



## **Budget and Finance Committee**

**Monday, August 5th at 4:30pm  
(City Hall Court Room)**

Meeting called to order at 4:30 pm by Chair. All members present except Vice Mayor Wurth who joined the meeting shortly after. Motion for approval of July minutes by Fitterer, second by Nieves. Motion passes 2-0. No citizen comments.

1. Fiscal Year 2019-2020 update – Tonya Travis  
Fitterer explained to the new city finance director the BFAC meeting is wanting just an update on the current fiscal and we are looking for general updates to know if they are tracking on schedule is not, and if something is coming up we need to advise the BOMA on, etc. No updates were presented.
2. Considerations related to TCRS Bridge – Victor Lay  
Mr. Lay stated there were no updates on the additional MTAS information BFAC had requested from our last meeting. Lay did receive the link to the TCRS website to inquire on historical information for comparative municipalities but stated the process is not user friendly and very laborious. Several suggestions were presented to Mr. Lay on possibly retrieving the data including contacting the TCRS on how best to retrieve the information we are looking for. Lay pointed out one of the things he found in the data he had was the city of Bristol, which is not a participant in the Bridge program...shows SH ADC rate of 6.26% however, the normal cost would be 3.65% but this unfunded accrued liability amortization, ours is at 2.41%. SH is very well funded in our TCRS at around 95%. Past presentations, we were told we would only have a 3 1/2% increase to add the Bridge program but actually from day one you get a million plus in unfunded liability added to your account and get charged for that in the form of a percentage. Bristol's unfunded liability is costing them 10.78% of their entire payroll every year to reach that unfunded liability and you inherit that until you decide to stop it and everybody gets out of the system. Lay will continue to research this.
3. Updated CIP Planning Sheet – Victor Lay  
Mr. Lay reported the CIP planning sheet update is not ready. There is incomplete information around the I-65 project as to exactly when our money is going to be due. Fitterer expressed the need to have at least something that starts to collect projects to tack onto later years. We have to at least start discussing the rationale for the project we want to tack onto. Mr. Lay responded the BOMA has called a special meeting or other ways to discuss the project priorities in the past. Wurth asked Lay if this will come before BOMA in September. Lay said he could give us what he has but there are uncertainties and shifting of projects like the library and police department assuming that we get everything else but even then, those monies are going to get split across two years. Essentially a number of projects have been pushed behind. He has made some adjustments such as I-65 and Buckner Lane. Wurth stated concern with the Northfield project delay causing the CIP to be impacted and could cause problems with our debt capacity. Lay stated it would be offset with what was not spent. If we stay under 10 million we can get a rate reduction with bond advantages. Fitterer stated getting the updated information Lay has to the BOMA is needed so they will be better informed. Lastly Wurth asked we be focused on Parks & Recreation. There are no parks outlined in the CIP.
4. Update on Northfield Assessment – Victor Lay  
Northfield will be a BOMA subject at tonight's Board discussion. This will be a standing item for future months.

5. Update on Shannon Glen Sewer re-work project – Victor Lay  
Mr. Lay stated he has not had the opportunity to review the annexation documents. To be discussed at BOMA meeting tonight.
6. 2019-2020 Budget Amendment – Tonya Travis  
Ms. Travis stated previous to her, Patty had shown budgeted open P.O.'s which she assumed had been previously approved. Fitterer stated we are adding 3.6 million to the fund balance that we did not spend last year but we're spending it this year. Wurth pointed out in that \$113,000 was to be allocated for the Shannon Glen sewer project and a storage building to be discussed further tonight at board meeting. Fitterer stated we passed resolution last October to authorize to negotiate easements, that resolution had an expected cost of about \$12,000. Where did the \$113,000 come from? Lay stated he would have to research that. They did approach 3 residents regarding the easements and 2 out of the 3 stated they would not sign. They are changing the design.
7. Formatting of 2020-2021 Budget- GFOA model – Victor Lay & Tonya Travis  
Fitterer expressed we want the new finance director to help us move to the GFOA budget model. Our existing budget model is very difficult for citizens to follow along and understand how their tax dollars are being spent. Fitterer was told this process has been worked on by our former Finance Director Smith, and asked staff to inquire what has already been done to convert our budget over to this preferred model. Would like for us to produce this budget for the next year for our citizens. Travis asked for one year of our budget experience before considering the extra work to convert our existing budget to be more user friendly. Nieves asked that depreciations could also be added to our budget in the future.

Items from the floor

- Victor informed us of the emergency purchase from Travis and it will be on the board agenda tonight.
- Victor also brought up doing a pay scale study. He stated they are finding it difficult to recruit and retain quality employees because of our pay scale. Victor will be bringing to us next month information on moving forward with the study.
- Victor discussed in detail questions around the calculations in the Jackson Thornton water-sewer study. After he and Patti further examined our numbers and their calculations, we are not showing a loss.

Adjourned at 5:31pm



Matt Fitterer, Chairman



Tonya Travis, Finance Director