

**FINANCE COMMITTEE
MARCH 14, 2011 AT 6:00 P.M.
LINCOLN CENTER – 1519 WATER STREET**

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

ALSO

PRESENT: C/T Schlice; Mayor Halverson; Clerk Moe; Ald. Wiza, Slowinski, Trzebiatowski, O'Meara, M. Stroik, Suomi; Directors Halverson, Schraeder, Lemke, Ostrowski, McGinty; Assessor Siebers; Deputy C/T Freeberg; Asst. Police Chief Kudronowicz; Kelley Pazdernik; George Hanson; Matthew Brown; Nick Paulson; Mike Harrigan (Ehlers); Bernie Coerper; Barb Jacobs; Steve Louis; Jeff Schuler; Lane Boyle; Pete Ananiadis; Jim Hamilton

1. ASSESSOR'S REPORT.

Motion made by Ald. Stroik, seconded by Ald. Molski to approve the Assessors report and place it on file.

Ayes: All

Nays: None

Motion carried.

2. RESOLUTION AUTHORIZING AND PROVIDING FOR THE SALE AND ISSUANCE OF \$5,965,000 OF GENERAL OBLIGATION COMMUNITY DEVELOPMENT BOND SERIES 2011A.

Mike Harrigan, Ehlers & Associates, passed out information and gave a brief presentation on the results of the bid. The bid was awarded to the lowest bidder who was Bankers Bank out of Madison in conjunction with the Pineries Bank in Stevens Point. The average of the semi-annual interest rate is 3.6096%. The interest was originally estimated at \$2,359,084.43 and because of the rates received today, the final interest amount is \$2,206,829.76, which is about \$153,000 less than estimated. He mentioned that another part in processing bonds of this nature is to go through a rating process with Moody's Investment Service. The Mayor and C/T Schlice spent an hour on the phone with them going through the process. The rating that has been issued for the City of Stevens Point is a very strong Aa 2, which is a very good rating and two notches below the best, which is better than average. If the Committee and Council are comfortable with the results, the action would be the award of the sale through the adoption of the resolution. He stated that the resolution was prepared in its final form by our bond attorney at Foley & Lardner and what it does is award the sale to the low bidder and approves the tax levy necessary for the payment of the interest on the debt, allowing it to be offset by TID revenues that are available, authorizes the bond to be issued as tax exempt securities in accordance with the IRS codes and authorizes the proper City officials to execute all the documents to close the issue and finally to close the official statement that was prepared on our behalf.

Motion made by Ald. Stroik, seconded by Ald. Mallison, to approve the resolution authorizing and providing for the sale and issuance of \$5,965,000 of General Obligation Community Development Bond Series 2011A and all the related details.

Ald. Brooks questioned whether the litigation will affect the borrowing.

C/T Schlice stated that it was reviewed by Bond Council, has been approved by referendum in the community and a judge has upheld the referendum.

Ayes: All Nays: None Motion carried.

3. AUTHORIZE ADVANCE PAYMENT TO CDA FOR ACQUISITION OF SHOPPING CENTER PROPERTY AS DETERMINED BY CLOSING DOCUMENTS.

C/T Schlice stated that the Community Development Authority will be purchasing the two units as authorized by this borrowing. Authorization is needed to cut a check to the CDA once the bond is approved at Council level.

Motion made by Ald. Molski, seconded by Ald. Brooks to approve authorizing the advance payment to CDA for acquisition of shopping center property as determined by closing documents.

Ald. Stroik questioned if we should have the exact properties in the motion.

Motion made by Ald. Molski, seconded by Ald. Brooks to approve authorizing the advance payment to CDA the amount of money needed to purchase the Mall and Dunham.

Ayes: All Nays: None Motion carried.

4. REQUEST TO PROCEED WITH 2011B SHORT TERM BORROWING.

C/T Schlice stated that this is the standard annual short-term borrowing that we do for projects for the year.

Motion made by Ald. Mallison, seconded by Ald. Brooks, to approve the request to proceed with 2011B Short-Term Borrowing.

Ald. Stroik stated he was happy to see the seawall project is on the list. He stated this was one of the reasons he ran for Council six years ago, as a lot of complaints from homeowners having to pay a high flood insurance rate every year, which was like throwing money away for them. Even though it will be paid through special assessment, in essence it will finally become short-term, in a few years it will be done. He thanked the City and this staff to get this pushed through, the residents of the 9th District will be happy to see the beginning of the end.

Mayor Halverson stated this will directly affect 202 homeowners in the City. They were paying between \$800 and \$1200 per year for flood insurance, which has become a detriment to the City to have a healthy and very abundant real estate market in this area. We want to encourage people to live in the central city and be competitive.

Ald. Slowinski questioned if we are moving forward with the Transit facility project.

Mayor Halverson answered that we are obligated for our local share of the initial 2.5 million from about 3 years ago now. If we do acquire these 18 acres, we are not required to make it a Transit facility in the future. We will not progress with any further construction of the new Transit

facility until we know that at least we have some definitive answers over this 24 month period of time, we have plenty of time to use the additional 2.5 million that we were awarded, so we have 5 million total that would be awarded for this facility. We are obligated to pay the local share on that first 2.5 million. The \$380,000 for the land acquisition can be purchased and know that we have met that initial obligation, if we don't move forward with that land, in essence, the worst thing we have is 18 acres along the railroad. If we do use it, we can convert it and require that land acquisition met the merits of the local match.

C/T Schlice stated this will also cover the Engineering portion of the cost.

Ayes: All Nays: None Motion carried.

5. UPDATE ON FIRE DEPARTMENT OVERTIME.

C/T Schlice reported that although the Fire Department did exceed their overtime budget, they were able to offset that a number of different ways, including vacant positions and some other savings on costs. They were under budget for the year.

Ald. Molski asked if it was going to be tracked for this year also.

Mayor Halverson stated it would be tracked and it was tracking well until this morning over some FML issues.

C/T Schlice stated he will keep the Committee posted.

6. APPROVAL OF PAYMENT OF CLAIMS.

Motion made by Ald. Molski, seconded by Ald. Moore, to approve the payment of claims in the amount of \$2,513,103.95.

Ayes: All Nays: None Motion carried.

Adjournment at 6:20 P.M.