

FINANCE COMMITTEE MEETING MINUTES

April 26, 2016 – 6:00 p.m.

Council Chambers, Public Safety Building

Present:

Tim Swadley, Paul Lawrence, Regina Hirsch, Pat O'Connor, and Mayor Olson

Others Present:

Finance Director Laurie Sullivan, Utilities Director Kardasz, Utilities Finance Manager Kim Jennings, and Joe Murray from Springsted

Absent and Excused:

None

Call to order:

Finance Director Sullivan called the meeting to order at 6:00 p.m.

Election of Committee Chair:

O'Connor nominated Paul Lawrence to be the Chair of the Finance Committee. Motion carried 5-0.

Paul Lawrence is the Chair of the Finance Committee.

Election of Committee Vice Chair:

Swadley nominated O'Connor to be the Vice Chair of the Finance committee. Motion carried 5-0.

O'Connor is the Vice Chair of the Finance Committee.

Set Meeting Dates/Times:

The committee decided to continue to hold the meetings on the 2nd & 4th Tuesday at 6:00 p.m.

Communications:

None

Reports Jan 2016, Feb 2016, Mar 2016/ Contingency:

No action taken. Finance Director Sullivan explained the contingency fund and its purpose.

Finance Committee Minutes of April 12, 2016:

Motion by Swadley to approve the Finance Committee minutes of April 12, 2016, second by O'Connor. Motion carried unanimously 5-0.

Discussion regarding net new construction illustration:

Finance Director Sullivan explained the City's net new construction illustration and noted that this is part of calculating the City's levy limit. She further explained the percentage of the City's net new construction from 2008 through 2015.

Resolution authorizing the issuance and sale of \$5,895,000 General Obligation Promissory Notes, Series 2016A

Joe Murray from Springsted explained the Moody's rating for the City as AA2, which is the second highest rating that you can receive as a municipality. He also explained that the only

way that the rating could be higher for Stoughton, is if the City grew. He explained that Springsted received nine bids for the borrowing, and noted that all bids were very competitive. He recommended that the bid be awarded to Wells Fargo. He noted that because of the bid tabulation the borrowing amount for the City would be \$5,830,000 instead of the proposed \$5,895,000.

Motion by O'Connor, to approve the resolution authorizing the issuance and sale of \$5,830,000 General Obligation Promissory Notes, Series 2016A, second by Swadley. Motion carried 5-0.

Resolution authorizing the issuance and sale of \$4,055,00 Electric System Mortgage Revenue Bonds, Series 2016B of the City of Stoughton, Dane County, Wisconsin, and providing for the payment of the bonds and other details with respect to the bonds

Joe Murray explained the borrowing for the Electric System Mortgage revenue bonds and that Springsted received four bids. He also explained that the lower bid amount would change the borrowing amount to \$4,005,000 instead of \$4,055,000. He then gave a brief description on the bonds for the electric utility. He recommended that the bid be awarded to Robert W. Baird & Company, the low bidder.

Motion by O'Connor, to approve the resolution authorizing the issuance and sale of \$4,005,000 Electric System Mortgage Revenue Bonds, Series 2016B of the City of Stoughton, Dane County, Wisconsin, and providing for the payment of the bonds and other details with respect to the bonds, second by Hirsch. Motion carried 5-0.

Resolution Authorizing the issuance and sale of \$2,650,00 Waterworks System Mortgage Revenue Bonds, Series 2016C of the City of Stoughton, Dane County, Wisconsin, and providing for the payment of the bonds and other details with respect to the bonds.

Joe Murray explained the borrowing for the Waterworks System Mortgage revenue bonds and that Springsted received five bids. He explained that this bid, also came in under than projected and the borrowing amount would be \$2,520,000 instead of the proposed \$2,650,000. He further recommended that the bid be awarded to Banker's Bank with McFarland State Bank.

Motion by Swadley, to approve the resolution Authorizing the issuance and sale of \$2,520,00 Waterworks System Mortgage Revenue Bonds, Series 2016C of the City of Stoughton, Dane County, Wisconsin, and providing for the payment of the bonds and other details with respect to the bonds, second by O'Connor. Motion carried 5-0.

Future Agenda Items:

Discussion regarding redundant services/programs within the current City/Utility structure –Retiree Reserve Fund

Adjournment

Motion by O'Connor, to adjourn the meeting of the Finance Committee, second by Hirsch. Motion carried unanimously 5-0. The Finance Committee meeting adjourned at 6:55 p.m.