

Audit/Finance Committee Meeting Minutes
October 19, 2018
7:45 AM City Commission Chambers

Committee Attendees: Stahl, Nickles, Wobser, Ruthsatz, Solowiej, Moncher, and Lloyd.

Nickles called the meeting to order at 7:58 A.M. and congratulated Solowiej on the GFOA award. He remarked that people may not always agree with what we are spending the city's money on, but we are reporting it properly and the finance committee appreciates how special this is. Nickles then asked for a motion to approve the minutes from the last meeting. Moncher made the motion, with a second from Ruthsatz. There was no further discussion. **All ayes – motion carried.**

Solowiej then presented the numbers for September. The general fund is up 2% from last year. Income tax revenue is up 3% through September and that trend looks to continue in October, with a chance of it inching up to 3.5%. August admissions tax shrunk the gap in admission tax revenue down to 4%. It is his hope that November will be another good month. Moncher asked if Sports Force contributes to these numbers and Solowiej advised that it is partially in the city, but the gate is outside of the city limits. Ruthsatz noted that the cash balance was looking good and asked where he thought we would end at year-end. Solowiej advised that they would hopefully be adding to the cash balance. Nickles asked if we would be funding the payroll stabilization fund at year-end. He would like to see it funded at 80-85% if possible. Solowiej advised that they would be funding enough to cover current retirements. It was also noted that interest income has been doing well and that Mike Sudsina had remarked at the last meeting that the city was doing well on their debt capacity and paying debt down. Moncher asked if our debt service interest rates were variable and Solowiej advised that everything was pretty much fixed. Nickles then made a motion to accept the report and Ruthsatz seconded that motion. There was no further discussion. **All ayes – motion carried.**

Solowiej then updated the committee on the note sale results. Nickles reminisced about when the city only had one bidder at note sales. Solowiej advised that we had four participants this year and the bids came in a bit higher than last year. Nickles reminded everyone that the city's strong financial state gets us good rates and more bidders. Moncher asked what the term was on the notes and Solowiej answered 1 year. He wondered if 2 to 3-year notes were available and Solowiej advised that he would look into it. Nickles agreed it might be interesting to see what type of rates we would get with the longer notes, gambling that rates are going up. It was agreed it would be something to look at. At least that way we can tell the public we are looking at all options.

Solowiej advised that they were working on the 2019 draft budget. Nickles asked what it was going to look like. Solowiej explained that Wobser was currently going over the director's wish lists. He believes it will be a bit leaner this year, since we have been doing so much over the last year. He did note that union negotiations were underway. Solowiej advised that he would email the committee members the budget when it was complete. Nickles asked what the timeline would be for that and Solowiej advised that there was a November 1st deadline for the first draft and that we had until the end of March to get the final draft completed. Solowiej explained that the goal was to get it done by the end of February and have it to Commission for a first reading, then have a second reading at the first meeting in March.

Nickles reminded the committee that they may need to cancel the December meeting because the City Commissioners had moved up the final meeting of the year and Solowiej would be under pressure to get year-end numbers tied up for the final meeting. Solowiej advised that we may still need to have the meeting on December 14 just to vote on the administrative employee cost of living increase, but that would be the only item on the agenda. Nickles asked if it would be possible to just have everyone e-mail their vote and Solowiej explained that the vote would have to take place in person at a public meeting. Moncher asked if the committee agreed that they would accept any recommendation made by the administrative review committee as long as it did not exceed 3% and they all agreed. Moncher then made this a motion and a second was provided by Stahl. There was no further discussion. **All ayes, with both Wobser and Solowiej abstaining - motion carried.** Nickles agreed to sit in on the administrative benefit review meeting as a representative of the finance committee. It was then decided that there would not be a December 14th meeting.

Nickles then opened the meeting up to the public. There were no public comments.

Motion to adjourn made by Solowiej and seconded by Stahl. **All ayes – motion carried.**

Adjourned at 8:25 A.M.