



City of Powell Finance Committee

MINUTES November 14, 2017

Attendees:

Tom Counts, Jim Hrivnak, Brendon Newcomb, Dan Swartwout, Steve Lutz, Jessica Marquez and Debra Miller.

Approval of minutes

Mr. Counts stated that the minutes helped him when he missed the last meeting. He asked if there were any corrections and seeing none the minutes were accepted.

Financial Reports for September 2017

Ms. Miller and Ms. Marquez went over the income tax collections and projections until the end of the year. Ms. Miller stated expenses continue to be in-line with the budget. She mentioned that it has been unusual to have such a long period without some type of expenditure issue. Ms. Miller went over the cash flow and stated the City was in the black even after paying out the City's legal settlement.

The Committee took this opportunity to discuss how the revenue and expenditure budgets are created by staff. Some of the topics discussed were: how certain expense budgets are created (utilities); the variety of components or moving parts of income tax collections; examples of unexpected high expenses (overtime during snow plowing on weekends & higher gasoline prices); and development revenues.

The Committee also discussed how each year the cash balance left from that year's revenue and expenditures vary greatly. Ms. Miller thought 2017 might have been the highest balance (notwithstanding the legal settlement) she remembers that didn't include estate taxes. The brought the discussion to the City's Fund Balance Policy which was further down the agenda.

HB49 – Municipal Income Changes & Lawsuit

Ms. Miller and Mr. Lutz updated the committee on the forthcoming changes required by the passage of State HB49. The City Council should see these changes in the next meeting or so for passage before January 31, 2018. The items that are part of the state-wide lawsuit will only be forthcoming if the courts don't give the municipalities a stay during the case.

Board of Tax Appeals Changes

Ms. Miller and Mr. Counts updated the committee on the Board of Tax Appeals ruling on a non-resident and the loop-hole the Board thought our tax ordinance had on statute of

limitations. Ms. Miller asked for a separate meeting to discuss the changes needed and to include the City's Attorney and associates in the discussion in January. The committee agreed.

Review Asset Management Policy Changes

Ms. Miller presented the changes to the Asset Management policy. She stated that there wasn't anything significant in the changes but more clarification, etc. She stated that she would be sending an ftp link to everyone that had the best practices for the committee reference.

Review Fund Balance Policy Changes

Ms. Miller stated that it was actual appropriate for this policy to be up since we had been discussing the policy earlier in the meeting. Ms. Miller stated that the changes presented here were for discussion purposes so she could understand the direction the committee wanted on replenishment. The committee discussed the concept and felt that the policy already addressed the concept. Additional review will be at the next meeting.

Follow-up Questions - 2018 Proposed Budget Review

Mr. Lutz asked if there were any questions or concerns about the budget since the fund balance discussion and last week's City Council executive session on salaries. Questions regarding getting an outside engineering firm to assist with plan review and cell phones. Both these issues were discussed along with Ms. Miller reviewing the budget calendar.

2016 City Council Goal – Fiscal Sustainability/Capital Funding

Mr. Swartwout stated that Mr. Jeff Gardiner (run for a council seat in 2017) was interested in being on the committee. Mr. Counts stated that he had talked to Mr. Rich Cline and about Mr. Cline possibly being the chair of the committee.

Other Business

None.

Adjourn

Committee adjourned around 8:40 pm.