

**FINANCE COMMITTEE
MAY 9, 2011 AT 6:00 P.M.
LINCOLN CENTER – 1519 WATER STREET**

PRESENT: Alderperson Moore, Molski, Stroik, Brooks and Suomi

ALSO

PRESENT: C/T Schlice; Mayor Halverson; City Attorney Molepske; Clerk Moe;
Ald. Wiza, Slowinski, Trzebiatowski, O'Meara, M. Stroik, Beveridge;
Directors Halverson, Schrader, Lemke, Ostrowski; Assessor Siebers;
Police Chief Ruder; Deputy C/T Freeberg; Matthew Brown; Brian Kowalski;
Dawn Gunderson; Barb Jacob

1. DESIGNATION OF OFFICIAL NEWSPAPER.

The item is being forwarded directly to Common Council. No action being taken at this time.

2. AN INITIAL RESOLUTION AUTHORIZING THE ISSUANCE OF NOT TO EXCEED \$2,980,000 GENERAL OBLIGATION REFUNDING BONDS.

C/T Schlice stated there is a new resolution done in the packet with new numbers. The new number is \$2,870,000 and was changed due to a premium that was paid by the issuer towards the issues. We are doing this because we had some loans with the State Trust Fund and the interest rates we borrowed at were higher than what the current market is, so we moved forward to refund them and reissue at a lower rate.

Motion made by Ald. Molski, seconded by Ald. Brooks to approve the initial resolution authorizing the issuance of not to exceed \$2,870,000 General Obligation Refunding Bonds.

Ayes: All Nays: None Motion carried.

3. RESOLUTION AUTHORIZING AND PROVIDING FOR THE SALE AND ISSUANCE OF \$2,980,000 GENERAL OBLIGATION REFUNDING BONDS, SERIES 2011C.

C/T Schlice stated once again, the amount has been changed to \$2,870,000.

Dawn Gunderson, of Ehlers, reviewed the packet that was handed out. She stated they received 5 bids and the winning bid was from Hutchinson, Shockey, Erley & Co. out of Chicago. The trust interest rate, which is the rate net the cost of issuance, on the winning bid was 1.9931%. Due to the premium bid that was received, they were able to reduce the amount that is being financed. The final sale results ended up with a higher savings rate than the preliminary results showed. The final sale savings is \$239,154.34. Moody's Investors did affirm our Aa2 rating on this issue, showing the City's strong financial operations.

Ald. Stroik asked if Hutchinson, Shockey, Erley & Co. is who bought out M & I Bank.

Dawn Gunderson replied they are the underwriter.

C/T Schlice stated one thing that is a little bit different this time as compared to other refunding

issues is that since there is a premium bid on this issue in the amount of \$80,242.66, he needs authorization to make a transfer into the debt service fund for that amount, but it will be offset by the premium. The reason for that transfer is that it is a state law that requires premiums be put directly into a debt service fund. It will be authorized as part of the resolution.

Motion made by Ald. Stroik, seconded by Ald. Molski to approve the resolution authorizing and providing for the sale and issuance of \$2,870,000 General Obligation Refunding Bonds, Series 2011C.

Ayes: All Nays: None Motion carried.

4. RESOLUTION BY CITY COUNCIL OF THE CITY OF STEVENS POINT IMPLEMENTING CITY PICK-UP OF EMPLOYEE RETIREMENT CONTRIBUTIONS PURSUANT TO IRC SEC. 414(h)(2).

C/T Schlice stated they took a survey of the employees and 82% prefer to do this on a pretax basis. It does not cost anything to the City, we just have to pass a resolution authorizing it.

Motion made by Ald. Brooks, seconded by Ald. Stroik to approve the resolution by the City Council of the City of Stevens Point implementing City pick-up of employee retirement contributions pursuant to IRC Sec. 414(h)(2).

Ayes: All Nays: None Motion carried.

5. APPROVAL OF PAYMENT OF CLAIMS.

The claims were discussed.

Motion made by Ald. Molski, seconded by Ald. Moore to approve the payment of claims in the amount of \$207,480.41.

Ayes: All Nays: None Motion carried.

Adjournment at 6:10 P.M.