

MINUTES

Fiscal Policy Advisory Committee
March 20, 2017 / 4:30-6:00 PM
2nd Floor Conference Room/City Hall

In Attendance: Chairman Keith Nyhan; City Councilors – Dan St. Hilaire, Fred Keach and Mayor James Bouley; City Staff – Tom Aspell, City Manager; Brian LeBrun, Deputy City Manager-Finance; Carlos Baia, Deputy City Manager-Development; Bob McManus, Director Management and Budget; Chip Chesley, General Services Director; Representatives from Weston and Sampson Jeff Mclure and Pat Connelly; from Raftelis Financial Consultants; Dave Fox; and from Woodcock and Associates, Chris Woodcock.

Excused: Councilors Candace White-Bouchard, Mark Coen and Amanda Grady Sexton

- 1) **Approval of February 21, 2017 Meeting Minutes:** Chairman Nyhan called the meeting to order at 4:38 PM and requested a motion to approve the minutes of the February 21, 2017 meeting. **Councilor St. Hilaire moved to accept the minutes, seconded by Councilor Fred Keach. The minutes were unanimously approved.**
- 2) **Rate Study Discussion:** General Services Director introduced Weston and Sampson, Raftelis Financial Consultants and Woodcock Associates to discuss the ongoing Water and Sewer Utility rate study. They started by discussing a very brief history of Concord's rates and the rationale for how those rates were developed in the past. They stated that the purpose of this meeting was to formulate a direction on how they were going to approach this new study taking into consideration; Affordability, Conservation/Demand Management, Cost of Service Based Allocations, Minimizing Rate Impacts, Rate Stability and the other items listed in the handout. Mayor Bouley the last time they conducted the rate study, about 10 years ago, and what factors have changed since then. Chris Woodcock commented that major conservation efforts from 10 years ago are mainly in place now and still a consideration in developing a rate structure and the blocks of customer may have changed from. City Manager Aspell wants to be sure that they consider the impact of a higher availability portion of the rate on conservation and also the ability of very minimal users to pay and also how to develop the rate to help generate economic development for potential high utility use customers. Dave Fox commented that is the balancing act in these studies to level out all of these issues, maintain stability of rates, have a predictable revenue stream to meet operating costs and capital improvement, and maintain a financially stable fund. Mayor Bouley reiterated the economic development portion of the review as the City Council has economic development as one of its main priorities. Chairman Nyhan commented that flattening out the rate increases is also important so that customers do not see major swings from year to year.
- 3) **Finance Committee Budget Schedule:** Deputy City Manager LeBrun presented the revised draft budget schedule which changed the City Manager's presentation through review of General Fund revenues from Saturday May 20 to Monday May 15 and that any additional changes can be made based on FPAC's recommendations. The committee discussed the schedule and indicated that the last meeting currently scheduled for June 5 can be pushed farther into June if necessary and based on what is happening with the State budget. City

Manager Aspell noted that Councilor Champlin would not be available for the May 20 meeting. Deputy City Manager LeBrun said that May 13th was considered, however that is Mother's Day weekend, May 27th was considered, however that is Memorial Day weekend. LeBrun also suggested that the Saturday meeting could also be moved to another evening and suggested Thursday May 18th, however that is the Rock 'n' Race. The committee then discussed moving the Saturday May 20th meeting to Wednesday May 17th, which members of the committee agreed on. The committee recommended the revised schedule which moved the City Manager's presentation through General Fund Revenue to Monday May 15, moving the Saturday May 20th meeting to Wednesday May 17th and keep the June 5th meeting on the schedule as proposed but will reevaluate as the full Finance Committee as that date approaches and take the State budget timing into consideration.

- 4) **Adjournment:** A motion was made by Councilor Keach to adjourn, seconded by Councilor St. Hilaire. A unanimous vote brought the meeting to an end at 5:50 PM.

Respectfully submitted,

Brian LeBrun Deputy City Manager – Finance