

FINANCE COMMITTEE MINUTES

May 19, 2016

The meeting was called to order by Chairman Berbee at 5:00 p.m.

Members Present: Nevin Taylor, Henk Berbee. Mark Reams was excused.

Others Present: Terry Emery, Tim Aslaner, Jenny Hutchinson, Sandy Hoover

Approval of Minutes: The minutes for the meeting on March 17, 2016 were approved as presented.

AGENDA:

Citizen Comments:

Monthly Financial Update & Accept March & April Financials: Mrs. Hutchinson said you have received both monthly reports via email. She is going to report off of the April report. She said we have received our property taxes for the first half of the year, and we are about \$25,000 less than we were this time last year. Mr. Taylor asked if that was property or income. Mrs. Hutchinson answered property. She said we are in line with the forecast. Income tax revenue we have just over 7 million above which is a 5.2% increase from what we received this time last year. She said we are on track to hit the 2016 budget. Mr. Taylor asked Mrs. Hutchinson how we are trending with expenses. She answered we are trending a little lower. Mr. Emery said our revenue is at 42% and our expenditures are at 26%. Mrs. Hutchinson said the rest of the General Fund is as anticipated.

Sewer charges for service which our main one is our monthly fee that we charge. We are just under 3.2 million, which is approximately 10% more than this time last year. She said there have not been any surprises with expenditures.

We are a little less for the monthly water service charges, which are just under 2.1 million. She said we are doing really well with the expenditures to date.

Mr. Berbee mentioned that the TIF came in at 1.44 but that was only for the first six months. The budget came in at 1.8, so we may be a little bit behind. He said however, if we are still expecting the second payment we will be approximately 800,000 to a million higher. Mrs. Hutchinson said typically the first payment is a little bit more because people pay it all at once instead of breaking it up into two payments. She said we will probably be over the 1.8. She said the residential TIF in Mill Valley is what increased the receipts for the TIF this year. Mr. Berbee said there is still a lot of that to be paid back to the school and we have some of the TIF money to be used for traffic lights. Mrs. Hutchinson agreed that some of the residential TIF money is used for traffic lights.

Mr. Taylor moved to approve March & April's financials. It was approved.

Discuss Water System Refunding Debt Service Options: Mrs. Hutchinson said we have in front of Council now the legislation to refund the reservoir. She has been looking at different options for the debt re-service. She said Mr. Brossart ran numbers for four different scenarios. Mr. Taylor said he would prefer if Mrs. Hutchinson would just let the Committee know which option she is in favor of. She stated the one on top, which is the best one, it pays off the principal the quickest and it gives us the most overall savings. She said the far right column would be the amount of our savings which would be around 3.4 million over the life of the bond, which pays off in 2038.

Mr. Berbee stated this does not need to come back before Council because they have already approved it. It is just a matter of making a decision on which is best for the City. He gave Mrs. Hutchinson consent from Finance Committee to proceed with her recommendation.

The meeting was adjourned at 5:25 pm.