

**CITY OF ROCKVILLE
FINANCIAL ADVISORY BOARD
AGENDA**

DATE: July 17, 2018
Black Eyed Susan Conference Room, 3rd Floor City Hall
TIME: 6:30 p.m.

- I. Call to Order at 6:30 p.m.
- II. Approve Agenda
- III. Approve Minutes
 - [Attachment](#): Minutes from June 5, 2018
- IV. Reports
 - Beryl L. Feinberg, Mayor and Council Liaison
 - Stacey Webster, City Staff Liaison
 - FAB Member Reports – See Action Plan
- V. Old Business
 - Finalize FY 2018 Action Plan, Final Report (20 minutes) – Kelly
 - Finalize FY 2019 Action Plan (20 minutes) – Kelly/Wright
 - Performance Measures – Kelly/Lee
 - Follow-up from Last Meeting – Wright
 - Other
- VI. Guest Speaker (approximately 7:30 p.m.)
- VII. New Business
- VIII. Future Agendas and Meeting Dates
- IX. Good of the Board
- X. Adjourn

NEXT MEETING: September 5, 2018

**CITY OF ROCKVILLE
FINANCIAL ADVISORY BOARD**

DATE: June 5, 2018

LOCATION: Red Maple Conference Room, 2nd Floor City Hall

TIME: 6:30 p.m.

**Board Meeting
MINUTES**

PRESENT: Board Members: Jack Kelly (Chair), Kuan Lee, Sylvia Pacher, Bob Wright
Mayor and Council Liaison: Beryl Feinberg
Staff Liaison: Stacey Webster, Deputy Director of Finance
Staff: Gavin Cohen, Director of Finance/Chief Financial Officer
Guest: Rob DiSpirito, City Manager

ABSENT: Corey Orlosky, Board Member

The meeting commenced at 6:41 p.m.

Mr. Kelly said that he received potential Mayor and Council meeting dates from Sara in the City Clerk's Office for the presentation of the FY 2019 Action Plan. Mr. DiSpirito said that he would work with the Clerk and the Mayor on the date.

I. Approval of Minutes from April 25, 2018

Mr. Wright made a motion to approve the minutes from April 25, 2018. Mr. Lee seconded the motion. All members voted in favor.

II. FAB Member Reports

Circulator Study: Mr. Wright reported that a committee is currently being formed to review the RFP proposals.

Caregiver Task Force: Ms. Pacher reported that the second meeting took place last month. They voted on a chair and reviewed materials that were provided to them since the initial meeting. At the next meeting, which is June 7th, they will discuss the different steps of the process.

Performance Measures: Mr. Lee would like to schedule a meeting with someone from the Police Department to discuss performance measures. Mr. DiSpirito requested that he wait until the new Police Chief has time to acclimate to the Department and the City.

Investment Reports: Mr. Wright asked staff to change the way the reports are labeled. He also expressed concern that the reports were not updated.

King Farm Farmstead: Mr. DiSpirito reported that the Mayor and Council have a proposed worksession July 16th with the King Farm Task Force.

FY 2018 Action Plan: Mr. Wright said that the report covers all of FY 2018 and the Board should take their time to review and edit the final report to the Mayor and Council. Mr. Kelly agreed and asked the Board to review the final report and send him their comments.

III. Finalize FY 2019 Action Plan

Mr. DiSpirito asked the Board to give staff a chance to review the Board's final draft before the Board's vote and before it goes to the Mayor and Council. Mr. DiSpirito said that the joint process was successful last year and he would like the same opportunity this year. Councilmember Feinberg requested that this item not be scheduled for the August 1st Mayor and Council meeting because she will not be in attendance.

Mr. Lee said that he would like to add language to the performance measures section about reviewing staff's process of creating performance measures.

Councilmember Feinberg asked Mr. Kelly to clarify the first item on the compensation and classification study. Mr. Kelly said that he will update and clarify the language to state that the Board would like to review the statement of work in the draft RFP and that the Board would like to review the final draft report.

Councilmember Feinberg asked Mr. Kelly why the Action Plan does not include a review of the substance of the budget, but only includes the format of the budget book and the process. Mr. Kelly said that he believes that the substance of the budget is a policy item of the Mayor and Council and does not think it is the Board's responsibility. Councilmember Feinberg explained why she thinks it is important for the Board to review items like interfund transfers, department operating budgets, position changes, reserve levels, etc.

Mr. Lee said that he is somewhat uncomfortable making recommendations on the substance because of his limited knowledge of the budget items. Ms. Pacher said that she will have to review several years of budget information in order to be informed about the current budget.

Mr. Kelly said that he likes Councilmember Feinberg's recommendation about dividing the budget document amongst all Board members to make it more digestible. This might be an approach that the Board uses in the future.

Mr. DiSpirito said that he agrees with Councilmember Feinberg and that he and staff would welcome their comments or questions on the substance of the budget.

Mr. Wright said that the Code gives the Board great latitude regarding the comments and recommendations it wishes to make regarding the next fiscal year's Operating and Capital

budgets. He does not believe that the FY 2019 Action Plan needs to limit the Board's review to process, format, and/or content as proposed by Mr. Kelly.

The Board discussed the language for the last item on the King Farm Farmstead and Mr. Kelly asked the Board to clarify the language for the next draft.

Mr. Wright discussed who was responsible for making updates to the draft FY 2019 Action Plan, with the goal of providing staff a final draft by the end of the week.

IV. Finalize Performance Measures Memo to City Manager

Mr. Kelly asked Mr. DiSpirito about his experience with performance measure programs. Mr. DiSpirito said that his previous municipality did not have a robust performance measure program.

Mr. Kelly said that the federal government has a robust performance measure program. He said that performance measures need to be put together in order to tell a full story. He referenced the GFOA best practice materials.

Ms. Webster asked Mr. Kelly to remove the comments in his memo about the typos in the draft budget book because those issues have been corrected. Councilmember Feinberg said that she agrees that the typo recommendations should be taken out in order to shorten the memo with the goal of highlighting the most important issues.

Mr. Kelly disagrees with the way the City presents its performance targets and goals. He said that many of the measures are written in an ambiguous fashion and those should be corrected. Mr. DiSpirito described that most of the measures are from survey tools and that staff cannot control the results. Mr. DiSpirito said that the budget document will never tell the story of why the City is not meeting targets.

Mr. Wright said that this conversation should continue in the future. He also wanted to make it clear that there are differences between aspirational goals and goals that staff are just not meeting.

Ms. Webster said that she would appreciate the Board looking at this in more detail after they review the FY 2019 adopted budget document. She said that it is important for the Board to review how each department determines its measures and goals. Mr. DiSpirito reminded the Board that their thorough review was to come after the efficiency-related review that is currently being performed by a consultant.

Mr. Kelly agreed that the Board will start with the Police Department and then will move forward with general performance measure research and with reviewing the other departments. Mr. DiSpirito said that starting with Police might be difficult since we are just

starting with a new Police Chief. Mr. DiSpirito said that it might be better to start with Public Works, but he would first like to discuss it with Mr. Simoneau.

V. Election of Board Chair to Serve a One-Year Term

Mr. Kelly nominated Mr. Wright for the next one-year term. Mr. Lee seconded the motion. All members voted in favor.

Mr. Wright said that he would like to have different areas of the City come in and discuss different financial issues/aspects of Rockville. He also said that he would like to continue with the current agenda format, including FAB member reports.

Mr. Wright asked the Board to think about new recruits, especially since there are two vacant seats. Mr. Wright also asked for a meeting with Ms. Webster sometime in June.

Mr. Wright thanked Mr. Kelly for his service as chair.

VI. Future Meeting Dates and Future Agendas

The Board discussed the next meeting dates and decided on July 17 and September 5, 2018.

The next meeting is scheduled for **July 17, 2018** at 6:30 p.m. and will include the following:

- I. Approval of Minutes
- II. FAB Member Reports
- III. Finalize FY 2018 Action Plan, Final Report
- IV. Finalize FY 2019 Action Plan
- V. Future Agendas

Action Items:

- Mr. Kelly will coordinate updates to the FY 2018 Action Plan, Final Report
- Mr. Kelly will coordinate updates to the FY 2019 Action Plan DRAFT for staff to review
- Mr. DiSpirito will talk with Mr. Simoneau about which division(s) are best for performance measure review.

Mr. Lee made a motion to adjourn. Mr. Kelly seconded the motion. All voted in favor.

The meeting adjourned at 8:54 p.m.