

COMMONWEALTH OF MASSACHUSETTS

Barnstable, ss.

At the special meeting of the County Commissioners held in the Barnstable County Superior Courthouse Building on the fourth day of January, A.D. 2016.

Chairman Lyons called the meeting to order at 10:01 am and stated that the purpose of the special meeting was for reorganization of the Board.

Board of the Barnstable County Commissioners:

Mary Pat Flynn	Present
Sheila Lyons	Present
Leo Cakounes	Present

Staff Present:

Michael Brillhart	County Administrator
Mary McIsaac	Director, Department of Finance/Treasurer
Justyna Marczak	Human Resources
Denise Bradford	Administrative Assistant

List of Documents:

County Operating Budget (Budgeted Revenues, Operating Budget and Capital Budget)
Legal Services Worksheet
County Appointments List

The Commissioners recited the pledge of allegiance followed by a moment of silence.

PUBLIC COMMENT

There was no public comment.

GENERAL BUSINESS

I. Reorganization of the Board of the County Commissioners

Chairman Lyons called for motions to nominate for Chair of the Board of the Regional County Commissioners. She also noted that she was not seeking re-election and would not be Chair again. Commissioner Cakounes stated that he was interested in being Chair.

Commissioner Lyons made a motion to appoint Commissioner Flynn as Chair of the Board of the Regional County Commissioners. 2nd by Commissioner Flynn, approved 3-0-0.

Commissioner Cakounes thanked Commissioner Lyons for allowing members to place items on the agenda and for allowing the opportunity for discussion and requested that Commissioner Flynn allow the same. Commissioner Flynn noted that the Commissioners each have equal authority and that the Chair's role is to run the meeting. An elected board, an article by the International City/County Management Organization about the Principle of One Voice, is to support the vote of the majority. Also, the Chair cannot prevent any member from requesting items for vote.

Motion made by Commissioner Flynn to appoint Commissioner Lyons to Vice Chair of the Board of the Regional County Commissioners. 2nd by Commissioner Lyons, approved 2-0. Commissioner Cakounes abstained.

II. Commissioners' Appointments

Commissioner Flynn took over as Chair and stated that the next items of business were the 2016 appointments of the Commissioners and others to County Councils and Groups.

Commissioner Cakounes made a motion to approve the following appointments as listed, Commissioner Lyons 2nd, approved 3-0-0.

1. Commissioner Lyons as the Commissioners' Representative to the **Cape Light Compact**; no Alternate.
2. Commissioner Cakounes as the Commissioners' Representative and Commissioner Flynn as the Alternate to the **Americorps Advisory Council**.
3. Commissioner Cakounes as the Commissioners' Representative and Commissioner Lyons as the Alternate to the **Cape Cod Metropolitan Planning Organization**.
4. Commissioner Lyons as the Commissioners' Representative to **Human Services Advisory Council**.
5. Commissioner Lyons as the Commissioners' Representative and Commissioner Cakounes as the Alternate to the **Cape & Islands Workforce Investment Board**.
6. Commissioner Lyons as the Commissioners' Representative and Commissioner Cakounes as the Alternate to the **National Seashore Advisory Council**.
7. Commissioner Cakounes as the Commissioners' Representative and Bill Clark as the Alternate to the **Cape Cod Cooperative Extension Advisory Council**.
8. Commissioner Flynn as the Commissioners' Representative and Commissioner Cakounes as the Alternate to the **Cape Cod Economic Development Council**.
9. Commissioner Flynn as the Commissioners' Representative to the **Cape Cod Commission**.
10. Commissioner Flynn as the Commissioners' Representative and Commissioner Lyons as the Alternate to the **Children's Cove Advisory Board**.
11. Commissioner Lyons as the Commissioners' Representative to the **Cape Cod Arts Foundation**.
12. Commissioner Cakounes as the Alternate to the **Cape Cod Water Protection Collaborative (CCWPC)**. *The appointment of a Commissioners' Representative to the CCWPC was placed on hold.*

13. Commissioner Cakounes as the Commissioners' Representative to the **Cape & Vineyard Electric Cooperative (CVEC)**.
14. Commissioner Flynn as the Commissioners' Representative to the **Barnstable County Retirement Association**.
15. *The appointment of a Commissioners' Representative to the Cape Cod Municipal Health Group was placed on hold until next week's meeting.*

Commissioner Lyons made a motion to move the next item on the Agenda to the end of the meeting,, Discussion and Action to issue an RFQ requesting a scope of general legal services because it was tied to the budget discussion and should follow it, Commissioner Cakounes 2nd, approved 3-0-0.

III. Status report on the current FY 16 County Operating Budget, Mary McIsaac, Finance Director

Ms. McIsaac reviewed the line items on the attached FY 2016 Revenue Report. She noted that the Operating Budget is based on November reports. It was reviewed with the County Accountant and is from a template based on the Budget Document. The categories in the Operating Budget can be seen in the Budget Document as discussed and voted on each year. The numbers for December are being reviewed and will be posted.

1. **The Budgeted Revenues category was discussed first, with these items highlighted:**
 - The subtotals at the bottom of the Budget Revenues Report page show the County as 42% collected on budgeted revenues. It's 42% of the year, so the County is where it should be for the year.
 - Courthouse rentals are shown at \$429,742, which is at 26% of the budgeted revenue. However, they did receive the State's quarterly payment of \$429,742 in December, so that they're now at \$859,484, which is over 50% for this line item.

- Resource Development Office (RDO) is an under-reporting line. It has a \$30,000 budget, and its revenue is recorded when transfers are made on behalf of reimbursements on grants that cover some of the personnel costs in a department. These have not been recorded.
- Interest Income is an under-reporting line. Ms. McIsaac noted that due to a change in the Investment Policy for Interest Income, January through June would show a spike in income.
- Joint Initiatives Revenues is an under-reporting line due to a timing issue. Towns are paying for certain items in the Joint Initiatives Program, and Finance is checking on the timing of the receipts for the payments by the Towns.
- Listed below [in the Report] are budget items that are internal issues and not dependent on receipt of payment from external sources.
- In response to questions from the Commissioners, Ms. McIsaac stated that the revenue for courthouse rental is budgeted at \$1,626,000 and that it increases revenue as the occupancy increases. It also increases our reimbursement for capital items. To date the actuals are an increase over the budgeted amounts in this line item. Mr. Brillhart noted that we're a year behind because the State's Budget is a year behind and that an increase in revenue will be shown in the next year. The rental amount includes the payment of maintenance staff.

2. Operating Budget was discussed next with these items highlighted:

- The totals for budgeted expenses are at 44.8% for Operating as opposed to Capital. This percentage is higher because we're paying items at 100%. These include County Assessments in the millions of dollars and different grants for Humans Services.
- The Miscellaneous and Contingency Expenses line is at 82.9% spent because of the 100% payments for AMAYA insurance (Workman's Compensation, property and casualty, which is paid on July 1 to take advantage of the discount. We're below the 41-42% when the 100% payments are backed out.

3. The Capital Budget was discussed last, with these items highlighted:

- The County is 100% spent on contracts paid so far.
- The Facilities Department is delaying certain Capital projects. They'll be completed when those numbers are negotiated, because Facilities will receive a greater percentage of reimbursement from the State.
- Health and Environment is at 89.6%, also due to up-front payments.

- The percentages on the Revenue and the Expenditures sides are driven by the dates payments are made and the dates Grants payments are received. In response to Commissioners' questions, she noted that the Sheriff's Retirement is paid on July 1 to take advantage of a discount. It's for people who retired before January 1, 2010, which is when the State took over the Sheriff's Department. This expense cannot be transferred to the State.

IV. Discussion of the FY 2017 Budget Review Schedule with Mary McIsaac

There is a schedule that lists who the Commissioners will meet with to discuss the proposed Budget and when they will meet. The next Budget meeting is on Wednesday, January 6, 2016, with submittal of the Budget to the County Assembly of Delegates due on February 17, 2016, as specified by the Charter. The Assembly has until June to complete the Budget and vote on it.

Commissioner Lyons asked Mr. Brillhart to explain how he is evaluating his Departments for value and potential cuts, and how he is engaging Department Heads. Mr. Brillhart said that Budget requests were sent to the various Departments in October. Ms. McIsaac and her Finance Department staff, as they receive the Departments' Budgets, are putting them into Accounting Forms and putting them into MUNIS. They then look at projected revenues and compare them to expenditures as well as projected shortfalls. He noted that some Departments have Operations and Services under a State or Federal mandate, and it's difficult to take these Grants away from them. As a result, evaluations are being done based on discretionary services and the value of such programs.

The option of additional dates to the Commissioners' Budget Review Schedule was discussed in the event that the Commissioners would need to hold additional review and discussion of the Budget, especially during the week of February 3 as they approach the due date of February 17. It was also suggested that they give the Assembly a copy of the Budget, with the note that they are still working on it. Commissioner Flynn suggested that they hold periodic wrap-ups for information and discussion purposes. It was agreed, as well, to send a copy of the Commissioners' Budget Review Schedule to the Assembly so that they are fully informed of the process, especially those that serve on Sub-Committees and want to attend the meetings.

V. Discussion of the Proposed 2016 Through 2017 Five-Year Capital Improvement Program – County Administration

Mr. Brillhart said that the Capital Improvement Program was still being drafted. All of the projects were being put into the Capital Improvement Program in MUNIS. The Program schedule will be drafted within the next week. However, they will recommend that no new capital improvement projects should be scheduled in 2017 in consideration of the bond debt service that they're still working on from the combination of projects from the previous Fiscal Years of 2014, 2015 and 2016.

Commissioner Cakounes noted that they put through an ordinance for the allocation of monies from all planning to actual construction, which will be voted on by the Assembly on January 6, 2016.

Commissioner Flynn stated that the Capital Improvement Project is a five-year plan, and wanted to know if there would be any capital spending in FY 2017? Ms. McIsaac responded that capital items were historically embedded in the Operating Budget. The Finance Department's review showed that many did not meet the definition of a capital item. They are helping the Departments to understand that definition and to remove items from the Capital Plan that do not meet the definition. They want to defer capital spending, so that they have time to determine what they can afford and to develop a strategic plan. Capital spending will be deferred to FY 2018. In response to Commissioners' questions, she noted that a new computer, for example, does not meet the definition of a capital item. Departments have been very responsive to this change.

VI. Discussion and action to issue an RFQ requesting a scope of general legal services to be sent to no less than five qualified firms, including current County Counsel, for review and appointment as County Counsel, for a definite term

Commissioner Lyons stated that this action will be one that is fiscally responsible and that the County does not have a contract with current Counsel used by the County. Also, the County does not have a Special Counsel, such as a Labor Counsel. This may be a whole other expenditure. She has interviewed local Towns, and noted that some have saved money by having a contract with a firm.

Commissioner Cakounes presented a Legal Services Worksheet that he prepared. He stated that he found that most firms do not negotiate their fees; their fees are set. Currently, County legal fees are \$43,000 or .12% of the County's Budget. The Worksheet listed the figures provided from Administrators or Finance Departments in six Cape Cod towns. The names of the Towns were not listed on the Worksheet. The number and percentages were in line with the County (.12%; .32%; .38%; .29%; .275%; .275%). He also contacted local law firms about their rates, and devised a blended hourly rate of \$414/hr. The Worksheet also noted that firms offer flat rates and do not offer discounts. Also, local Towns are rethinking the use of large legal firms and exploring the use of small firms. In general, the Towns are closely watching legal expenses. Commissioner Cakounes feels that the County should increase the line item for legal expense from .18% to at least .27% or raise it from \$55,000/year to \$81,000/ year. Currently, the County's average billable hours are 230 hours.

Commissioner Lyons said that County Counsel has not been assessed in 20 years and that there are other benefits other than the dollar amount. She would prefer that the County has tools available to the staff when needed, such as a contracted Legal Counsel, instead of reviewing and voting on the services for a Special Counsel every time one is needed. She also feels that there has been mismanagement because legal advice has not been available or has been questionable.

Commissioner Flynn stated that what the County does not have is a comparison of legal expenditures from previous years or what we have available to spend. The County must also define the legal services that it needs. She asked that this matter be placed back on the Agenda for a vote in two weeks, because an RFQ must have the specific scope of services provided as well as what has been spent and what is available to spend.

NEW BUSINESS

There was no new business.

Commissioner Lyons made a motion to adjourn the meeting, 2nd by Commissioner Flynn, approved 3-0-0.

Respectfully submitted,
Denise Bradford, Administrative Assistant

Attest:


County Clerk

The foregoing records have been read and approved.



Mary Pat Flynn

Chair



Sheila R. Lyons

Vice Chair



Leo Cakounes

Commissioner