

FINANCE COMMITTEE MINUTES
April 16, 2012
City Hall – 1st Floor Conference Room - West

Finance Chairperson Scott McMeans called the meeting to order at 6:00 PM

Present: Alderpersons Scott McMeans, Matt Kadow, Collin Braunel, Christopher Able
(6:42 PM)

Absent: Alex Olson,

Also Present: Mayor Justin Nickels, Acting Finance Director/Treasurer Tony Scherer, City Clerk/Deputy Treasurer Jennifer Hudon, Human Services Director Deb Geiger, Director of Public Works/Parks and Recreation/City Engineer Valerie Mellon, Police Chief Oscar Dick, Fire Chief William Manis, Robert W. Baird & Company Director Brad Viegut, HTR Reporter Charlie Mathews and two members of the public.

Approval of Minutes

Motion by Alderperson Kadow, second by Alderperson Braunel to approve the minutes of April 2nd, 2012 Finance Committee meeting. Motion carried unanimously.

Public Input

No public input was presented.

2012 Note Issue

Robert W. Baird & Company Director Brad Viegut provided the Committee with a handout summarizing the preliminary estimates for the 2012 borrowing of \$2,905,000 and refinancing of \$4,985,000, for a total issuance of \$7,890,000. Mr. Viegut provided Baird's analysis for proposing a note issue over the City's customary bond issue. Consideration was given to the relatively small issue size, shortening of the duration and corresponding reduction in interest payments. Viegut went on to explain that the refinancing is estimated to have a present value savings of \$169,154 or 3.484%, well above the City's policy of 2%. The Committee also discussed the positioning of this issue in the City's debt structure as well as issuance costs with Baird.

No action was taken at this time by the Committee, but it was anticipated that the matter would be acted upon at the Council meeting later that evening.

2011 Budget Carry-Forwards

Finance Chairperson Scott McMeans summarized the topic of the 2011 Budget carry-forwards by restating the preliminary audit results and the recommendation from the City's Auditors to be very conservative in the appropriation of any carry-forwards. The audit was currently showing a surplus of \$127,000 in revenues over expenses in the General Fund for 2011. It was recommended by audit staff that only items that met one of three requirements be considered. Those requirements included monies that were donated for a specific purpose, grant money and contractual obligations. Following these recommendations, Chairman McMeans recommended approving \$42,573 in the General Fund, \$28,027 of carry-forwards in Special Revenue Funds and \$295,450 in Capital Funding for a total amount of \$366,050 to be carried forward from the 2011 to the 2012 City Budget. The Committee took up the vote separately by each fund.

Motion by Alderperson Kadow, second by Alderperson Olson to approve the requested 2011 General Fund Carry-Forwards in the amount of \$42,573. Motion carried unanimously (4-0).

Motion by Alderperson Kadow, second by Alderperson Olson to approve the requested 2011 Special Revenue Fund Carry-Forwards in the amount of \$28,027. Motion carried unanimously (4-0).

The Committee then had a conversation clarifying the request for Capital Project Funds to support the City's data processing/IT requirements.

Motion by Alderperson Kadow, second by Alderperson McMeans to approve the requested 2011 Capital Project Fund Carry-Forwards in the amount of \$295,450. Motion passed 3 to 1 with Alderperson Olson dissenting.

Cost Saving Changes & Actions for City Council Meetings

Chairman McMeans prefaced the discussion by stating that he felt this is something the Council should be looking at in order to streamline and produce some dollar savings through the use of technology and a reduction in paper costs. Alderperson Braunel brought up the suggestion of voting on groups of documents where alders have no objections or issues with the matters being proposed. The Committee along with City Clerk/Deputy Treasurer Jennifer Hudon discussed the pros and cons to this type of a process.

Alderperson Able joined the meeting (6:42 PM).

The discussion then turned to technological opportunities available to address possible efficiencies. Discussion continued regarding potential recourses and products available. City Clerk Jennifer Hudon expressed her concerns with electronic record retention.

No action was taken on this matter, but Chairman Scott McMeans urged the Committee Members and City Staff to provide their thoughts and ideas for moving ahead on these issues. The sooner these changes are enacted, the greater the potential cost savings in 2012.

Discussion on the 2013 Budget Needs

Alderson McMeans officered the floor to the two outgoing aldermen on the Committee, Alders Matt Kadow and Alex Olson, to speak and provide any input on the 2013 Budget.

Motion by Alderson Olson, second by Alderson Braunel to adjourn.
Chairperson McMeans declared the meeting adjourned at 6:51 PM.

Respectfully Submitted,

Alderman Scott McMeans
By: Anthony Scherer
Acting Finance Director

AS