

MINUTES

Fiscal Policy Advisory Committee
August 18, 2011 4:30-6:00 PM
Second Floor Conference Room

In Attendance: City Councilors – Allen Bennett (Chair), Mark Coen, Fred Keach, Jan McClure, Keith Nyhan, Candace White Bouchard and Dan St. Hilaire; City Staff - Brian LeBrun, Deputy City Manager Finance; Carlos Baia, Deputy City Manager Development; Mike Jache, City Treasurer
Excused: Tom Aspell, City Manager;

- 1) **Approval of April 21, 2011 Meeting Minutes:** Chair Allen Bennett called the meeting to order at 4:31 PM and requested a motion to approve the minutes of April 21, 2011. **Councilor Keach moved to accept the minutes, seconded by Councilor Coen. The minutes were unanimously approved as presented.**

- 2) **Conservation Commission Discussion** – Councilor McClure started the discussion of the Conservation and Forestry funds and the Trust Reserve accounts. She noted that the Conservation Property Management Fund (internally Fund 2400) receives lease payments from the Gold Star Nurseries Cell Tower Lease and the sod farm tract lease. These revenues are used to pay the operating expenses of the Conservation Property Management Fund and any remaining dollars have been transferred to the General Fund to offset the cost of the debt service for the \$1.2M open space acquisition bonds that have already been sold. Councilor McClure stressed that the most significant issue here that she is interested in working on is the stewardship liability that the City has for all of the easements in the community. In many communities, whenever an easement is accepted by the municipality, a fund is set aside to manage the easements in perpetuity. The fund is financed by a stewardship fee that is required at the time of closing. Councilor McClure also noted that many current property owners do not even know there is an easement on their property and used the example of putting in a pool on a property under easement that is not conforming to the easement agreement. This type of issue certainly could become a legal problem. Councilor McClure and the committee requested that Becky Hebert from the Planning Department attend the next FPAC meeting to make a brief presentation and explain:
 - a. The need for the City to maintain the easements.
 - b. Conservation easements and the City's policies on open space protection.
 - c. What it would cost to track and monitor the easements on all City properties.The committee also requested a report on how the funds flow to and from the Property Management Fund and Conservation and Forestry Reserves.

- 3) **Acceptance of Credit Cards** – Treasurer Mike Jache discussed his report to FPAC and described how the implementation of a credit card program would work in the City of Concord. First starting with over the counter acceptance in the collections office, then moving to acceptance in other departments and finally acceptance online and by phone. The entire process is expected to be completed by November 2012 and it is anticipated to have no cost to the City except for some ancillary paper postage etc. Mike provided a couple of examples to the committee of how the fees would be charged. Councilor Nyhan indicated that he and ITAC are very interested in also providing an option for electronic check payments at no cost or very insignificant cost to the customer and no cost to the City. Since the ITAC is not expected to meet in September, the committee discussed forwarding this plan to the full City Council for consideration at the October meeting. Although not all members of the committee actually agree to move forward with the credit card plan, they did all agree to forward it to the City Council. Councilor Keach moved to recommend forwarding the plan to the full City Council for their consideration at the October Council meeting, seconded by Councilor Bouchard, and

unanimously approved.

- 4) GASB 54 – Deputy City Manager LeBrun discussed the fund balance reporting changes that will occur on the City’s next audited financial statements. Fund balance will now be reported in five categories not all of which will always be present. Currently what is now Unreserved will be classified as either Assigned or Unassigned; what is now Reserved will be classified as Committed, Restricted or Non-spendable. Examples and further explanations were provided to the committee. DCM LeBrun also advised that all enterprise and special revenue funds by definition will not have an unassigned fund balance because the revenues coming into the fund are to be used only for the specific purpose for which the fund was established. Many special revenue funds will no longer be reported separately as they have been in the past because they will not fit the formal definition of a special revenue fund. Day to day operation will not change and budgetary procedures will remain the same. The committee asked a number of questions of the changes.
- 5) Next Meeting – Councilor Nyhan requested an agenda item for Paving and how to pay for an increased paving schedule be included on the next FPAC meeting agenda.
- 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 6:00 PM.

Respectfully submitted,
Brian LeBrun
Deputy City Manager – Finance