LEGISLATIVE, FINANCE AND ADMINISTRATION COMMITTEE

The Legislative, Finance, and Administration Committee meeting was held on October 14, 2013, at 6:30 p.m. with Chairman Lynn presiding. Members present were Mr. Slavin, Mr. Rushe, and Mr. Shevock. Mr. Hare was absent. Members of Council present were Mr. Dixon, Mr. Hutchison, and Council President Bonar. Mayor Carey was also present.

AGENDA ADDITIONS/DELETIONS

Mr. Shevock moved for approval of the agenda, seconded by Mr. Rushe and unanimously carried.

Creation of Ad Hoc Financial and Operational Advisory Committee

Due to concerns for the City's financial future, Mr. Hutchison advised members that he, along with Mrs. Williams, have requested consideration of the creation of an Ad Hoc Financial and Operational Advisory Committee to review the City in total and make recommendations for achieving efficiencies and preparing for long-range objectives. He reminded members that it is projected that there will be a $7.5M shortfall for the City over the next five (5) years.

Mr. Hutchison suggested that the Committee, to be appointed by the Council President and confirmed by City Council, be comprised of himself, Councilman Lynn, Councilwoman Williams, and three (3) civilian members. The qualifications for the three (3) civilian members are recommended to be as follows: Two (2) members with an extensive financial background, preferably dealing with large budgets; must hold at least a bachelor's degree in financial management or related field; and must have at least seven (7) years experience. One (1) member with an extensive background in operations management or business development; must hold at least a bachelor's degree in business administration, operations management, or related field; and must have at least seven (7) years experience.

Mr. Hutchison indicated an expectation that this committee would work with the City Manager and Treasurer/Controller to develop a plan and provide their recommendations to the Legislative, Finance, and Administration Committee on January 13, 2014, with Council consideration taking place on January 27, 2014.

Chairman Lynn expressed his opinion that, rather than create another committee to perform the same responsibilities as the Legislative, Finance, and Administration Committee, a series of Special Meetings be held by the Legislative, Finance, and Administration Committee to address these financial and operational concerns. Considering that certain issues may be outside of the scope or expertise of the current membership of the Committee, he suggested that two (2) additional Committee members be appointed for the purpose of serving during these Special Meetings either in a capacity as special members, advisory members, or friends, etc.

Mr. Slavin advised members that during his previous term on Council, he had requested that the City Manager (Mr. DePrima) consider the Delaware Economic and Financial Advisory Council (DEFAC) revenue forecast model, used by the State of Delaware, to review the manner in which the City forecasts revenues. He stated that the revenue report which members currently receive was a result of this request. He felt that a dispassionate "set of eyes" is necessary to review the issues. He preferred that an advisory council comprised fully of citizens be created to review the revenue side

and make recommendations to City Council. The expenses could be reviewed by the Legislative, Finance, and Administration Committee and City Council. He noted that there is a lot of untapped brain power available to the City between the Universities, business men and women in the community, and others. If the City were to establish such a committee, Mr. Slavin questioned whether the decisions would be binding on Council, noting that DEFAC decisions were binding on the General Assembly. He relayed his support for pursuing the idea and reiterated his suggestion that such a committee serve as a fully citizen advisory committee.

Mr. Shevock questioned the creation of another a committee, and suggested that it be created as an ad hoc committee with a sunset provision of three (3) or five (5) years.

Council President Bonar urged members to support establishing the committee, consisting of up to seven (7) members, with recommendations to be presented to the Legislative, Finance, and Administration Committee for their review and recommendation to City Council.

It was the consensus of members that this matter not be included on the consent agenda when presented to City Council, to allow members an opportunity for discussion.

Mr. Slavin moved to recommend forwarding this matter to City Council for discussion of a reconfigured composition of the proposed committee, with the understanding that the members endorsed the idea in principle. The motion was seconded by Mr. Rushe and unanimously carried.

By unanimous consent, the meeting adjourned at 6:41 p.m.

Sean M. Lynn
Chairman

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