

**MINUTES**  
**FINANCE REVIEW COMMITTEE MEETING**  
**JULY 14, 2014**  
**5:30 P.M.**

**1. Call Meeting to Order**

Clerk Dave Kurihara called meeting to order at 5:30 P.M.

**2. Roll Call**

Members present: Bob Schmidt, David Varnam, Pete Hoffman and Kate Reuter. Also present were City Administrator Steve Winger, DPW John Hauth, Mayor Jerry Wehrle and Brian Della, Public Financial Management (via teleconference).

**3. Election of Chairperson**

Motion by David, second by Pete to nominate Bob. Motion carried.

Motion by Kate, second by David to elect Bob as Chairperson. Motion carried

**4. Committee Duties**

Dave K. said that under the resolution recreating this Committee that it would meet as deemed necessary to review important financial matters as they arise such as the budget or proposed borrowings.

Bob agreed in which he thought the Committee would meet as needed on significant financial issues as oppose to routine ones such the monthly approval of expenses at the Council meeting.

**5. Preliminary 2014 Plan of Finance**

Brian Della reviewed a proposed 2014 finance plan for the Library project, general capital improvement projects and water system project.

Members had a couple of concerns related to the financing for the Library project such as the term on the 2014 Bonds and needed additional issues. After some discussion, the Committee agreed that the City should move forward with the 2014 Bonds but wait on any additional borrowings until more donations are collected and known.

A revised finance plan will be presented at the Council meeting next Monday.

**6. Meeting Time**

As discussed before, the Committee will be meeting as needed; however, most likely will be meeting monthly for the next several months.

Next meeting will be on Tuesday, August 5 at 5:30 P.M.

**7. Adjourn**

Meeting adjourned at 7:00 P.M.

Respectfully Submitted,  
David Kurihara, City Clerk

**MINUTES**  
**FINANCE REVIEW COMMITTEE MEETING**  
**AUGUST 5, 2014**  
**5:30 P.M.**

**1. Call Meeting to Order**

Chairman Bob called meeting to order at 5:30 P.M.

**2. Roll Call**

Members present: Bob Schmidt, David Varnam, Pete Hoffman and Kate Reuter. Also present were Administrator Steve Winger, Clerk Dave Kurihara and Mayor Jerry Wehrle.

**3. Minutes**

Motion by Kate, second by Pete to approve the minutes of 7/14/2014. Motion carried.

**4. 2014 Financing Discussion**

Dave K briefly reviewed the Council's direction from the July 14<sup>th</sup> meeting to PFM as outlined on page 2 of the PowerPoint presentation.

There was some discussion on the PFM's and Administration's recommendation of issuing a 20 year bond as opposed to a shorter term bond.

Motion by Kate, second by Pete to recommend to Council the issuance of the Library bond with a 20-year amortization. Motion carried three (3) to one (1) with Dave voting against.

**5. 2015 Budget Discussion**

Dave K handed out for information a budget memo to be forwarded to Department Heads with 2015 budget expectations along with a tentative schedule for review.

Members thought Council discussion on expected 2015 wage increase should occur before the Council's review of the proposed budget.

Next meeting will be on Tuesday, September 9 at 5:30 P.M.

**6. Adjourn**

Meeting adjourned at 6:06 P.M.

Respectfully Submitted,  
David Kurihara, City Clerk

**MINUTES**  
**FINANCE REVIEW COMMITTEE MEETING**  
**SEPTEMBER 9, 2014**  
**5:30 P.M.**

- 1. Call Meeting to Order**  
Chairman Bob called meeting to order at 5:30 P.M.
  
- 2. Roll Call**  
Members present: Bob Schmidt, David Varnam, Pete Hoffman and Kate Reuter. Also present were Administrator Steve Winger, Clerk Dave Kurihara and Mayor Jerry Wehrle.
  
- 3. Minutes**  
Motion by Kate, second by David to approve the minutes of 8/05/2014. Motion carried.
  
- 4. 2014 Financing Discussion-General Capital Improvement Projects**  
Dave K presented a handout prepared by Public Financial Management outlining the upcoming proposed borrowing to complete the financing requirements for the nearly completed 2014 Hickory Street project and the proposed 2015 South Adams Street and East Linden Street projects. The City's has already borrowed the water portion of all the projects and the sewer portion for Adams Street.  
  
There were some questions regarding the scope of the projects in which Administration would forward members a response from DPW John Hauth. Any additional inquiries can be directed to John.
  
- 5. 2015 Budget Update**  
Dave K informed that all budget requests have not been handed in but a summary should be available for review at the next meeting. It was noted that typically health insurance rates are not known until October and state revenues (e.g. transportation and shared revenues) until late October or early November.  
  
Next meeting will be on Tuesday, October 14 at 5:30 P.M.
  
- 6. Adjourn**  
Motion by David, second by Pete to adjourn meeting at 6:05 P.M. Motion carried.

Respectfully Submitted,  
David Kurihara, City Clerk

**MINUTES**  
**FINANCE REVIEW COMMITTEE MEETING**  
**OCTOBER 14, 2014**  
**5:30 P.M.**

**1. Call Meeting to Order**

Bob (Chair) called meeting to order at 5:30 P.M.

**2. Roll Call**

Members present: Bob Schmidt, David Varnam, Pete Hoffman and Kate Reuter.  
Also present were Administrator Steve Winger and Clerk Dave Kurihara

**3. Minutes**

Motion by David, second by Kate to approve the minutes of 9/09/2014. Motion carried.

**4. Discuss Grant Regional Health Center (“GRHC”) Proposal**

David recused himself from discussion due to his conflict of interest.

Dave K presented GRHC’s lease buyout offer which was \$1,809,000 and comprised of three components: Land Value-\$500,000, Net Present Value of Remaining Lease Payments-\$959,000 and Net Present Value of Building Difference-\$350,000.

Members felt the offer was reasonable. They also felt City control over the hospital is no longer necessary and believe that the GRHC is committed to remain in Lancaster as has been reiterated by GRHC CEO Nicole Clapp.

There was a little bit of discussion on what the City would do with the money since the buyout would cease annual lease revenue. There was a thought of perhaps a portion of the funds be invested in a long-term bond but further discussion will continue at the next meeting assuming the Council approves the buyout.

Motion by Pete, second by Kate to recommend Council approve GRHC’s proposed buyout offer of \$1,809,000 and proceed with any necessary steps to effectuate this transaction by January 1, 2015. Motion carried with David abstaining.

**5. 2013 Audit Report**

Dave K mentioned that Jay Bennett will be presenting the 2013 audit report to the Council on Monday; however, he did briefly reviewed and highlighted a few of the report sections.

**6. 2015 Budget Preview**

Members reviewed the excel budget worksheets of each fund and a summary of the discussion is noted:

- General Fund-Public Safety-Determine if Police budget represents no increase without consideration of Chief’s final payout in 2015. Public Works-Recalculate budget for Snow and Ice based on 5 year average.
- Stormwater, Water and Sewer Funds-Consider slight rate increases but will review further at the next meeting.
- Capital Projects-Have further detail on vehicles to be replaced.

**7. Adjourn**

Meeting adjourned at 7:32 P.M.

Respectfully Submitted,  
David Kurihara, City Clerk

**MINUTES**  
**FINANCE REVIEW COMMITTEE MEETING**  
**NOVEMBER 10, 2014**  
**5:30 P.M.**

**1. Call Meeting to Order**

Bob (Chair) called meeting to order at 5:30 P.M.

**2. Roll Call**

Members present: Bob Schmidt, David Varnam, Pete Hoffman and Kate Reuter. Also present were Administrator Steve Winger and Clerk Dave Kurihara.

**3. Minutes**

Motion by Pete, second by David to approve the minutes of 10/14/2014. Motion carried.

**4. Discuss 2015 Water, Sewer Storm water and Garbage Rates**

Debt coverage calculations for the water and sewer funds were presented, which based on the current proposed 2015 budgets, will meet the coverage ratio of 125%.

Next incomes statements with proposed rates increases were reviewed and discussed:

- Water-Bob, Pete and Kate were in favor of applying for a simplified rate increase (estimated 3%) as an inflationary increase and building up cash for capital expenses e.g. Well #3. David was not in favor of an increase since he felt the current rates are sufficient.
- Sewer-Bob and Pete were in favor of an inflationary 1.5% increase. Kate was in favor of an increase but doing one every other year. David was not in favor of an increase since he felt the current rates are sufficient.
- Storm Water-Bob, Pete and Kate were in favor of increasing the ERU from \$2.00 to \$2.10 which is a 5% increase but would have minimal impact of residential properties since those properties are charged one (1) ERU a month. David was not in favor of a 5% increase but would be open to a 1%.

The proposed budget to be acted upon on Monday will not be reflective of any proposed rate increases but at the December meeting, the following will be presented for Council consideration:

- Authorization to apply for a SRC water rate increase, Proposed 1.5% sewer increase and Proposed Storm Water ERU increase from \$2.00 to \$2.10

Kate left at 6:20 p.m.

**5. Review Proposed 2015 Budget**

Members asked a few questions regarding the worksheets along with briefly reviewing the following budget changes:

- Budget Changes reflected in Public Hearing Notice (Not part of October Council Meeting preview): Reduce Police Wages, Add Airport Runway Project and Monroe Street Parking Lot, Add proposed additional Library borrowing and Police and Public Works Vehicle adjustments.
- Budget Changes not reflected in Public Hearing Notice but will be part of Budget Ordinance for consideration
  - Reduce garbage revenue and expenditures based on proposed 2015 rate.
  - Remove Hospital Lease revenue based upon agreed upon buyout with corresponding reduction in contingency.

Member present (Bob, Pete and David) agreed to recommend for Council approval the proposed budget along with the changes mentioned above.

**6. Adjourn**

Meeting adjourned at 7:05 P.M.

Respectfully Submitted,  
David Kurihara, City Clerk

**MINUTES**  
**FINANCE REVIEW COMMITTEE MEETING**  
**DECEMBER 9, 2014**  
**5:30 P.M.**

**1. Call Meeting to Order**

Bob (Chair) called meeting to order at 5:30 P.M.

**2. Roll Call**

Members present: Bob Schmidt, David Varnam, Pete Hoffman and Kate Reuter. Also present were Administrator Steve Winger and Clerk Dave Kurihara.

**3. Minutes**

Motion by Kate, second by Pete to approve the minutes of 11/10/2014. Motion carried.

**4. Review City Credit Card Policy**

A draft city credit card policy was reviewed with one language change to the restrictions as follows: "Receipts or invoices supporting the charges must be obtained from the vendor with whom the card is used and submitted to the City Clerk/Treasurer before consideration for payment will be made."

Motion by David, second by Kate to recommend for Council approval as amended the City Credit Card Policy. Motion carried.

**5. Discuss 2015 Water, Sewer and Stormwater Rates if necessary**

No discussion but Dave (Clerk) clarified that the simplified rate water case could be submitted immediately as oppose to waiting until the PSC annual report is filed (Due date April 1) as mentioned last month.

**6. Discuss possible purposes (committed) and investment of GRHC lump sum buyout payment**

Dave (Clerk) explained the payment will by default be deposited into the State Investment Pool and be recorded as 2014 General Fund revenue, which will be reflected in the 12/31/2014 General Fund Balance as unassigned unless committed (restricted) by the Council.

Members discuss in length in which the following was decided:

- Investment- Have funds remain in the State Investment Pool while Dave (Clerk) will check with local banks for other possible investments options to be considered.
- Committed-Motion by David, second by Pete to recommend for approval to commit a portion of the December 31, 2014 General Fund Balance for the amount of the buyout with specific purposes to be determined at a later date.

**7. Closed Session**

Motion by David, second by Pete to convene to close session at 5:53 p.m. for the purpose of considering financial, medical, social or personal histories or disciplinary data of specific persons, preliminary consideration of specific personnel problems or the investigation of charges against specific persons except where par. (b) applies which, if discussed in public, would be likely to have a substantial adverse effect upon the reputation of any person referred to in such histories or data, or involved in such problems or investigations in regards to writing off old uncollectible utility accounts (Wisconsin Statutes 19.85, Pl, f). Motion carried

**8. Open session to take action on above if so advisable.**

Motion by Kate, second by Pete to resume to open session at 6:15 p.m. to take action on above if so advisable. Motion carried.

Motion by Kate, second by Pete to approve Auditor's write-off of old uncollectible utility accounts totaling \$146,784.85 per 2013 audit. Motion carried.

**9. Adjourn**

Meeting adjourned at 6:16 P.M.

Respectfully Submitted,  
David Kurihara, City Clerk