

FINANCE COMMITTEE MINUTES
February 06, 2012
City Hall – 1st Floor Conference Room - West

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

Present: Alderpersons Scott McMeans, Christopher T. Able, Matt Kadow, Alex Olson and Collin Braunel

Absent: None

Also Present: Mayor Justin M. Nickels, Alderpersons Dave Soeldner, Allan Schema (6:15 PM) and Jason Sladky (6:22 PM), Acting Finance Director/Treasurer Tony Scherer, Director of Public Works/Parks and Recreation/City Engineer Valerie Mellon, Police Chief Oscar Dick and HTR Reporter Charlie Mathews

Approval of Minutes

Motion by Alderperson Able, second by Alderperson Kadow to approve the Finance Committee minutes of January 16, 2012 as presented. Motion passed unanimously.

Public Input

Alderperson McMeans opened the meeting up for public input. There was input offered at this time.

Resolution and Promissory Notes - MPU Borrowing

Alderperson McMeans opened the discussion on the resolution and notes. The Mayor explained the most recent change to the resolution that now contains the requirement of a two-thirds vote by both the City Common Council and the MPU Commission to make future amendments to the agreement.

Alderperson McMeans then summarized the two note documents. Alderperson McMeans then requested a general account of how the second agreement containing the release and discharge of MPU debt came about. Mayor Nickels and Acting Finance Director/Treasurer Tony Scherer explained that this note was referring to debt taken out by the City in 2003 for the Wisconsin Retirement System (WRS) liability at that time. With approval of this note the City would merely be taking over MPU's repayment obligations on the note in lieu of repayment directly to MPU.

Discussion followed regarding the "effective date" of the loan with Mayor Nickels explaining that through conversations with our bond council (Baird) we came up with language that would satisfy the auditors showing the intent of the loan being for inclusion in the 2011 Budget.

Motion by Alderperson Able, second by Alderperson Kadow to recommend approval of the resolution and entering into both promissory note agreements.

A discussion followed with alders inquiring about the possible avenues for repayment of the loan. The Mayor pointed out that there would be some savings due to a reduction in employee benefit payments and unemployment in 2013 as well as saving due to changes in health insurance benefits. The other option that always exists is the ability to raise tax revenues.

The option of borrowing money from the Waste Water Treatment Facility was also discussed by the Committee. Options using other fund balances as a remedy to the 2011 budget deficit were disputed.

Motion passed 3-2 with Alderpersons Olson and Braunel dissenting.

Finance Committee Reports

The Committee had a chance to look over the sample reports provided by the Finance Department. The Committee decided at a previous meeting to require the budget exception report from department heads on a quarterly basis. Alderpersons were also interested in receiving the budget status report summarized by expense and revenue categories. With basic Springbrook training alders should be able to perform simple searches on specific accounts.

Aldersperson Olson requested a city-wide report based on account type. The Finance Department will look into that possibility with IT. The Alders instructed the Acting Finance Director to look into an overage in the membership dues account in the Council Budget.

Discussion and Possible Recommendations on 2013 Budget Needs

Aldersperson McMeans explained that this item will be on all future agendas in order to discuss where we are in 2012 and subjects and items confronting the city in 2013.

Motion by Aldersperson Olson, second by Aldersperson Braunel to adjourn. Motion carried unanimously. Chairperson McMeans declared the meeting adjourned at 6:55 PM.

Aldersperson Scott McMeans
Chairperson
Finance Committee

By: Anthony J. Scherer
Interim Finance Director

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