

FINANCE COMMITTEE NOTES
Tuesday, March 22, 2016

GENERAL BUSINESS

Meeting commenced at 11:30 a.m.

ATTENDEES

Committee Members: Councilmember Jeff S. Helgeson, Chairman; Councilmember Randy Nelson; Councilmember Treney Tweedy, Mayor Michael A. Gillette, Ex-Officio

Others: Kim Payne, City Manager; Bonnie Svrcek, Deputy City Manager; Donna Witt, Director of Financial Services; Starlette Early, Budget Analyst

1. Approval of the Draft Finance Committee Meeting Notes from February 23, 2016

The Finance Committee meeting notes for February 23, 2016 were unanimously approved.

2. Report on the General Fund Reserve for Contingencies

Donna reported on one new item for the Reserve for Contingencies, \$84,071 for Technology-related Equipment for the Circuit Court. If approved, the current balance in the General Fund Reserve for Contingencies is \$1,012,111.

3. Consider a request to adopt a resolution to amend the FY 2016 City/Federal/State Aid Fund budget and appropriate \$75,000 with resources from the 2015 State Homeland Security Program (SHSP) grant from U.S. Department of Homeland Security (DHS) to fund replacement of aged equipment for Technical Rescue Teams.

The Committee unanimously approved this item. This item will be taken to full Council for consideration on April 12, 2016.

4. Approve the submittal of a grant application to the Virginia Department of Fire Programs Regional Fire Services Training Facilities Grant (RFSTF) for \$38,500 to purchase a Flashover Simulator.

The Committee unanimously approved this item.

5. Review highlights of the attached quarterly financial report for the Greater Lynchburg Transit Company (GLTC) for the quarter ending December 31, 2015.

Josh Baker reported both revenues and expenses were down for GLTC overall, resulting in a current deficit of approximately \$108,000. Overtime is now down to 8.6%, below industry average and lower utilization of services is affecting fare box recovery. There was discussion regarding possible reasons for lower utilization and analysis that is underway to determine most effective response.

6. Consider a request to review, amend and reaffirm the City's Financial Management Policies.

In consultation with the City's Financial Advisors, Davenport & Company, LLC (Davenport), Donna Witt presented proposed amendments to the Fund Balance and Debt Management Policies. There were no proposed revisions to the Investment Policy.

For Sewer and Water Funds, various levels of reserves were explained in relation to the standards expected by bond rating agencies, revenue volatility, and best practices for sustaining operations in the event of large catastrophic issues. Amendments were proposed to comply with the new Consent Order regarding the Combined Sewer Overflow (CSO) program. Financial policies for the Stormwater Fund were developed for Council's review.

A document outlining the proposed changes by staff and the suggested revisions made by the Finance Committee would be prepared to present to full Council at their meeting tonight. The Finance Committee recommends the policies be amended and reaffirmed with the changes as noted in the document.

7. Review collections received from five of the City's largest revenue sources

Donna reported on the five largest revenues through January 2016, indicating there were no significant issues.

8. Roll Call

There were no items for roll call.

Meeting adjourned at 12:31 p.m.

The next Finance Committee meeting is Tuesday, April 26, 2016, at 11:30 a.m.