

FINANCE COMMITTEE MEETING MINUTES

June 27, 2017 – 5:00 p.m.

Council Chambers, Public Safety Building

Present:

Pat O'Connor, Lisa Reeves, Tim Swadley and Mayor Olson

Others Present:

Planning Director Scheel, City Attorney Dregne, Finance Director LaBorde, City Clerk Kropf, and Vasvi Joshi (Baker Tilly)

Absent and Excused:

Tom Majewski

Call to order:

Chairperson O'Connor called the meeting to order at 5:00 p.m.

Communications:

None

Reports:

Contingency Report

Clerk Kropf explained there was no change to the contingency account from the May 23, 2017. No action taken.

Approval of the May 23, 2017 Finance Committee Minutes:

Motion by Swadley, to approve the May 23, 2017 Finance Committee Meeting minutes, second by Reeves. Motion carried 4-0.

R-94-2017- Resolution authorizing and directing the proper City Official(s) to acknowledge receipt of the 2016 City of Stoughton Audit:

Vasvi Joshi, from Baker Tilly explained that she was the manager of the City's Audit. She explained that the City has received a clean opinion, which is the highest opinion that can be given. The audit showed that the City does have some internal discrepancies that are listed in the audit, but that these show in every audit every year. One of the discrepancies addressed the internal controls of the Finance Department, but these issues could not be fixed without more staff to complete certain tasks. The issue for this in 2016 was also attributed to staff departures. The audit revealed that the City had implemented the accounting standard to WRS tracking, which was new as of 2016. Finance Director LaBorde noted that she had worked with Joshi on the audit and is very happy with the results.

Motion by Swadley, to acknowledge the receipt of the 2016 City of Stoughton Audit and recommend to Council for consideration, second by Reeves. Motion carried 4-0.

R-103-2017- Authorizing a reduction on the amount of the TIF Guarantee Letter of Credit provided by McFarland State Bank (relating to the Kettle Park West commercial center):

Attorney Dregne explained to the committee that the City holds a letter of credit with Forward Development Group to secure the TIF agreement with the Kettle Park West Development. This letter, as part of the memorandum of understanding signed in 2015, can be reduced by a request of the developer. This request of reduction is based on the property value that was documented in the development as of January 1, 2016. Any additional work that has been completed in the development after January 1, 2016, has not been calculated in the overall value, yet. The amount of the letter of credit was originally \$4,848,705 and now the letter of credit amount will be \$2,263,968.37.

Motion by Reeves, to approve R-94-2017- Resolution authorizing a reduction on the amount of the TIF Guarantee Letter of Credit provided by McFarland State Bank (relating to the Kettle Park West commercial center) and recommend to Council for consideration, second by Swadley. Motion carried 4-0.

R-104-2017- Approving an agreement relating to conveyance of real property and payment of impact fees (Skaalen Sunset Home, Inc):

Attorney Dregne explained that Skaalen is building another facility on their property. Normally with construction, applicants would need to pay the City impact fees, before construction could occur and building permits could be issued. Skaalen's property encompasses land that would be a part of the Amundson Trail. This agreement would allow the City to convey that land needed from Skaalen, for the trail, in exchange of a reduction of \$55,000 in impact fees.

Motion by Olson, to approve the agreement relating to conveyance of real property and payment of impact fees (Skaalen Sunset Home, Inc) and recommend to Council for consideration, second by Swadley. Motion carried 4-0.

Discussion and possible action regarding update on funds available from hiring of Director of Information Technology & Media Services and the Director of Finance & Economic Development:

Finance Director LaBorde explained that with the lag in time from hiring the IT Director, the City had saved approximately \$82,000 in 2016 and \$183,000 in 2017 through May 1, 2017. The monies that had been budgeted for 2016 but not spent in 2016 went directly to the City's undesignated fund and are not available. The amount of funds available from the lag in time for hiring the Finance Director resulted in approximately 5,500 in 2017. Swadley noted that he had asked for this explanation of funds and would like staff to explore if there is a need for the "extra" money. No action was taken.

Discussion regarding City of Stoughton Debt schedule:

Finance Director LaBorde noted that the City currently has \$29,257,922 in outstanding debt, which is currently 58% of the City's debt limit. She explained that the City is paying off its outstanding debt as soon as it borrows again for the new year. No action was

taken.

Discussion regarding property to participate in Gold Shovel program:

No discussion occurred.

Discussion and possible action regarding authorizing the City Attorney to continue working on possible revisions to Chapters 38 & 78 of the Municipal Code relating to historic preservation:

Swadley indicated that he requested this to determine how much time and money may be needed for Attorney Dregne to complete his work on the Historic Preservation ordinances. Attorney Dregne noted that he thought he was about half way through the process and has cost the city approximately \$6,000. Dregne thought that he would need to meet with the Landmarks Commission one more time, once the commission has finished, it will need to be reviewed by the Planning Commission and then by the Common Council. The whole process would take approximately \$12,000 and would be paid from the City's contingency fund. No action taken.

Adjournment

Motion by Swadley, to adjourn the June 27, 2017 meeting of the Finance Committee, second by Reeves. Motion carried 4-0. The meeting of the Finance Committee adjourned at 5:56 p.m.