with the monies left over.

And I don't know if I really want to -- it's maybe an academic exercise. In other words, you're going to get it anyway. So I don't know how much of a fight I want to put up here in principle but that's today tomorrow I may change my mind.

Ed.

Mr. LEWIS: I want to go back to the idea of non-County departments being funded through the County budget. Can I go back to Brewster because that's where my experience is? But, I believe, other towns do similar types of things.

We have a warrant article that comes out in our Annual Town Meeting every year, and it's presented by a committee; it's a Human Services Committee. And it lists all the different organizations that get money from the town, whether it be on the lower Cape, Lower Cape Outreach Counsel, whether it be Gosnold, whether it be all these different human services organizations that the town contributes to through the Human Services Committee that is formed -- that is a subcommittee that's formed by the Board of Selectmen.

Private organizations that are funded with town money by town meeting, not by a specific or by a Grant Fund but by a warrant article in which every year that happens and I believe that happens in a lot of other towns.

And so I'm not sure exactly how we can do that since there is no Human Services Committee and the Health and Human Services Standing Committee is part of the Assembly, that doesn't seem to be part of the department's structure. And yet things like Elder Services and whether it be the Arts Foundation or any other organization that has traditionally received funding through the budget is now going to be zeroed out from the budget and supposedly applied through a different type of Grant Fund, and a Grant Fund that will exist in the cloud along with everybody else's iPad.

So I'm not sure that when the auditor says we shouldn't be budgeting money for non-County departments, I'm not sure whether that only applies to County government or it applies to town government. And then a lot of towns are doing something that the auditor would disagree with.

Chairperson BERGSTROM: Yes, I'll recognize the Chair of the County Commissioner, Leo.

**Commissioner CAKOUNES:** Thank you, Mr. Speaker. Thank you, Mr. Lewis, for bringing that point up again. You are exactly 100 percent right. Your town does it correctly. You have to remember the Assembly of Delegates is the Town Meeting of Barnstable County government. You guys meet every two weeks as opposed to once a year.

The way that the County is doing it right now is we are funding these non-County departments through our operating budget. That is not what the town of Brewster is doing.

Mr. LEWIS: That's correct.

Commissioner CAKOUNES: What the town of Brewster does is they have an ordinance -- you call it an Article in your Town Meeting for the budget, operating budget. Your Human Services are not in that one.

It comes later on in Town Meeting through a separate, once again, you referred to it as an article in Brewster, so doesn't Harwich, but here we refer to them as resolutions or ordinances.

What the Commissioners are proposing is that we follow the town of Brewster and every other town on the Cape to my knowledge and start to do this properly.

And I am really taking issue with people calling this the Commissioners' Slush Fund. When a non-County or even County department requests for money out of this particular Reserve Fund, and that's what it is a Reserve Fund, one of many that Barnstable County government has; when they request money out of that Reserve Fund, the only way it can be administered and given out is if an article is written and brought forth to the Town Meeting of Barnstable County, which means by resolution by the Assembly of Delegates. And that's the proper, fiscally correct way to handle this, and I'm hoping that you will support that.

Now in regards to your comments about how do we fund this particular reserve fund? We fund it the same way we fund the budget. We fund it the same way we fund everything else. We have anticipated revenues. We go through what we need immediately to spend with those anticipated revenues, and, basically, when we have some left over, we can put it into this specific reserve fund. And we do not have to wait for the end of the year to do it.

We can do it anytime throughout the year, as the Speaker so graciously mentioned earlier. If we find that maybe we decided to fund a position that we are no long going to have, and that there's going to be some monies in that current year's operating budget through an ordinance, we could transfer that money into this reserve fund if it was the pleasure of the Commissioners and Town Meeting or County meeting, the Assembly, which meets every two weeks.

So I really believe that this action is bringing us right up to how towns are operating, and then they do not do it in their operating budget.

Thank you.

Chairperson BERGSTROM: You sound a little uncertain about that, Leo.

Mr. LEWIS: Mr. Chairman.

Chairperson BERGSTROM: Yes.

Mr. LEWIS: Let me just, if I could, reply to the Commissioner -- the Chairman of the Commissioners.

You are correct but there's one covenant there or whatever you want to call it in that the Health and Human Services Committee puts forward in advance the warrant article with the amount of money that's going to each one of those organizations so that when the Town Meeting votes, they're voting on one number but they see how that number is created. They may see 5,000 for this organization, 12,000 for this, 15,000 for this and that's done in one fell swoop.

The way I understand the Grant Fund is that there will be a certain amount of money that will go into the Grant Fund from the Unrestricted Reserves collected each year. And then organizations will apply to the Commission. Well, there's a whole protocol that you have drafted, which we haven't got a legal opinion on. They will apply to the Commissioners or to the Assembly or whatever, but you're not voting on an individual article, which is what we're going to give for the year.

In other words, if we received in advance and we're going to ask for the Grant Fund to be \$500,000, let's just use that number, of which 200 is going to here, 100 is going to here, 25 to here and, therefore, you vote for one total number as against a number that will be at the disposal or at the discretion of the Commissioners or at the discretion of the Commissioners and the Assembly; however it works.

So there is a difference. I understand your thought process, but I think there's a difference in the method by which it's done and the fact that when it goes to Town Meeting, that 100,000/85,000, or whatever it is that's in the Health and Human Services, that's already gone before the Board of Selectmen, the Finance Committee. That money has -- there's a revenue stream for that money that has been allocated to that. It's not something that's coming out of Free Cash.

Commissioner CAKOUNES: Mr. Speaker.

Chairperson BERGSTROM: Yes, go ahead, Leo.

Commissioner CAKOUNES: Mr. Speaker, I, respectfully, disagree; that is Free Cash unless you have put out that particular article for an override, which the town of Harwich has, then that override money should be directly allocated to fund that article for perpetuity.

However, the town of Harwich doesn't do that, although I believe they should. But, basically, when you are funding those things and when the person makes the motion on Town Meeting floor and they allocate \$500,000 to the Human Service article for this list of things, I'm sure the next statement out of their mouth is where's that money coming from; it's from Free Cash.

So they are doing it the exact same way. The benefit that we have here is that Town Meeting meets every two weeks. So we don't have to rush and put all this stuff together for a once-a-year Assembly meeting.

That's not to say that someone could not prepare a resolution that included four or five expenditures. We're talking about Meals on Wheels. We're talking about the Arts Foundation. There could be one resolution. It has four or five listed on it.

Chairperson BERGSTROM: All right. Leo, let me ask you a question about that because, you know, I recall it the, whatever, the Grant Fund.

Commissioner CAKOUNES: Special Project Reserve --

Chairperson BERGSTROM: See, if it has acronymism, I don't want to hear it.

Commissioner CAKOUNES: Yes.

Chairperson BERGSTROM: Okay. Yes, that seems to be the obvious thing. You know, the year goes by. All of the sudden, boom, I zip out an ordinance saying or a resolution do I want to give \$40,000 to Elder Services' Meals on Wheels; I want to give \$5,000 to the Arts Foundation, but there's no process set up.

Commissioner CAKOUNES: There's going to be a process set up, sir. If you read the draft thing that I've been sending around, there will be a review board. There will be an application process different from a County department, i.e. the Cape Water Collaborative when they need money for something, they'll be a set process to come and ask for that.

And there also will be a policy and a set process and a review board similar to the review board that Mr. Lewis has been commenting on that he has in his town that we'll be reviewing the applications and bringing the recommendations forward to both, the Commissioners and the Assembly.

Chairperson BERGSTROM: So it's not just that we are now taking these things out of the operating budget and putting it in a separate fund; we're telling these people that they have to get in a line.

Commissioner CAKOUNES: Absolutely.

Chairperson BERGSTROM: Like everybody else.

Commissioner CAKOUNES: Absolutely. Buy state law, they have to.

How did anyone determine that Meals on Wheels should get County funds before Special Olympics for the last 20 years? I would like to know that answer.

Chairperson BERGSTROM: Well because --

Commissioner CAKOUNES: Because some Commissioner 20 years ago decided that they like Meals on Wheels better than Special Olympics because that's exactly what has happened.

Chairperson BERGSTROM: Because the Meals on Wheels serves Barnstable County; it serves the towns of Cape Cod and the --

Commissioner CAKOUNES: There's hundreds of local --

Chairperson BERGSTROM: I understand that, Leo.

Commissioner CAKOUNES: -- hundreds of local organizations just as worthy as Meals on Wheels that service the members here on Cape Cod that deservingly should have the opportunity to at least make a presentation and ask for the same money that Meals on Wheels and the other ones that you mentioned have been getting within the operating budget without any review at all for over 20 years.

Chairperson BERGSTROM: So to take this a step further, you say on one hand, well, we can just simply submit an ordinance and we could say, you know, get it passed by the Commissioners and the Assembly, and, you know, all the sudden \$40,000 goes for Elder Services. But we're now going to be restricted by this process that you set up. I mean --

Commissioner CAKOUNES: Well, once this Grant Fund is set up --

Chairperson BERGSTROM: Right.

Commissioner CAKOUNES: -- the Assembly has the authority to put together a resolution to transfer monies from that fund to anything they want -- ordinance, I mean, and it has to pass the Assembly and it has to pass the County Commissioners.

Chairperson BERGSTROM: That's what I want to hear.

Commissioner CAKOUNES: Absolutely.

Chairperson BERGSTROM: That's what I wanted to hear.

Commissioner CAKOUNES: It's on your conscience if you think that -- if you have no process in place --

Chairperson BERGSTROM: I have no conscience.

Commissioner CAKOUNES: -- it's okay to do it that way. You have no process whatsoever in place. You're only giving money to an organization because you've done it for years, that's fine. You have the authority to do that.

Chairperson BERGSTROM: I'm just trying to get the mechanism straight because if you set up a process by which people apply and meanwhile, you know, and you're doing that over there, and meanwhile over here we pass an ordinance and give \$40,000 to Meals on Wheels, it's going to be inconsistent with the way things are done; do you understand what I'm saying?

Commissioner CAKOUNES: I don't think it's inconsistent. If I were sitting on the Assembly, I wouldn't bring that ordinance forward nor would I vote for it.

Mr. PRINCI: And further on that, I mean we're basically putting the cart before the horse here because we're looking to approve all of this through the budget. However, there isn't a set process in place yet. It's just a draft as I assume now.

So, would it be necessary to iron out the process and have that come up while we're deliberating the budget and approve that?

Commissioner CAKOUNES: If I may, Mr. Speaker?

Chairperson BERGSTROM: Yes.

Commissioner CAKOUNES: If the budget passes with the approval from the Assembly of Delegates to create the new fund, the new Reserve Fund.

Chairperson BERGSTROM: Yes.

Commissioner CAKOUNES: I'm trying to stop calling it a Grant Fund because we're also using it for special internal projects too, i.e. the earmarked Wastewater Collaborative; it will be established for the end of fiscal year FY17. So it will be up and established prior to the July 1 -- the beginning of FY18.

Chairperson BERGSTROM: Ed.

Mr. LEWIS: Other than giving a copy to us, has this been forwarded to any like the legal or has this been forwarded --

Chairperson BERGSTROM: It has not been given to County Counsel at this time, no.

Commissioner CAKOUNES: Thoughts. It's a worksheet. It is not even -- that's why it says "sample" not "draft."

Mr. LEWIS: Oh, I understand that.

Commissioner CAKOUNES: It's a worksheet.

Mr. LEWIS: But this is what you have submitted or the three County Commissioners or --

Commissioner CAKOUNES: It has been before the three County Commissioners. We have not taken a formal vote on it. But there has been input from all three Commissioners on it, yes.

Mr. LEWIS: Has the administration given any input at all?

Commissioner CAKOUNES: Yes. They actually have some of their own documents floating around also. They're the ones that are actually going to be given the authority to create final legal document with input. That's why, again, that one is referred to as a worksheet because it's for the Commissioners to give staff what we would like to see.

Chairperson BERGSTROM: Well, just in the process of moving this along, even though I strongly disagree with the opinion of County Counsel, and I'd really like to have, as Ed says, a copy or a process, a written process; I'm prepared to go with the Finance Committee recommendation of eliminating the 98,253 Assistant County Administrator and not increase -- and not recommending increasing the budget with the presumption that we can as the Chair of the Commissioners has just told us, prepare an ordinance on January 1 and whatever funds are available to restore some of this money to the services that are recommended by the various committees.

The reason I do this is not because I think it's a great process, but because we have to pass a budget for fiscal year '18, and do we want to have a sticking point on something which everyone seems to agree that these are good services; it's quite possible that we will fund them through this Grant Fund.

And so what do you think? I mean are you ready to -- John.

Mr. OHMAN: If that's your pleasure, I think that it's a pretty clean way to do it. It gives us the opportunity to listen to and we've debated enough of the other requests of different chairs. But if you're willing -- if everyone's ready to go, I can do an amended budget total (Inaudible).

Chairperson BERGSTROM: Now the other question is if we eliminate the \$98,000 for this and the County Administrator or recommend eliminating it, we take it out of the Finance Committee line item, okay. If you take it out -- we take it out of the County Commissioners line item and we put it in -- either put it in Unrestricted Reserves or allow it to go in to Unrestricted Reserves, which means if they want the money they have to come back to us.

If we leave it hanging in there -- I mean if that's what you want to do. I mean I voted certainly to eliminate that simply because I thought that the fiscal situation we're in, there should be a hiring freeze. And I think that was a unanimous vote by the Finance Committee; wasn't it?

Mr. OHMAN: As represented here, you need to know there are five people on the Finance Committee. It says 5-0-1. I'm not sure what that means but I believe, if my memory still works, it was 5 to 0.

Chairperson BERGSTROM: I think the Chair of the Commissioners wants to weigh in on that.

Commissioner CAKOUNES: Thank you again, Mr. Speaker, for allowing me this opportunity. I was not present when the Finance Committee took that vote, and I'm not sure if there was anyone in the room or whether administration was there or not to argue to leave this Assistant County Administrator's position fully funded.

I will tell you it is in anticipation of the County Commissioners to fill this position as soon as possible. So if we know that the FY18 budget's been approved with it in it, this position is, the Commissioners feel, is a vital position in moving forward in the restructure of County government.

We feel that -- if you think FY18's budget process has been fun, hold on to FY19's. There's going to be a lot of changes coming down the pike. The Commissioners today voted the Administrator's Goals and Objectives, and last week voted the Commissioners' Goals and Objectives. And both of those documents stress very, very strongly that the County government needs to go through a restructure. It needs to go through not only do we need to know and hear from the towns what do they want from us, but we also need to hear from our department heads what are you doing that we're not really providing services to the towns with. And we also need to look at combining departments.

There will be some restructuring done. I feel very strongly on that, and I think the Commissioners also feel that way judging by their votes and their notes on the goals and objectives that I previously spoke about.

So without this position, we will still be moving forward. There's no doubt in my mind. However, I think it would be easier and this is the reason -- the main reason when you listen to our discussions why we left it in there. The Commissioners felt very strongly that we need this person in order to help us, especially, and this goes to Mr. Ohman's concerns with the Joint Initiatives.

When we took out the Joint Initiatives, defunded it, if you will, for FY18, yet had a very, very in depth discussion with the chair -- with the Executive Director of the Cape Cod Commission in that the current monies that we have set aside for that project will be rolled over and help us continue through part of FY18.

But the goal and objective of that change, if you will, is to completely do over a lot up at the IT, and a lot what they do over at the Commission. There will be people moving back

and forth. There will be duties, if you will, being moved back and forth, and that change is going to, I think, would really seriously requires that we have a body in this Assistant Administrator's position.

So I would ask you, and I will argue this in front of the full Assembly, that's a very, very important position to us. And because we have the monies there, and it is a balanced budget, I would ask you to leave it in.

If you're thinking about using monies or trying to fund some other things, the Collaborative has already stated they are not interested in an executive director. As was mentioned earlier by a member of the Assembly, there's \$80,000 that has been -- \$70,000, I'm sorry, that's been put into the Health and Human Services, that can be removed, and then you can take \$10,000 of that and put it back in for the --

Mr. OHMAN: Buy Local.

Commissioner CAKOUNES: Buy Local of \$12,000 or \$15,750 for the stenographer; I think there was \$8,000 for the Human Services, so you can redistribute that \$70,000 and probably still end up with about 30 grand that, quite frankly, if it was me, I would just reduce the income of the revenue side and say, you know, what, here's your balanced budget.

But, thank you, again.

Chairperson BERGSTROM: Leo, I think some of the objection that the committee members voiced was the fact that, you know, two years ago we had the single individual who was both the Administrator and the Finance Director.

Commissioner CAKOUNES: Correct.

Chairperson BERGSTROM: We've gone to both a separate Administrator and a separate Finance Director, and now, like I say, within a couple years now we're getting an assistant at \$100,000 to the Administrator. So the increase in the number of chiefs as opposed to the number of Indians seems to be high.

And, also, quite frankly, I mean there -- and you should understand that as much as anybody, there has to be clear lines of authority. I mean we have already, you know, a separate executive director for the Cape Cod Commission. We have you as the Chairman of the Board. We have Jack as the Administrator. I mean do you see that this will work? I mean, do you think it will seriously work in a practical sense to have somebody there making changes in the organization?

Commissioner CAKOUNES: Personally, absolutely I do, yes. And to answer your question specifically about the past --

Chairperson BERGSTROM: Yes.

Commissioner CAKOUNES: -- that's why we're here today. That's why we're in the financial cluster that we're in. I mean the buck stops here, and, quite frankly, the previous administration did a lot of things that I wouldn't have done if I was sitting up there.

And the reasons that we had one person doing everything without any checks and balances is one of the reasons why we're here today. I mean I won't even get into the other things that have been established during that tenure that we're now cleaning up and trying to process and go through.

Chairperson BERGSTROM: No, yes, you don't have to do.

Commissioner CAKOUNES: So, please, bear with me that that is not a good example. What I'm trying to tell you now is that having been the Chair for -- only since January but been a Commissioner for a year, I mean, I started as a Commissioner with an

assistant, I'm sorry, not an assistant, a temporary Administrator on board, went through an absolutely horrible year of relationships between the County Commissioners and that temporary Administrator, if you will, got nothing done, wasted an entire year as far as I'm concerned.

It wasn't until we finally got the RFPs out or the ads out and were able to hire a new Administrator. With all due respect, Jack's only been here for a year, almost a year to date he's only been around. I mean a lot of people might think he's been around for a while, but I think he's just starting his 13th month starting April 1.

So I just think and, again, the Commissioners believe that we are at a vital stage right now and we need to move forward in a restructure. And we're looking to this position as being the individual that can step up and help us do that.

Chairperson BERGSTROM: Yes, Pat.

Mr. PRINCI: So you're looking at that position to help you do that. Are you looking at that position to also consolidate some other positions as you talk about the restructuring? I mean would the Assistant County Administrator be able to take on roles that are of other departments?

Commissioner CAKOUNES: Absolutely.

Mr. PRINCI: And is that -- I just want to know are you looking at that Assistant County Administrator to basically consolidate some of the other salaries --

Commissioner CAKOUNES: One of the main focuses that I'll tell you that the County Commissioners are looking at is, again, it goes to Mr. Ohman's concerns about the Joint Initiatives.

The whole key in the whole decision with not only the County Commissioners but the Executive Director of the Cape Cod Commission is to re-do the Joint Initiatives.

The Cape Cod Commission does not want to be in the implementation business. They are planners. They help put together things and then they want to send it on so that the other County departments can actually do the implementations. That's why there has to be coordination between the Cape Cod Commission and the Joint Initiatives and the IT Department.

A lot of what was going on in the Joint Initiatives was this RWAN stuff, the ePermitting stuff, and that really should be coordinated in under one department; hopefully, the IT Department.

There are also discussions in looking at what's going on with OpenCape. I mean OpenCape cost the tax payers of this Commonwealth \$30 million and, quite frankly, there are a lot of towns and, again, I've committed and I've stood up at this mic many of times and said that I'm committed to the fact that we are here to serve the towns. That's our number one thing in the Charter.

And when you see an expenditure such as that and you actually see how many towns are taking advantage of it, it makes you think. So, one of my personal things, and I believe the Commissioners, and we've talked about this, is that one of the areas that we want this particular position to look at would be to help with that transition in the IT Department and find out where are we going? Do we want to become a bigger service in providing services to the towns or not?

Because, quite frankly, there's two answers to that question; yes, which means we have to keep current staff or restructure it in such a way but we will be bringing in money or,

no, let's just do away with everything and only keep a very, very small staff at IT to handle our own County problems and not even leave this compound.

But, again, this is why I strongly believe this position is going to be key to that decision.

Chairperson BERGSTROM: Yes, John.

Mr. OHMAN: Thank you, Mr. Chair. So, several things, Leo, and thank you for giving us some guidance on what we could use that \$70,000 for because that would be very helpful if the rest of the department heads --

Commissioner CAKOUNES: I wrote it out for you, if you'd like.

Mr. OHMAN: No, it's good. I got it, got it. Two things; number 1, I got a different read from the Cape Cod Commission about what the Joint Initiatives would do, and I'd love to maybe have an additional discussion before I think that thing through.

But regarding specifics of this Assistant County Administrator, \$98,253, we voted 5-0 to eliminate it. And it's only a recommendation remember. You certainly can lobby the full Assembly probably very successfully to do that.

And then this would not be permanently eliminated. When I see a more formalized list of duties for this person, maybe we'll take it right out of Unrestricted Reserves and add that at any point in time where it makes more sense.

But this is a new hire; we're in a very tight financial position. This person is yet somewhat undefined at least in my limited look at it. I know that you want it, but I've heard you orally say a few things, but I'm going to stick with my thought process about not putting it in the budget and eliminating the \$98,000-and-change from the revenue side, and we can deal with this sooner than --

Commissioner CAKOUNES: With all due respect, I just want to report that the Commissioners have asked administration why they haven't gone out and filled this position, and it is because of its uncertainty in the budget process. And, certainly, there are funds in the budget this year for it. We have used some of those funds to hire a part-time, if you will, individual to come in. It wasn't -- it didn't work out. It gave us some indication and some direction but it didn't work out as well as I believed the administration thought it would.

But right now, the reason why there is no one in it is because of the uncertainty about this funding next year.

Chairperson BERGSTROM: All right. Yes, Ed.

Mr. LEWIS: It was highlighted that Jack has been here -- that April 1 would start his 13th month, and that the Chairman is a year and three months into his Chairmanship.

Commissioner CAKOUNES: Three months into being a Chair.

Mr. LEWIS: Three months into a Chairmanship.

Commissioner CAKOUNES: I've caused a lot of trouble in three months.

Mr. LEWIS: Yes, I know. You're very good at that.

Commissioner CAKOUNES: I am. I pride myself in it.

Mr. LEWIS: Yes, there's a term for that but I'm not going to use it.

Commissioner CAKOUNES: I wear it proudly.

Mr. LEWIS: I'm sure there's nothing you haven't heard.

If you hire someone, it's going to take them at least a year to get their feet wet and to figure out what it is that needs to be done. I kind of think that should have been number one on the hit parade when Jack was hired to find out where, because if I remember the

conversation when Jack was first hired, and when we were going for County Administrator that we were going to look at all the different departments and find out exactly what the departments were doing and how it benefited the 15 towns on the Cape, which is exactly what you say.

And I don't disagree with the thought process that you've stated. I'm not sure that the reason someone hasn't been hired is because of the budget process. I might disagree with that because I think if you would have brought this to the Assembly when you first became a Commissioner and Jack at 9-10 months had said this is what we need because of what we're going to do, I think then probably the Assembly would have gone along with that, whether they had to or not. I think that would have been -- you could have made that argument.

I agree with John at this point. I'm not going to vote -- I'm going to vote to keep that out of the budget, but you'll have your chance and you may win.

At this point, again, I'm in the dark as to where we really are in the budget because at one minute we're very tight and the next minute we're going to have excess funds. And so if we're going to have excess funds, that's fine. But I think that by this time everybody should have a pretty good idea; Jack should have a pretty good idea of where the -- of what departments, what they're doing, and where they're serving all 15 towns. And I agree with you from that standpoint talking about OpenCape and \$30 million, and whether or not we're serving 15 towns or 3 towns.

Chairperson BERGSTROM: Yes.

Mr. LEWIS: And that's always been something that's been brought up by the Assembly. I agree with your thought process. I just, at this point, I'm not willing to put -- I'm not willing to go against what I voted before. I like the idea of taking the 70 and applying it to some of these other things.

Again, I'm a strong believer in the Cape Cod Commission. So I don't have any problem whatsoever of having the Water Collaborative being under the direction of the Cape Cod Commission. In my judgment, they're one of the best planning operations. They have some of the best leadership and some of the best individuals in any department. So I don't have any problem with that.

So that's where I stand. I do agree with a lot of the thoughts here about Elder Services is going to be part of the Grant Fund; I can deal with that. But I agree with the 410,000 for the Buy Fresh, the \$8,000 for the Human Rights Coordinator, the Professional Services, and the Arts Foundation and the Elder Services are going to be part of this. I'd like to see the Grant Fund could be part of this, see the Grant Fund specifically or revenue stream specifically dedicated to that so that because if you think there's going to be a surplus, then there's probably going to be a surplus. And I'd like to see something dedicated so you have money that we know about that you're going to use for that. And then you can, you know, whatever, protocol you come up with, procedure, that's fine with me.

Commissioner CAKOUNES: Mr. Speaker, if I may? I'd like to respond on two things that Mr. Lewis -- first of all, as far as the excess funds when we end out the year, I'm very proud if we have a 28-\$29 million budget if we only end up with about 3 or 4 or \$500,000 in excess revenue. That shows to me really, really good budgeting.

For example, the position that you were just talking about, it has been funded in the FY17 budget. Only a portion of that money has been used to hire a part-time individual. So, quite frankly, when FY17 ends, there's going to be left over money that's going to come out

of that.

That's what I feel is very good budgeting. I do not believe the current County Commissioners have given you a budget that in way, fashion, or form shows an either inflated revenue or, I'm sorry, deflated revenue so that we can project that we're going to get this windfall at the end of the year or somehow of an inflated budget. I just don't think that exists in our current offering that we're giving you.

The second thing that I want to comment on, Jack has a certain kind of leadership. And what Jack has decided to do, especially in direct answer to your situation with the IT and the restructuring is he has hired a professional company to come in and to do a, for lack of a better way, an audit, if you will, on exactly what is going on at the IT department; where can we expand it; where can we cut down on it? And to my knowledge, that document is going to be finished up relatively quickly.

In fact, I believe the gentleman is even meeting with OpenCape, which by the way is not part of Barnstable County government. But because it's an essential thing for the future, that company is meeting with them also. And I think it's that document that's going to be, as far as the Commissioners were concerned, was going to be handed over to the person that was going to fill this Assistant Administrator's position so that person would not have to take a year to do their homework because the County had already spent money on where they want to head with it and what they want to do with it. We're just looking for a body to actually move those ideas forward.

But thank you, again.

I want to ask the Commissioner one question.

Commissioner CAKOUNES: Sorry.

Chairperson BERGSTROM: Go ahead. And then, Leo, you can go ahead

Commissioner CAKOUNES: No, no, I'm done.

Chairperson BERGSTROM: Stay there till -- I mean this is going to go on for a little while.

Commissioner CAKOUNES: Unless he picks on me.

Mr. LEWIS: I would just like you to differentiate for me --

Commissioner CAKOUNES: Sure.

Mr. LEWIS: -- the difference between Elder Services and Meals on Wheels and AmeriCorps or the 4-H program?

Commissioner CAKOUNES: Well, AmeriCorps is a program that we sign up with through a grant process from the federal government. They actually give us money and then we match that money. For sake of argument, I want to believe it's around \$500,000. We match \$500,000 and then we administer that program.

Meals on Wheels is a separate nonprofit organization that has absolutely nothing to do with Barnstable County government. They have their own staff. They have their own Board of Directors. They have their own fundraising, and we, basically, make a cash donation to them. We do not help them. We do not pay people to go out and give meals to people. We do not provide them with a kitchen or anything like that. So they're entirely two completely different relationships.

If the federal government were to come to the Cape Cod -- to County government and ask us to run the Meals on Wheels program, then it would be similar to what you're referring to as far as the AmeriCorps. But two entirely different programs in the way they're

structured, entirely different.

Thank you.

**There were no other comments.**

**Finance Recommendations: Operating Budget Proposed Ordinance 17-03**

Chairperson BERGSTROM: All right. I'm going to recognize Mr. Ohman for a motion.

Mr. OHMAN: You're all set?

Mr. LEWIS: Yes.

Chairperson BERGSTROM: You can still discuss it; I just want to -- we have to put the motion on the floor.

Mr. OHMAN: Mr. Chair, I move that we eliminate --

Chairperson BERGSTROM: Recommend to eliminate.

**Mr. OHMAN: -- I recommend elimination of \$98,253 for an Assistant County Administrator in the FY18 budget.**

**And I would further recommend with a 4 to 1 vote from the Finance Committee that we add \$15,750 for Professional Service to the Assembly of Delegates' budget.**

**That will be a new expenditure of \$28,602,920. I would also recommend adjusting back down that amount in anticipated revenues to balance that budget.**

Chairperson BERGSTROM: Okay. Do we have a second on that?

**Mr. PRINCI: Second.**

Chairperson BERGSTROM: Okay. It's been moved and seconded. This is not the Finance Committee taking a stand on the individual recommendation from the other committees. So we're not discussing now the recommendations from Natural Resources or Health and Human Services. I think we should let them put their stuff on the floor.

Mr. LEWIS: That's our job to. That's why they make the presentation to the Finance Committee.

Chairperson BERGSTROM: Well, you know, the thing is that it would be very difficult to get a -- I know we've done it before, as Leo says; we've done a lot of things before. But we can have a 3 to 2 vote on certain recommendations and a 2 to 3 vote on other recommendations. You know, it doesn't prevent anyone from changing, you know, making other recommendations.

Mr. OHMAN: You know what though, and Ed I'll tell you; I actually agree with Leo as far as the Elder Services' Meals on Wheels. I think it's a great organization. It's federally funded; we're just a drop in the bucket with that 40 grand. It's been as high as 80, I believe.

And the Arts Foundation, I think they're great, and I think they've used our position with them to advocate as the official designated charity of the County and that's been to their benefit. But I think on review that we probably have been spending it improperly in past administrations. And I guess I can plead guilty to that because I've passed 20 budgets so far. So I'll take my hit on that.

But I think that now on further review that I would not recommend those as such, and I think if we have an Unrestricted Reserve and we open it up to other very worthy NGOs that that's the proper procedure.

So if you want to go through them all, I'd do that. But I think I'm comfortable with my proposal of the amended budget just using the County -- the Finance Committee's recommendations.

Chairperson BERGSTROM: The only two decreases that are listed that we discussed last week with the chairs were this \$98,253 and \$70,000 for the Cape Cod Water Collaborative -- Cape Cod Water Protection Collaborative Director. And I am in favor of leaving that money on the table. It doesn't mean they have to have a director, but if it would come in three months, six months, and the executive director of the Cape Cod Commission together with the Commissioners decides that they needed a designated person to fill that role, money would be available. So I don't think we should take any recommendation on that and just leave it where it is.

The only money that, as I say, the Natural Resource Committee and Health and Human Services are already dipping into that. They could dip into the \$98,000 rather than the 70. That's how I feel. So I'm with John's recommendation.

Ed.

Mr. LEWIS: The problem I have is the \$70,000 is in the Health and Environment budget.

Chairperson BERGSTROM: That's right it is, well, yes.

Mr. LEWIS: And it's not in the Commission budget; it's in the Health and Environment budget. And I happen to agree with the Natural Resources Committee that that should be pulled from that budget because I don't believe that if there is to be an executive director of the Water Collaborative that it should be part of the Health and Environment. I believe it should be part of either the Commission or separate entity onto itself.

And, therefore, I would agree that it's our job since otherwise why would they make recommendations to the Finance Committee? What's the purpose of doing that if we're not going to make some recommendation that the Finance Committee either agrees or disagrees; what's the purpose of having them? The other chairs come to the Finance Committee and make recommendations. They don't need us just to listen to them. They need us to either say yea or nay; we agree or we disagree.

Mr. OHMAN: With your permission, we actually tacitly did say that we were going to leave it there. I mean by not recommending a change, it's there. We don't have to act on it if we don't choose to.

As a matter of fact, Commissioner Cakounes gave a clear path that if we wanted -- if someone, say Natural Resources wanted to add the Buy Fresh Buy Local program, they could take it out of that 70 grand. He gave that -- made a clear path.

Mr. LEWIS: I think that's our job to make a decision from a Finance Committee yea or nay whether we think it should or it shouldn't.

Chairperson BERGSTROM: All right. The issue is this.

Mr. LEWIS: You have a motion on the floor, which is seconded.

Chairperson BERGSTROM: But we have a motion on the floor, but I'll tell you why I'm supporting that motion.

Mr. LEWIS: That's fine.

Chairperson BERGSTROM: Because what happened is each one of us made -- each one of the 15 members may object to something on there. So if we included \$40,000 for Elder Services, maybe someone who says, you know, I can't vote for the budget if we

included money for the Arts Foundation or Buy Fresh Buy Local, and maybe somebody else will say, you know, that -- it's easier to take those individual appropriations and run them by the full Assembly, then they go up or down, and then we have a budget.

If we recommended a budget with a certain number that we say, "This is what we want," it's too inclusive, I think, for the members to make a decision on their own individual basis. They may want to stand up to the Human Rights Coordinator. They may want to stand up for the Elder Services.

So I think we should empower the Assembly members to vote on individual appropriations.

Mr. LEWIS: They will.

Chairperson BERGSTROM: I see where you're coming from, Ed, but I mean there's a lot here, and for us to debate each knowing full well that the whole thing may be wiped out if the Assembly and the Commissioners decide to go with the grant program.

Mr. LEWIS: I'm going to move it anyway after this motion.

Chairperson BERGSTROM: Okay. John has moved -- motion to eliminate the line item \$98,253; include another line item \$15,750. What's the budget total?

**Mr. OHMAN: The new budget total would be \$28,602,920.**

Chairperson BERGSTROM: Okay. All those in favor, say "Aye." Opposed?  
**(Motion passed.)**

Chairperson BERGSTROM: Ed.

**Mr. LEWIS: I move to reduce the Health and Environment budget by \$70,000; increase the Cooperative Extension budget by \$10,000 for the Buy Fresh Buy Local Program, and the Human Rights Commission budget by \$8,000 for the Human Rights Coordinator hours.**

Chairperson BERGSTROM: So you're reducing \$70,000 and you're increasing by \$18,000?

Mr. LEWIS: That's right. So that's an increase of \$52,000.

Chairperson BERGSTROM: Well, I mean, we're making two recommendations. See, we're deciding what to recommend to the Assembly so.

Mr. LEWIS: That's my recommendation. If I don't get a second, then the Finance Committee --

**Mr. OHMAN: I'll second that just because we discussed this, with all due respect of each member of the Finance Committee, I second that.**

Chairperson BERGSTROM: Okay. So let's discuss it.

Mr. OHMAN: If you want the numbers, it would be a new budget of \$28,550,920. That would be the new budget as presented by Mr. Lewis.

Again, I think that the motion in the past covers tacitly that we don't want to act on these as a Finance Committee right now. I respectfully disagree with that, but we also didn't do -- we didn't talk about the other 40 grand and the other 5 grand. So, I mean, again, you picked and chose two others, which I think are great ideas. I would like to leave that 70 grand in there as the record -- as mentioned by the chair of the County Commissioners because that can be further amended by anyone on the Assembly that would like to do it. And that's a clear path of where that money should come from, should they want to do any of those, any or all of those proposed in their own.

And I'm comfortable, so I will not be supporting your new amendment, even though I seconded it. Thank you.

Chairperson BERGSTROM: Well, I think Ed has a point of the \$70,000 being in the Health and Human Services budget. I would just assume leave it as that if the -- if a potential -- I know they've abandoned the idea of an executive director, but I'm wondering down the road, 6 months down the road, they're going to decide to reinstate that position whether it's under the Commissioners or under the Cape Cod Commission, I would like to see that money available. I suppose we could make it available if it goes into reserves. But I still feel that there should be a provision made. And I don't think it should go under the Health Department. I mean we've abandoned that.

I'm not against the \$10,000 for Buy Fresh Buy Local and the \$8,000 for the Human Rights Coordinator. I think those are County -- they're close enough. They're County services so we can justify putting them in the budget.

Yes, go ahead.

Mr. LEWIS: You take the \$70,000 out and at some time in the future you want to hire an executive director, you're obviously going to have the \$70,000 in Unrestricted Reserves.

And by resolution or ordinance, whichever one you choose to use, you can bring it back in and appoint an executive director at any time you want.

But to sit there and let it just sit there in the Health Department, it's not there for, excuse me, it's not there for them. We've already stated to leave it there because you want to keep \$70,000 for a future executive director when you have the opportunity to do that with Unrestricted Reserves at any time you so desire; I think that's a dereliction of duty.

Chairperson BERGSTROM: Well, to be honest with you, I mean we have criticized the Commissioners for speculating on what we can do with excess funds after the end of the year. I don't want us to create the idea that we're creating a sort of a fund that we say, well, we can't do this in the budget but we're going to have the money left over so we'll do it next year.

I want to stay with the recommendation as voiced by John and allow the other committees to make their motions to restore whatever money they want to restore. I just think that's the best policy. So we can debate them before the whole Assembly on individual items.

So, anyway, motion on the floor's seconded. This is Ed's motion now, right?

Mr. LEWIS: Yes, Mr. Speaker.

Chairperson BERGSTROM: Yes.

Mr. LEWIS: Or Mr. Chairman, excuse me. The Speaker's out there. Sorry.

Speaker MCAULIFFE: I don't care.

Mr. LEWIS: Say it one last time. Recommendations from Standing Committees to Finance Committee; Finance Committee, therefore, has the obligation to make a recommendation to the Assembly of the Standing Committees, and it's our obligation now. That's all I'm saying.

To just say let them do it themselves, then we really in the future should not have the Standing Committees come before the Finance Committee because the Finance Committee doesn't want to take them up. Our Finance Committee only wants to deal with their own stuff. And that's a violation of the Charter, as I understand it.

So I think the Finance Committee is sort of backing off from what they're supposed to be doing.

**Chairperson BERGSTROM: Okay. Anyway, the vote on Ed's motion to include the \$18,000 and deduct it from the \$70,000 or eliminate the \$70,000 and add \$18,000. All those in favor of Ed's motion, say "Aye. All those opposed? No.**

**(Motion failed – Bergstrom, Ohman, Princi voted "no").**

Mr. LEWIS: At least you voted.

Mr. OHMAN: You were on the record, Ed.

Chairperson BERGSTROM: You made a good case, Ed, I have to say. I was almost persuaded by it.

### Capital Budget Discussion and Comments

Chairperson BERGSTROM: And now we will move on to the Capital Budget. Hopefully we'll move on. Do you have any -- John.

Mr. OHMAN: We are still in a Public Hearing, correct?

Chairperson BERGSTROM: Yes.

Mr. OHMAN: So we can take testimony from someone to defend this Capital Budget; I would love to know who that would be?

Speaker MCAULIFFE: Mary's here.

Mr. STEVE TEBO: Are you doing it or me?

Chairperson BERGSTROM: Who are you looking for? Oh, Mary, okay.

**Finance Director MCISAAC:** Good afternoon, everyone. By way of introduction, the Capital, we'll just give you from Finance some comments about the development of the Capital Budget and what is submitted in Proposed Ordinance 17-06.

There was a review of capital items. Departments were cautioned that only necessary items would be brought forward in this fiscal year because there are numerous loan authorizations on the books of the County, and until there's a comprehensive review of that to determine what our future needs are with respect to requests that we would only entertain necessary requests.

At the end of the process, we had two requests from the Facilities Department that needed to go forward. One is for the purchase of a vehicle; the other is the necessity to replace a generator in First District Court, which you see as electrical improvements.

The other two items that you see are what are called reauthorizations. These were previously authorized by ordinance passed by the Commissioners and the Assembly in previous years. But those have to be reauthorized before we can begin the projects on Superior Court, which are the replacement of the roof and the improvements to the façade. So those are your four items. They're all directly related to facilities. So for details on the projects, I'll let you talk to Steven Tebo, Director of Facilities.

Chairperson BERGSTROM: -- let's clear up one thing. The items I have listed here: the replacement vehicle, Superior Courthouse roof, exterior renovations, and electrical improvements add up to --

**Mr. LEWIS: 650,000.**

Chairperson BERGSTROM: \$650,000.

Finance Director MCISAAC: \$650,000 yes, we have a Scrivener's error on that, which will be corrected in the process. Yes.

Chairperson BERGSTROM: Okay. That's what we're including in the budget, 650,000.

Finance Director MCISAAC: Yes, sir. That's the request. Yes.

Chairperson BERGSTROM: Okay. Any other questions?

Mr. LEWIS: Yes, I have one. Mr. Speaker?

Chairperson BERGSTROM: Yes.

Mr. LEWIS: Just for the record and nothing else, out of the \$570,000 that is for the Superior Courthouse, can you give me the amount that we will get back when we --

**Mr. STEVE TEBO: 75 percent.**

Mr. LEWIS: We'll get 75 percent back?

Mr. STEVE TEBO: Yes, sir.

Mr. LEWIS: So that's 570 divided by 4 is whatever. It's about 480 or something like that?

Finance Director MCISAAC: Thereabouts, yes. So it depends on what they -- when we submit all of the costs, our contribution from the state, our reimbursement from the state to be 75 percent, but it will be 75 percent of eligible costs, and we won't know until we do these -- until we replace the roof and do the façade improvements whether we'll actually be expending the entire 360 and 210 for those two projects combined. So it will be 75 percent of allowable actual expenditures for the completion of those two projects. So it's really just an estimate but, yes, some thereabouts.

Mr. LEWIS: So just for the record then because ever since I got on to the Assembly, it's always been a somewhat of a bone spur, if you will, that the state does not pay rent on the buildings that we own, these two buildings; the Superior Courthouse and the other building down there. They give us a percentage back of the maintenance cost for that building, right? Is that your --

Mr. STEVE TEBO: There is, under Mass. General Law, there is a rent component to it. We get a \$1 per square foot. That's what they graciously give to us.

Mr. LEWIS: Gracious?

Mr. STEVE TEBO: That's what they give us. That is under the DCAM bylaws. That's how the Trial Court leases all their buildings. Short of changing legislation, you're not getting anywhere.

Mr. LEWIS: No, I understand. I understand.

Mr. STEVE TEBO: Yes.

Mr. LEWIS: I understand that's what we get, that's the law, and I understand that.

Mr. STEVE TEBO: Yes, absolutely. And then like just to go back to the Superior point; I purposely dragged my feet on this for not doing the roof in the façade. Mary's still mad at me for it. But the reason being was we have -- I knew that the increase in percentage in the building was going up for Superior Court. We used to get 46, not we're at 75. So the cost to the County, it saved us some money.

Mr. LEWIS: I'm glad you delayed it then.

Mr. STEVE TEBO: Well, no, I mean I was kidding. Mary was on board with it. But in the beginning she was like, "What are you doing? You have all these projects you didn't do." So, just so you guys know, that's where we're at with those.

Mr. LEWIS: So is there a number that you could come up with without a lot of extra work that says this is what it costs the County for the courthouses after, you know, we did the projects --

Mr. STEVE TEBO: Yes.

Mr. LEWIS: -- and they're one number that this on a yearly basis, this is how much it costs the County in order to operate these buildings?

Mr. STEVE TEBO: Yes, absolutely. So that's part of the things or the exercises that we've been going through, myself, Mary, and Jack is, you know, looking at this space, for instance. It was costing us \$57,000 a year to occupy this space for two meetings a month. That's why we're moving you guys out of here. So that was, you know, I can break it down any way you want me to break it down.

Mr. LEWIS: No, just one total number. We spend X, we get back Y, that leaves Z.

Mr. STEVE TEBO: Yes. no problem.

Mr. LEWIS: Thanks.

### **Finance Recommendations: Capital Budget Proposed Ordinance 17-06**

**Chairperson BERGSTROM: Okay. Anybody have a motion to recommend this? Do you have a question?**

**Mr. OHMAN: Yes, and I have a question too.** Just for myself and for the general audience, can you kind of give us a path to payment? Now we're in dire financial straits, and we've got to come up with 650 grand; where is that money until the state pays us back at whatever ungodly time schedule they put on us?

Finance Director MCISAAC: So what a loan authorization does for you is it allows you to borrow a sum of money to cover the costs of your capital improvements or your capital purchases.

In this case, the passage of this ordinance gives us permission to buy the generator, to fix the roof, to fix the façade. And what we'll do is we will pay for those costs out of available cash, which means we're actually borrowing cash from the General Fund to pay for these projects.

We can turn around and issue short-term paper, which is a bond anticipation note in anticipation of bonding. But as you could conclude from the discussion and the questions of Ed Lewis with the 75 percent reimbursement, we are expecting that we'll never bond those projects. We're never going to bond something for \$35,000. The vehicle, we're also subject to reimbursement on the vehicle.

So at the end of the day, we're going to pay for those things. We're going to submit them through the schedule of costs. We may short-term borrow, but then at the end of being reimbursed by the state, we will pay from Available Funds, hopefully, or our capital reserves the residual cost to us so it is likely none of this 650 will be borrowed over the long-term.

Mr. OHMAN: And that's great news. I guess where I'm never quite clear is the fact that the state doesn't reimburse us for 12 to 18 months.

Finance Director MCISAAC: That's true.

Mr. OHMAN: And the contractors aren't waiting 12 to 18 months to get paid.

Finance Director MCISAAC: No. And so --

Mr. OHMAN: We've got to come up with that money.

Finance Director MCISAAC: Right. And so that's a cash flow discussion.

Mr. OHMAN: Yes.

Finance Director MCISAAC: So you're paying the bills out of your available cash, which means really your Capital Projects Fund is borrowing money from your General Fund, which impacts your cash flow. It doesn't -- and if it impacts your ability to pay your bills and everything else from a cash flow perspective, that's when you go and you issue short-term paper, which refunds the General Fund that cash until you have your reimbursement and then, you know, afford the rest from Available Funds.

Mr. OHMAN: Short-term loan. That's what I really wanted to hear.

Finance Director MCISAAC: Sure.

Mr. OHMAN: I wasn't sure exactly the vehicle you would be using until we get a bond rating.

Finance Director MCISAAC: Right.

Mr. LEWIS: What's the rate on those short-terms?

Finance Director MCISAAC: I just saw paper from UniBank, our financial advisors, and some people are borrowing short-term paper for less than 1 percent.

Mr. LEWIS: Right.

Finance Director MCISAAC: And 1 percent, but those are our AAA stable outlook communities, you know, so.

Mr. LEWIS: On those, you can pay interest-only?

Finance Director MCISAAC: You can roll over a bond anticipation note, but after two years of roll overs, you have to pay down at least 20 percent per year.

Mr. LEWIS: Right.

Finance Director MCISAAC: With municipal bond authorization though I take that back, it's now 10 years. So you can roll over for two years but then pay down a percentage to relieve that debt in 10 years.

Mr. LEWIS: But for the first two years, you can pay only interest, right?

Finance Director MCISAAC: In the first two years at maturity, which is always annual, almost always annual, you can pay interest-only, yes.

Mr. LEWIS: Because I know we did that when we did the roof project in Nauset.

Finance Director MCISAAC: Sure, in anticipation of a bond issue.

Mr. LEWIS: Right.

Finance Director MCISAAC: And you just roll it into that.

Mr. LEWIS: Right.

Finance Director MCISAAC: Well, the matter before us is to recommend approval of the -- the new \$650,000.

Mr. LEWIS: I'll move that.

**Chairperson BERGSTROM: Okay. Is there a second?**

**Mr. OHMAN: Second.**

**Chairperson BERGSTROM: Any further discussion? The new number is \$650,000. So, all those in favor? Aye.**

**(Motion passed).**

**Public Hearing Closed at 3:40 p.m.**

Chairperson BERGSTROM: I need a motion to close the Public Hearing.

**Mr. OHMAN: I move to close the Public Hearing.**

**Mr. LEWIS: Second. Yes.**

**Chairperson BERGSTROM: All those in favor? Opposed?**

**(Motion passed).**

**(Public Hearing closed at 3:40 p.m.)**

**Chairperson BERGSTROM: Well, we're done.**

**Motion to adjourn.**

**Mr. OHMAN: I move to adjourn.**

**(Motion carried.)**

**Whereupon, it was moved, seconded, and voted to adjourn the Standing Committee on Finance at 3:40 p.m.**

**Submitted by:**

**Janice O'Connell, Clerk  
Assembly of Delegates**