



CITY OF DOVER

AD-HOC FINANCIAL POLICY REVIEW COMMITTEE - MINUTES

Meeting Type: Regular Meeting
Meeting Location: Office of the City Manager – 288 Central Ave.
Meeting Date: Thursday, August 12, 2010
Meeting Time: **4:30 PM**

Members Present: Mayor Scott Myers, City Councilor Catherine Cheney, John Leggett, School Board Member Ken Appel, Paul Kageleiry, Finance Director Dan Lynch and City Manager Mike Joyal

Members Absent: None

Meeting commenced at approximately 4:30 pm.

1. Approval of Minutes

a. 07/29/2010 Minutes

Minutes not available for approval

2. Discuss Debt Related Policies

Mayor Myers opens discussion on debt related policy. Joyal relates the basic elements for debt policy. These include establishing criteria for the issuance of debt so as not to exceed acceptable levels, transmit message to investors and rating agencies, and ensure consistency and continuity in planning and execution of projects.

Joyal advises that the City has had an informal policy or philosophy of not authorizing more debt than that being retired in any one year. Although it has been widely suggested that this ensures a neutral impact on debt service, this is not the case as there are many other variables including interest and term that come into play.

Leggett suggests two parameters to consider in establishing debt management policies: debt service and outstanding debt levels. Mayor Myers also suggests that policy should have flexibility to account for unique situations where there is offsetting benefits such as budgetary savings/revenue resulting in pay back.

Discussion ensued regarding the reason for maintaining debt levels at less than State of NH required limits. Councilor Cheney suggests need to increase school debt limit to be consistent with City levels. Lynch indicates 28% will accomplish parity. Leggett suggests increasing water debt levels to address EPA mandates. Joyal indicates that these could be addressed as future exceptions if/when they arise. Mayor Myers suggests this could be addressed given the recommendation to revisit policies on a more regular basis.

3. Citizen Forum

No citizens present



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- 4. Set Upcoming Meeting Agenda/Schedule**
August 26th 4:30pm to continue debt policy discussion

- 5. Adjourn**
Leggett/Appel. Unan.