FINANCE COMMITTEE MEETING MINUTES
Tuesday, February 9, 2010 – 5:30 p.m.
Hall of Fame Room

Present:
Alderpersons Steve Tone, Greg Jenson, Ron Christianson and Tim Carter.

Others Present:
Finance Director/Treasurer Laurie Sullivan, Mayor Jim Griffin and City Clerk Luann Alme.

Absent and Excused:

Call to order:
Finance Chair Tone called the meeting to order at 5:30 p.m.

Minutes of the Finance Committee Meeting of January 26, 2010:
Moved by Carter, seconded by Christianson to approve the January 26th, 2010 minutes as presented. Motion carried unanimously with Mayor Griffin voting.

Communications: Finance Director Sullivan stated that the City's audit will be next week.

Approve December 2009 Treasurer's Report:
Moved by Carter, seconded by Christianson to recommend Council approve the December 2009 Treasurer's Report as presented. Carried unanimously with Mayor Griffin voting.

Recommendation to Council Regarding Gordon Claim for Vehicle Damage:
Moved by Christianson, seconded by Carter to recommend Council approve CVMIC's recommendation to offer cash value of the van as a total loss in an amount not to exceed $3,300. Carried 4-1 with Mayor Griffin voting noe.

Moved by Tone, seconded by Carter to reconsider the motion. Carried unanimously with Mayor Griffin voting.

Moved by Carter, seconded by Christianson to approve CVMIC's recommendation to offer the cash value of the van in the amount of $3,100. Carried unanimously with Mayor Griffin voting.

Review 2010 G.O. Borrowing Details:
Of the options that were provided by Ehlers, numbers two and four were discussed. Both options include two separate debt issues.

Option #2: Issue 10-year Refunding Note and Issue 10-year Build America Bond for Capital Projects.

Option #4: Issue 10-year Refunding Note and Issue a 15-year Build America Bond.

Finance Director Sullivan discussed the pros and cons of each option, recommending Option #4. Option #2, while saving money in interest costs has an aggressive payback schedule, which could affect the 2011 budget process. Option #4 better controls the mill rate dedicated to debt service. A drawback of Option #4 since it is a Bond rather than a Note requires that Capital spending remain in the category that the Bond was originally issued for, restricting flexibility in the Capital Plan.

Moved by Christianson, seconded by Jensen to use option number two. Carried unanimously with Mayor Griffin voting.

Future agenda items: None

Motion by Christianson seconded by Jensen to adjourn at 6:35pm. Motion carried unanimously with Mayor Griffin voting.

Respectfully submitted,

Laurie Sullivan
Finance/Economic Dev Director