

Finance Committee
Meeting Minutes

Meeting Information

Date: March 12, 2019
Time: 7:00 P.M.
Location: City Council Chambers
31 Wakefield Street
Rochester, New Hampshire

Committee members present were: Mayor McCarley, Deputy Mayor Varney, Councilor Walker, Councilor Gray, Councilor Lauterborn and Councilor Keans (arrived at 7:13pm). **Absent:** Councilor Torr. **City staff present were:** City Manager Blaine Cox, Interim Finance Director Roland Connors, and Accountant Sam Kelley. **Others Present:** Stacey Marchionni from the Revolution.

Agenda & Minutes

1. Call to Order

Mayor McCarley called the meeting to order at 7:00pm.

2. Public Input:

There was no public input.

3. Unfinished Business

There was no unfinished business taken up by the Finance Committee.

4. New Business

4.1 Factory Court Lease with Revolution

The city manager is looking to extend the Factory Court lease with the Revolution for five years at a rate of \$2500/year. All other terms of the existing agreement are to remain the same.

Council Varney made a motion to recommend to the full council to approve the City Manager signing the contract. Councilor Lauterborn seconded it. All councilors were in favor.

4.2 Fund Balance Policy and General Ordinance 11.19 – Minimum Requirement

A discussion was had about the difference in the fund balance minimum requirement among the general ordinance and the policy accepted by City Council. The general ordinance states that the minimum fund balance requirement is 5% while the policy gives a range of 8-17%. Councilor Lauterborn made a recommendation to update the ordinance to state the minimum fund balance should be between 8-17% so that it is the same as the policy. Interim Finance Director Connors stated that the DRA recommends a

minimum of 5% and maximum of 17%. GFOA recommend that communities maintain a fund balance equal to two months of operating revenues or two months of operating expenditures. Interim Director Connors pointed out another major inconsistency between the general ordinance and the policy. The ordinance states 5-10% of total GF appropriations and the policy states total GF expenditures. Councilor Varney recommends getting rid of the policy and going with just the ordinance. After further discussion, Mayor McCarley suggested that the finance team go back to make changes and bring back a recommendation for the finance committee to re-review.

5. Reports from Interim Director of Finance & Administration

Interim Director Connors advised that the City received notification from Primex of a 2018 premium holiday for Worker's Compensation and have since received a check for \$145,000 which has been posted to the General Overhead Revenue account. Connors further noted that the contingency account is now down to \$24,000.

5.1 Report on Tax Deeded Property

There were no questions or concerns regarding the report on tax deeded property.

5.2 Report on Sale of City Property

It was noted by Interim Director Connors that the figures include deposits from the latest auction. There were no questions or concerns regarding the report on sale of city property.

5.3 Monthly Financial Report

There were no questions or concerns regarding the monthly financial report for February.

6. Other

Councilor Gray mentioned that the Strafford County Homeless Shelter came before the committee asking about money to purchase land. He'd like to see them contact the city about any parcels of land we may have available and for them to contact the county before they invest any money into land.

Councilor Varney wants the committee to explore a capital reserve fund for vehicles which will reduce the undesignated fund balance.

Mayor McCarley wants the committee to think about the possibility of looking at calculating the tax cap differently. This type of amendment would require a charter change. CM Cox will gather some information to bring back to finance committee regarding this.

7. Adjournment

Councilor Walker made the motion to adjourn the meeting at 7:18 P.M. Councilor Varney seconded. All councilors were in favor.