

FINANCE COMMITTEE MEETING
MARCH 2, 2015 – 5:00 P.M.

The Finance Committee was called to order by Jane Hansen at 5:00 p.m. on March 2, 2015.

Roll call was taken.

Members Present: Jane Hansen and Jim Zajkowski

Members Absent: Fred Horne

Others Present: Mike Darrow, Bev Langenback, and Sean Lentz

Jim Zajkowski moved to adopt the agenda, seconded by Jane Hansen and carried.

Jim Zajkowski moved to approve the minutes of the February 2, 2015 meeting, seconded by Jane Hansen and carried.

2015 Budget Amendments & Carry Forwards

Bev Langenback gave a review of the 2014 budget amendments, amounts carried forward and current fund balance. Jane Hansen moved to recommend council approval of the budget amendments, amounts carried forward, and assigned fund balances as presented by staff, seconded by Jim Zajkowski and carried.

Room Tax Update

Mike Darrow explained that State Statutes require us to spend at least 70% of amount collected on tourism. In 2014, we paid out the following:

\$10,000	Chamber of Commerce
\$10,000	Chamber for Fun Fest
\$15,000	Hockey Association for Utilities
\$ 8,000	Hatfield Park for Utilities
<u>\$ 2,750</u>	Heritage Center for the Hillside Series
\$45,750	Total

We are in compliance with State Statutes. Staff is going to be auditing each of the hotels to make sure they are doing things properly. The only hotel we have issues with is the Riverfront Inn. Our City Attorney has sent them a letter to explain the process we will follow to collect these funds. Mike and Bev are working on an agreement for each of the hotels to sign stating that in the event of a sale, all room tax funds will be paid to the City in full.

CIP and Refinancing

Mike Darrow gave an update on the Capital Improvement Plan process. We will continue to move forward on this. Agreements will be drafted and signed with the townships and with Lakeside regarding the projects we plan to do and explaining that they will need a separate contract with each of the parties doing the work on the project. The City will have a contract for our share of the costs and the other entities will have their own contract and be billed directly from those providing the work.

Refinancing Update

Sean Lentz, from Ehlers & Associates, presented a proposal for refunding the 2006 GO bonds. The City issued \$4,545,000 in General Obligation Corporate Purpose bonds in 2006. The bonds will be callable on 10-1-15 and are eligible for refunding 90 days prior. The purpose of refunding would be to save money in interest and the estimated savings would be \$400,000. It would not push the payments out over more years; it would still be paid off by 2025. The Council will discuss this further at the next working session on March 23, 2015.

Closed Session per State Statute 19.85 (1)(c) – City Admin Annual Review and Staffing

Jim Zajkowski moved to go into Closed Session per State Statute 19.85 (1)(c) to discuss the City Administrator's Annual Review and Staffing, seconded by Jane Hansen, and carried.

Open Session - Action on Closed Session

No Action was taken.

Communications and Miscellaneous

None

Adjournment:

Jim Zajkowski moved to adjourn the meeting, seconded by Jane Hansen and carried.

Meeting adjourned at 6:27 p.m.

Tanya Reigel,
City Clerk