

Finance Committee Report

RE: 3<sup>rd</sup> Quarter Treasurer's Report

Date: June 11, 2019

Chair: Christopher Etori

Other committee members present: Aldermen Humphrey, Reveal

Other Aldermen present: Mattis, Board President Davis

Others present:

Mayor Allaire, Treasurer Mary Markowski, Assistant City Treasurer Lynne Holmquist

The meeting convened at 5:30 pm to discuss the 3<sup>rd</sup> Quarter Treasurer's Report, and the status of the unassigned fund balance as a preliminary review before we set the tax rate next month. Mary shared with those present that expenses looked on target at about 75% of the expected FY19 budget amounts. Revenues, while challenging to predict, look very healthy. The city department heads and the RRA have done a good job requisitioning grant revenue in a timely manner which helps offset the costs associated with receiving those grants.

Reviewing revenues also showed some unanticipated revenues coming in to the city. The state buildings PILOT amount was up by about \$75,000, likely because the state assumed full ownership of the Asa Bloomer building. The interest revenue was budgeted at only \$15,000 but thanks to the treasurer's office changing the investment strategy by putting some city moneys into a money market account invested in short term US treasury bonds, the interest revenue is projected to be significantly higher at around \$100,000. President Davis asked if the staffing changes in the fire department would result in the salary line coming in under budget. The treasurer responded that it looks that way but we need to also consider the pay-out amounts for the fire department employees that left employment that are listed in the Debt Service and Payout GL line, which totals about \$300,000 for all city-wide retirement pay-outs. Overall, the treasurer expects a total of about \$500,000 in expected revenues over what was projected. Additionally, it looks like the health insurance and worker's comp insurance expenses were budgeted at higher amounts than actual expenses have come in. Hopefully these factors, despite some unexpected costs such as the roof for the police department and the FD payouts, will provide for the city to at least break even for the year if not making some money available for taxpayer relief. Of course, we won't be able to know the bottom line until mid-July when the numbers are finalized.

The treasurer then previewed how the tax rate will be calculated in July.

The meeting ended at 6:10 pm and this report was for information only.

Respectfully submitted,



Christopher Etori