

## MINUTES

Fiscal Policy Advisory Committee  
November 17, 2011 4:30-6:00 PM  
Second Floor Conference Room

**In Attendance:** City Councilors –Mark Coen, Keith Nyhan, Jan McClure, Dan St. Hilaire, Fred Keach and Mayor Bouley; City Staff - Tom Aspell, City Manager; Brian LeBrun, Deputy City Manager Finance; Carlos Baia, Deputy City Manager Development; Bob McManus, OMB Director; Mike Jache, City Treasurer.

**Excused:** City Councilors - Allen Bennett (Chair), Candace White Bouchard

- 1) **Approval of October 20, 2011 Meeting Minutes:** Acting Chair Nyhan called the meeting to order at 4:33 PM and requested a motion to approve the minutes of October 20, 2011. **Councilor St. Hilaire moved to accept the minutes, seconded by Councilor Coen. The minutes were unanimously approved as presented.**
- 2) **Acceptance of Credit Cards** – Treasurer Jache gave a brief presentation of the information that he has gathered since the November 14<sup>th</sup> City Council meeting and recommended to not accept Visa credit cards, include acceptance of credit cards in a new program request in the FY13 budget, and have a full implementation date of September 2012. There is also a legal question that needs to be clarified regarding noticing the fees for using credit cards on the tax bill. The Committee discussed the value of accepting credit cards, citing both the need to move forward with accepting electronic payments using credit cards and checks and the concern that accepting MasterCard/Discover and not VISA/AMEX may cause confusion and angst among customers. Although no formal action took place, the Committee agreed to accept Treasurer Jache's recommendation and consider the credit card issue again during the FY13 budget process.
- 3) **Tax Rate** – Deputy City Manager LeBrun made a brief presentation about the DRA approved tax rate and answered councilors' questions. The key item that he stressed is that the \$8.72 tax rate approved by the DRA is essentially the same as the \$8.35 tax rate that was estimated when the City Council adopted the FY2012 budget in June 2011. The change is simply a direct result of the overall market decrease in property valuations. No motion needed.
- 4) **FY2011 Surplus Recommendation** – Deputy City Manager LeBrun discussed the report on FY2011 preliminary results and recommendation for the use of surplus. He indicated that the estimated surplus is expected to be approximately \$1.34 million. Of the \$1.34 million, actual revenues exceeded expectation by \$39,000 which is net of the use of designated fund balance for reserve transfers and FY11 supplemental appropriations. Expenditures came in under budget by \$1.3 million and he briefly discussed the major categories of variance. The surplus recommendation was to transfer \$1.12 million to reserve accounts to offset future expenditure needs for OPEB, Equipment and Paving; \$108,000 for Education and Training programs, Building and Infrastructure improvements, and Fire Hazmat equipment. City Manager Aspell briefly discussed the building and infrastructure needs item. The remaining amount of approximately \$112,000 would be returned to the Uncommitted Fund Balance. The committee discussed the merits of each category in the recommended use surplus. Although there was significant support for each item listed, there was some concern over the use of surplus funds. Committee members indicated that the approval to authorize the surplus funds will be approved by the City Council in the same manner as all other supplemental appropriations and also in the same manner that has been used in previous years. Ultimately no changes were recommended. **Councilor Keach moved to accept the Surplus Recommendation Report and to**

**recommend approval with the pertinent resolutions to the City Council at its December meeting, seconded by Councilor Coen. Three members voted in favor and one opposed.**

- 5) **Other** – Councilor Coen spoke briefly about the Golf fund and the advisory board’s interest in seeing regular financial information for the “golf season” January 1 to December 31 as opposed to simply the City’s regular fiscal year of July 1 to June 30. He also indicated that the Parking Committee regularly sees the Parking fund financial information and it is very helpful in their recommendations and understanding of how that fund is progressing. A discussion also took place regarding the Fiscal Monitoring report and its usefulness to FPAC and the City Council and that it may be more helpful to receive a regular monthly or quarterly summary financial statement. Deputy City Manager LeBrun indicated that he provides a detailed monthly financial statement to the City Manager and Department Heads and that his staff can prepare a summary statement with an executive summary that will highlight any specific areas of concern within the City. It was suggested that a sample of a summary report be provided/discussed at the December FPAC meeting.

Councilor Nyhan asked if there will be a need for a December meeting, other than the discussion of a new financial report. Although there may not be other issues to specifically discuss at the December meeting, a final decision on a meeting will be contemplated after consultation with Committee Chair Bennett.

- 6) **Adjournment** - A motion was made by Councilor Keach to adjourn, seconded by Councilor McClure, and a unanimous vote brought the meeting to an end at 5:43 PM.

Respectfully submitted,

Brian LeBrun  
Deputy City Manager – Finance