

**CITY OF ROCKVILLE
FINANCIAL ADVISORY BOARD
AGENDA**

DATE: September 20, 2023
Blue Crab Conference Room, 3rd Floor City Hall
TIME: 6:30 p.m.

- I. Call to Order
- II. Approve Agenda
- III. Approve Minutes
 - Attachment: Minutes from August 9, 2023
- IV. Reports
 - Councilmember Feinberg
 - City staff
 - Board members
- V. Discussions
 - Performances Measures by David Gottesman – Assistant City Manager
- VI. Old Business
- VII. New Business
- VIII. Future Agenda and Meeting Dates
October 25, November 15, and January 17
- IX. Public Comments
- X. Good of the Board
- XI. Adjourn

**CITY OF ROCKVILLE
FINANCIAL ADVISORY BOARD**

DATE: August 9, 2023

LOCATION: Hybrid – In Person/Video/Teleconference on Webex

TIME: 6:30 p.m.

**Board Meeting
MINUTES**

PRESENT: Board Members: Kenneth MacRitchie, Bob Wright (Board Chair), David Mack, Jack Kelly, William Spagnuolo, Jr., Lori Merrill, Diane Gould

Mayor and Council Liaison: Councilmember Beryl Feinberg

Staff Liaison: Xiaojing Zhang, Director of Accounting

Staff: Robert DiSpirito, City Manager

ABSENT: None

Mr. Wright verified quorum is present.

I. Call to Order

Mr. Wright called the meeting to order at 6:31 p.m.

II. Approve Agenda

Mr. Wright asked the Board if there were changes to the agenda. Board members did not raise any changes.

III. Approve Minutes

Mr. Wright asked for a motion to approve the minutes from April 25, 2023. Ms. Zhang made changes to the minutes from April 25, 2023. Mr. MacRitchie moved to accept the amended minutes. Mr. Mack seconded. All members voted in favor to accept the amended meeting minutes.

IV. Reports

a. Councilmember Feinberg said that currently Mayor and Council went on recess following the August 7th Mayor and Council Meeting. Future agendas are very fluid, and

Councilmember Feinberg recommended Board members to check the City's website for future meeting agenda items. Councilmember Feinberg also stated that there will be a total of six meetings remaining for the current Mayor and Council, two meetings in September and four in October.

b. Mr. DiSpirito thanked the entire Board for its service. He valued feedback from the Board on the FY 2024 Budget and financially related matters. Mr. DiSpirito invited active participation from the Board regarding the review of the City's FY 2025 budget proposal to the Mayor and Council. The initial draft of the next proposed budget developed by staff will be delivered to him in early January. Mr. DiSpirito appreciated involvement and reiterated that he is open to thoughts and ideas for the proposed FY 2025 budget when it is delivered to Mayor and Council in mid-February 2024.

c. Ms. Zhang stated that the Volunteer Appreciation Party will be held on Wednesday, September 13th from 5:30 to 7:30 pm at the Glenview Mansion. Invitations will be mailed and encouraged all Board members to attend. Ms. Zhang will contact the special events coordinator to confirm how many guests each volunteer is permitted to bring to the Party. Ms. Zhang will provide this information to the Board.

d. Councilmember Feinberg said that she will miss the Mayor and Council meeting on September 11 and the Volunteer Appreciation Party due to travel plans.

V. Discussions

a. Mr. Wright reported that Mr. MacRitchie reviewed the Financial Management Policies in the FY 2024 Adopted Budget. Mr. MacRitchie discussed his memorandum to the Board regarding his review.

Mr. Wright asked the Board members to review the following: 1. Interface with Other Entities, for instance, Rockville Housing Enterprises (RHE); 2. Cost Recovery; 3. Uncollectable Amounts; and 4. Selection of Independent Auditors. Ms. Zhang will report to the Board the contractual terms with the current independent auditor. Councilmember explained due to the complexity of the scope of work, the contract terms vary. Councilmember Feinberg also explained that there is funding in the Mayor and Council budget for an internal audit, and this can be initiated by the Mayor and Council, or the City Manager. Councilmember Feinberg recommended the Board to review other entities that interface with the City, for example, Rockville Sister Cities Corporation, RHE, Volunteer Fire Department, where the City provides utility support, Rockville Economic Development Inc. (REDI) – depends on the City, and Rockville Seniors Inc.

VI. Old Business

Board members had no old business to take up.

Mr. Mack inquired if he could have a meeting with Mr. Gottesman – Assistant City Manager – to check on the status of performance measurement. Mr. DiSpirito said that he is willing to arrange a meeting with Mr. Gottesman and the Board before September 20th's meeting or he encouraged Mr. Mack to email Mr. Gottesman directly and copy him. Mr. Mack expressed interest to be involved in annual revenue projections and Mr. DiSpirito encouraged participation.

VII. New Business

a. Moved and seconded to forward the memorandum with Enclosures A and B to the Mayor and Council. Enclosure A is the FY 2023 Annual Report and Enclosure B is the Proposed FY 2024 Action Plan. Discussion of the motion followed. Mr. DiSpirito expressed thanks to the Board members for their work. However, Mr. DiSpirito invited the Board to review #7 in the Annual Report. Mr. DiSpirito provided updates from Ms. Lewis, the Director of Procurement, on the procurement action plan. Ms. Lewis's notes included the following: procurement strategic plan is currently a work in progress; and in the FY 2024 proposed budget, it stated that the final document would be available in June; however, it is not complete and will be completed by late summer 2023 (Amendment 1). Mr. DiSpirito stated that there are other language revisions, such as "not all recommendations have been implemented". Mr. DiSpirito, Mr. Kelly, and Ms. Lewis will work together to revise the language (Amendment 2). Mr. DiSpirito also addressed the procurement guide. Mr. Kelly insisted that due to the nature of procurement activities being decentralized, most of the decisions are made by the operating departments, Master Agreement instructions should be included in the procurement guide. Mr. DiSpirito stated that procurement was not deferring anything but is willing to consider adding Master Agreement instructions in the procurement guide (Amendment 3). Mr. DiSpirito also said that this is an administrative guide, an internal document, and does not need to be forwarded to the Mayor and Council. Next the Board discussed Enclosure B. Mr. Spagnuolo said he will not seek reappointment to the Board when his term expires at the end of the year. If it helps the Board, Mr. Spagnuolo is willing to resign any time from now to the end of the year if requested to do so. Therefore, the following revisions regarding responsibilities for an Action were made to the Action Plan: #1: Board; #2: Board; #3: added Mr. MacRitchie and Ms. Gould; #4: added Mr. MacRitchie and Ms. Gould; #6: Board; #8: Mr. Spagnuolo removed; #9: Mr. Spagnuolo removed; and #10: Mr. Spagnuolo removed. Mr. Wright stated that the presentation to the Mayor and Council was set for October 2nd. Therefore, the revisions to Enclosures A and B need to be complete by early September 2023. The Board voted unanimously to approve the motion as amended given the arrangement that Mr. Kelly and Mr. DiSpirito meet before August 31, 2023, to resolve the language in Action 7 in the FY 2023 Annual Report.

b. Selection of Chair for FY 2024: Mr. Kelly nominated Mr. Wright to be the Chair for FY 2024. All members voted in favor. Mr. Wright was selected the Chair in the 6th year in a row.

VIII. Future Agenda and Meeting Dates

The next meeting will be held on **September 20, 2023**, at 6:30 p.m. via teleconference/ in-person and will include the following:

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Future meeting dates for the Board are September 20, 2023; October 25, 2023; November 15, 2023; and January 17, 2024; all beginning at 6:30 p.m. in Rockville City Hall.

IX. Public Comments

There was no public participation at this meeting.

X. Good of the Board

Councilmember Feinberg shared there will be a reception at City Hall on October 30th from 5:00 pm to 7:00 pm to recognize Mayor Newton and Councilmember Feinberg for their service to the City of Rockville. Board members are welcome to attend.

XI. Adjourn

Mr. Mack moved to adjourn the meeting. Mr. MacRitchie seconded the motion. All members voted in favor. The meeting adjourned at 8:38 p.m.

Summary of follow-up items:

- a. Mr. Kelly, Mr. DiSpirito, and Ms. Lewis, Director of Procurement, will meet and work together to revise the language under Action 7 in the FY 2023 Annual Report.