



# City of Concord

## Fiscal Policy Advisory Committee

### Meeting Minutes - Draft

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Monday, April 16, 2018

4:30 PM

City Hall  
41 Green Street, 2nd Floor Conference  
Room

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#### 1. Call to Order

Chairman Nyhan called the meeting to order at 4:30 PM.

#### 2. Roll Call

**Present:** City Councilors Keith Nyhan (Chairman), Dan St. Hilaire, Fred Keach, Mark Coen; and Mayor Jim Bouley; City Staff Tom Aspell, City Manager; Brian LeBrun, Deputy City Manager - Finance; Carlos Baia, Deputy City Manager - Development; Katie Graff, Assistant Finance Director; Bob McManus, Office of Management and Budget; and Rebekah Dougherty, Office of Management and Budget.

**Excused:** City Councilors Amanda Grady Sexton and Candace White Bouchard.

#### 3. Approval of February 20, 2018 Meeting Minutes

Councilor Coen motioned to approve the minutes, seconded by Councilor Keach. The minutes were unanimously approved on a voice vote.

#### 4. Quarterly Financial Statements

Deputy Manager LeBrun briefly discussed the FY 2018 Quarterly Financial Statements, which presents a picture of revenues and expenditures as of the end of the third quarter of FY 2018.

#### 5. Enterprise Fund Discussion

Deputy Manager LeBrun provided an overview of the City's Enterprise Funds, their purpose, and how the City manages them. Specifically, enterprise funds are run like businesses and are intended to be self-sustaining from the revenue they bring in. However, some of the City's enterprise funds face revenue challenges, like the golf course, arena, and airport, and struggle to stay in the black. In some cases, they need support from the General Fund. The group discussed the manner in which the City currently shifts monies from the General Fund to support the

enterprise funds, as well as potential ways of helping the enterprise funds to be self-sustaining. Some ideas that were discussed included having the enterprise funds only pay for operational expenses, and having capital expenditures supported by the General Fund; having all debt service paid from the General Fund; and/or eliminating overhead that is paid to the General Fund. City Administration will present some financial models to FPAC based on these ideas.

## 6. Other

Mutual Fire Aid: The Mayor noted that he had attended a recent Public Safety Committee, at which the topic of Mutual Fire Aid was discussed. The Mayor questions whether mutual aid is really "mutual" and suggested that FPAC consider looking at opportunities to reduce the City's costs.

FY 2019 Budget Outlook: Deputy Manager LeBrun provided the group with the outlook for the FY 2019 budget. He indicated that wages and benefits will have major impacts on the budget, to the tune of about \$1.4 million; of this amount, \$900,000 is due to increases in fringe benefits. He also noted that electricity costs and debt service costs are up due to the new community center; and building permits are struggling. These increases total \$3.2 million and equate to an 8% increase on the tax rate. These increases will be slightly offset by increases in automobile registration revenue, ambulance billing revenue, and investment income, bringing the necessary tax rate increase down to about 5%. City Administration will continue to make adjustments in order to propose a reasonable tax rate increase to Council.

## 7. Adjournment

A motion was made and seconded to adjourn the meeting. A unanimous vote brought the meeting to an end at 5:40 PM.