



Lowell City Council

Finance SC Minutes

Michael Q. Geary
City Clerk

Date: June 30, 2022
Time: 6:30 PM
Location: Mayor's Reception Room, City Hall / Zoom(Hybrid)

PRESENT:

Present on Roll Call were C. Scott, C. Gitschier and C. Robinson. Also present Conor Baldwin (CFO) and Kelly Oakes (Auditor)

MEETING CALLED TO ORDER:

C. Scott called the meeting to order noting those in attendance and agenda items.

ORDER OF BUSINESS:

C. Scott introduced Mr. Baldwin who made presentation entitled "Office of the City Manager – Finance Department – Finance SC June 30, 2022." Mr. Baldwin outlined the meaning and terms in an audit and noted Powers and Sullivan provided the FY21 Audit. The following highlights were outlined by Mr. Baldwin: review of governmental funds; coverage of Covid expenses; and areas of concern. Mr. Baldwin noted two major liabilities for the City are constantly the OPEB liability and the Pension liability. Mr. Baldwin reviewed statements of revenues, expenses and fund balances. C. Robinson questioned if liabilities outlined above were prevalent in other communities. Mr. Baldwin noted that they were and differed in amounts due to number of employees. C. Gitschier commented that liabilities are continually increasing and need attention in every budget. C. Gitschier questioned if any working groups were addressing the issue. Mr. Baldwin made note of such groups.

Mr. Baldwin provided review of the FY21 Management Letter noting resolved, current and new comments. Mr. Baldwin note current comment regarded purchase order system and he outlined the system and steps being put forward to address concerns. C. Robinson commented on purchase order system and procedures and questioned if technology can assist. Mr. Baldwin noted use of MUNIS was proper and just need better communication and training. C. Scott questioned if vendors were notified if not following process. Auditor Oakes commented that no letters went to vendors just to departments if problems arose. C. Scott questioned school



purchase order system. Mr. Baldwin noted issues and commented that some revisions to the procurement ordinance may be needed and helpful. C. Gitschier commented on his experience with procurement system noting that contractors are responsible to follow proper procedure and that the City needs intensified training in this area. **Motion** by C. Robinson, seconded by C. Gitschier to refer to Finance Department to review any possible changes to the Reserve System Ordinance. So voted. Mr. Baldwin made note of the payroll system and referred by the Management Letter and stated that move to bi-weekly payroll is necessary as best financial practice. C. Robinson noted that item has been on table for some time. Mr. Baldwin noted history of the discussion and indicated that it is needed now. Mr. Baldwin noted process will be communicated properly to workers and negotiations and technical support will be in place as well. C. Gitschier noted time keeping system that is effective and also recommended slow process to inform members of new system. C. Scott commented on pay options on the school side. Auditor Oakes noted such options would still be in place if viable. Mr. Baldwin noted a joint meeting with schools would be beneficial as they are the largest payee in the system. C. Gitschier noted it was a good system and should be rolled out over a six month period which leaves plenty of time for all to adjust.

Mr. Baldwin addressed last item of Shedd Park Pavilion rentals and reference report of Recreation Division regarding use and users of the venue. C. Gitschier note a lot of entities did not pay and that there needs to be fees to keep up with maintaining the facility. C. Scott note parking fees structure. C. Robinson noted favorably over the report. Mr. Baldwin noted changes in ARPA spending is forthcoming.

ADJOURNMENT:

Motion to Adjourn by C. Gitschier, seconded by C. Robinson. So voted.

Meeting adjourned at 7:40 PM.

Michael Q. Geary, City Clerk
