

CITY OF DELAFIELD FINANCE ADVISORY BOARD COMMITTEE MINUTES

CALL MEETING TO ORDER

Mayor Schuman introduced himself to the committee.

B. Faracy called the meeting to order at 3:02 p.m.

PLEDGE OF ALLEGIANCE

The Pledge of Allegiance was recited.

ROLL CALL

Present

Ald. Lynn Morrison
Brian Faracy
John Gehlhaart
Steve O'Brien
Matt Ottusch
James Behrend – (entered at 3:08 p.m.)

Absent

Richard Rahn (Alternate)

Also Present

Phil Schuman, Mayor
Matt Carlson, City Administrator
Marie Williams, Accountant
Robin Flory, Library Director
Kevin Krynski, Auditor, Johnson Block & Company
Kelly Smith, Lake Country Reporter
Steve Bach
Roger Devoe
Joe Geason
John Geason

1. CITIZEN'S COMMENTS ON ITEMS PERTAINING TO THIS AGENDA

Joe Geason – stated that they have information here if there are any questions.

Robin Flory – Had a question regarding impact fees which would be addressed later.

2. APPROVE MINUTES OF FEBRUARY 9, 2006.

S. O'BRIEN MOTIONED TO APPROVE THE MINUTES FROM THE FEBRUARY 9, 2006 MEETING. L. MORRISON SECONDED THE MOTION. THERE WAS NO FURTHER DISCUSSION. ALL WERE IN FAVOR. MOTION CARRIED.

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3. OLD BUSINESS

None.

4. NEW BUSINESS

a. 2005 AUDITED FINANCIAL STATEMENTS AND MANAGEMENT LETTER – KEVIN KRYSINSKI/JOHNSON BLOCK & COMPANY

K. Krysinski introduced himself to the Committee. He briefly gave an overview of the auditor financial statements. They are engaged by the City to give an opinion on the financial statements. The majority of the financial statements were drafted by the City staff. He went through some of the contents from the Management Letter including Fund Balance Availability, Financial Policies, Cash Collateralization, and Stormwater Utility Advance.

Specific items in the table of contents from the Audit Report were reviewed.

K. Krysinski stated that from a general standpoint, the financial condition and operating procedures of the City are in good financial shape. The percentage of the fund balance reserve was 23% with the goal being 25%. J. Behrend asked if it would make sense that there be a range in which the city operates in. M. Carlson stated that quite a bit of discussion had previously taken place on this and the 25% goal was established.

b. PRELIMINARY EVALUATION OF REDEVELOPMENT SPACE NEEDS PROPOSALS

B. Faracy thanked both the organizations that submitted proposals. He acknowledged their good efforts to submit these proposals. M. Carlson reviewed the background of the project and the Request for Proposal (RFP) along with the timetable. The next step is to ask the proposers to present their ideas in a formal way to the FAB on May 17, 2006 with the next day, May 18, 2006, being a public presentation of the plans. This public presentation would take place between 4-8 p.m. Discussion took place regarding advertising this public presentation. The proposals can be put on the City's website with a link to submit comments. M. Czubkowski will send an email to all of the newspapers and cable personnel regarding the meeting on May 18, 2006. Both proposers were ready to present on May 18, 2006. The FAB would report back to the Common Council between June 19, 2006 and July 5, 2006. B. Faracy stated that the FAB is not a decision making board, but an advisory board. The recommendations from this board are solely based on a financial basis. In addition to the two proposals, an informal proposal was received in the form of a letter from Tom Aul. This letter was distributed to the committee members at the meeting. J. Behrend asked about DNR approval on the land for the Public Works property. M.

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Carlson discussed that the property would have to be converted in both use and value somewhere else in the City. M. Czubkowski researched the property that was purchased from the McNultys. J. Gelhaart would be interested in the financial proposal submitted under separate cover; in addition the blacked out language from the Geason property. M. Carlson stated that this would be discussed under Closed Session. M. Ottusch asked if there were certain requirements that the City laid out for square footage, as both submitted proposals were different. M. Carlson stated that a staff version of a space needs study was provided electronically to the proposers. The proposers were both projected at full build out. He also asked about an analysis of the comparison for the properties versus what was expected. M. Carlson provided the link from the RFP for Space Needs website.

Kelly Smith urged the committee to limit discussions beyond the scope of the proposals in terms of the open meetings law, in particular lease vs. own. M. Carlson stated that the contents of the closed session were discussed with the City Attorney and that he agreed that it was appropriate.

5. CORRESPONDENCE

None.

6. ADJOURN INTO CLOSED SESSION PER §19.85(e) DELIBERATING OR NEGOTIATING THE PURCHASE OF PUBLIC PROPERTIES, THE INVESTING OF PUBLIC FUNDS, OR CONDUCTING OTHER SPECIFIED PUBLIC BUSINESS WHENEVER COMPETITIVE OR BARGAINING REASONS REQUIRE A CLOSED SESSION (CITY HALL SPACE NEEDS).

L. MORRISON MOTIONED TO ADJOURN INTO CLOSED SESSION PER §19.85(E) DELIBERATING OR NEGOTIATING THE PURCHASE OF PUBLIC PROPERTIES, THE INVESTING OF PUBLIC FUNDS, OR CONDUCTING OTHER SPECIFIED PUBLIC BUSINESS WHENEVER COMPETITIVE OR BARGAINING REASONS REQUIRE A CLOSED SESSION (CITY HALL SPACE NEEDS). J. GEHLHAART SECONDED THE MOTION. A ROLL CALL VOTE WAS TAKEN: B. FARACY, AYE; J. GEHLHAART, AYE; L. MORRISON, AYE; S. O'BRIEN, AYE; M. OTTUSCH, AYE; J. BEHREND, AYE. ALL WERE IN FAVOR. MOTION CARRIED. THE MEETING ADJOURNED INTO CLOSED SESSION AT 3:44 P.M.

7. RECONVENE INTO OPEN SESSION.

S. O'BRIEN MOTIONED TO RECONVENE INTO OPEN SESSION. L. MORRISON SECONDED THE MOTION. THERE WAS NO FURTHER DISCUSSION. ALL WERE IN FAVOR. MOTION CARRIED. OPEN SESSION RECONVENED AT 4:42 P.M.

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8. ACTION OF ITEMS DISCUSSED IN CLOSED SESSION.

J. BEHREND MOTIONED TO ASK THE CITY ADMINISTRATOR, M. CARLSON, TO GO BACK TO THE TWO PROPOSERS AND ASK THEM FOR A COST TO DEVELOP, BUILD, AND BUY AS OPPOSED TO THE LEASE PROPOSALS THAT WERE RECEIVED AND TO FIND OUT WHAT THOSE PROPOSALS WOULD BE WITHOUT ANY CONTINGENCIES. S. O'BRIEN SECONDED THE MOTION. THERE WAS NO FURTHER DISCUSSION. ALL WERE IN FAVOR. MOTION CARRIED.

M. Carlson distributed a chart showing the City's existing General Fund debt structure showing obligations that the City had already incurred. He suggested trying to level off the annual debt service payments. It may be possible to structure a financing program that could be completed under the current tax rate levy for debt that the City is operating under presently. It was suggested to present this possibly to the Common Council so that they can become familiar with it.

9. ADJOURNMENT

J. GEHLHAART MOTIONED TO ADJOURN FROM THE MEETING. M. OTTUSCH SECONDED THE MOTION. THERE WAS NO FURTHER DISCUSSION. ALL WERE IN FAVOR. MOTION CARRIED. THE MEETING ADJOURNED AT 4:55 P.M.

Respectfully submitted:

Minutes Prepared By:

Marilyn Czubkowski, CMC
City Clerk/Treasurer

Accurate Business Communications LLC