

City Finance Committee Meeting Minutes

June 22, 2015 @ 6:00 PM
City Council Chambers

Attendance: Mayor Bouley, Councilors Todd, McClure, Champlin, Grady-Sexton, Coen, Bennett, Keach, Nyhan, White-Bouchard, and St. Hilaire.

Excused: Councilors Matson and Werner.

The Mayor opened the session at 6:06 PM and provided an overview of the evening's agenda. He explained that the purpose of the meeting was to hold a work session and discuss potential changes to the City's proposed FY 2016 budget, prior to the final public hearing and budget adoption on Thursday, June 25th.

A motion was made and seconded to approve the minutes of the May 30th and June 1st Finance Committee Meetings. The motion passed with a voice vote and the minutes were unanimously approved.

The Mayor disseminated and reviewed a handout which outlined his ideas for potential changes to the FY 2016 budget.

The Mayor's proposed changes which would affect the General Fund were as follows:

- An increase of \$138,494 for a "Red Carpet" team to conduct downtown maintenance;
- An increase of \$12,360 to support the Police Department's Bicycle Unit;
- An increase in revenue from motor vehicle administrative fees of \$45,000; and
- An increase in revenue from motor vehicle registrations of \$12,500.

These changes would result in a 0.25% increase over the City Manager's proposed budget and would result in an overall tax rate increase of 4.198%. The Mayor pointed out that of the 3.9% tax rate increase in the Manager's proposed budget, 3.1% comes from increases in health insurance costs and State downshifting, specifically retirement system costs.

The Mayor's proposed changes to the Enterprise Funds were as follows:

- Reduce the Manager's proposed water rate increase from 3% to 2.75%;
- Reduce the Manager's proposed wastewater rate increase from 4.25% to 3.75%;
- Eliminate the Manager's proposed rate increase for Pay-As-You-Throw bags; and
- Increase the CIP for the purchase of one pick-up truck and one tractor for downtown street maintenance (\$202,000 bonded).

A number of City Councilors expressed concerns about the effects of not increasing the rate for Pay-As-You-Throw (PAYT). There was concern that by not increasing the rate this year, the increase would need to be even larger next year. Councilor Nyhan indicated that the Solid Waste Advisory Committee (SWAC) had discussed this issue and feels the City can wait another year before increasing the rate. He also noted that SWAC would be monitoring the fund closely.

There was a brief discussion about the \$600,000 appropriation for the City to convert from steam to natural gas. The Mayor noted that not only does the City need to consider cost savings, but also the effect on local businesses, as well as efforts to move towards “green” energy. The Mayor suggested that the appropriation remain in the FY 2016 budget and that the City wait until later in the year, after more information is available about Concord Steam’s future, to make a formal decision as to whether or not to convert to natural gas.

The Mayor added that he would like to explore using Revolving Loan Funds to help downtown businesses with the cost of converting to natural gas; if that is the direction the City goes in.

A motion was made and seconded to accept the changes proposed by Mayor Bouley on his handout. The motion passed on a voice vote and the Mayor’s proposed changes were tentatively approved.

The Mayor stated that the changes proposed thus far to the FY 2016 budget are not final and that the input of the community on Thursday night is critical. He strongly encouraged the public to attend Thursday night’s meeting and share any thoughts or suggestions they may have about the budget.

As there was no further discussion, a motion was made and seconded to enter into a non-public session, in accordance with RSA 91-A:3, II, to discuss the City Manager’s evaluation. The motion passed on a voice vote and the meeting went into non-public session at 6:49 PM.

The meeting came out of non-public session at 7:44 PM.

A motion was made and seconded to seal the minutes of the non-public session. The motion passed on a voice vote.

A motion was made and seconded to adjourn the meeting. The motion passed on a voice vote and the meeting adjourned at 7:45 PM.

Respectfully Submitted,
Sue Stevens, Executive Assistant