



Lowell City Council

Finance SC Minutes

Michael Q. Geary
City Clerk

Date: November 15, 2022
Time: 5:30 PM
Location: City Council Chamber, City Hall / Zoom(Hybrid)

PRESENT:

Present on Roll Call were C. Scott, C. Gitschier and C. Robinson. Also present Conor Baldwin (CFO); Austin Ball (Asst. 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:

Mr. Baldwin provided presentation entitled “City Council – Finance Subcommittee Meeting”. Mr. Baldwin commented on motor vehicle inventory within City commenting on its importance to financial management. Mr. Baldwin noted that current ARPA funding would be used for Fire and Water/Sewer purchases. Mr. Baldwin outlined the FY23 Capital Plan to purchase DPW vehicles for Streets and Parks Divisions. Mr. Baldwin noted the FY22 Capital Budget which included purchases of heavy vehicles within DPW. Mr. Baldwin outlined use of FY22 Free Cash for purchase of fire apparatus. Lastly, Mr. Baldwin noted use of Manager’s Contingency Fund to purchase DPW dump truck. C. Gitschier requested to see replacement costs so it is transparent where funds are being spent and that other vehicles should be purchased sooner so that all costs would not fall at later date as vehicles continue to age. C. Scott noted that a lot fire apparatus is over life expectancy and needs replacement. Mr. Baldwin noted use of consultant to devise such a plan to ensure proper budgeting for these types of purchases. C. Robinson noted need to track all repairs and maintenance done to these vehicles as it will assist with department budget process.

Mr. Baldwin discussed last two agenda items of FY22 Year to Date Budget and FY22 Year End Analysis. Mr. Baldwin categorized the spending in the City and outlined increases for the fiscal year. Mr. Baldwin noted educational spending highlighting maintenance of effort costs as well as Net School Spending. Mr. Baldwin outlined current balances noting City is in a good financial position, noting the Stabilization Fund;



Special Purpose Funds (SPED, Municipal Building and OPED Trust). Mr. Baldwin commented on current OPED liability which is funded from Free Cash yearly. Mr. Baldwin reviewed debt owed by City outlining debt service as well as debt limit. Mr. Baldwin provided analysis of Enterprise Funds (Water, Sewer, Parking) which include an increase in rates to maintain a healthy fund. C. Robinson questioned how City Bond Rating is determined. Mr. Baldwin outlined the formula used by investors and how it effects the City's ability to borrow money. C. Gitschier questioned status of Free Cash and if it can be certified quicker to assist with budgeting. Mr. Baldwin noted an earlier certification would be better for budgeting purposes and the City is moving in that direction. C. Gitschier noted currently real estate and excise tax collection is down. Mr. Baldwin indicated that it increases as demand notices are sent to delinquent tax payers. C. Scott commented on the Enterprise Funds noting need to increase rates. Mr. Baldwin commented on process to set new rates and how they are applied. C. Scott recognized effort to be well beyond the required Net School Spending.

ADJOURNMENT:

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

Meeting adjourned at 6:15 PM.

Michael Q. Geary, City Clerk
