

Minutes approved by Budget Committee on May 2, 2019.

1. CALLED TO ORDER AND ROLL CALL:

Mayor Peter Truax called the Budget Committee meeting to order at 6:02 p.m. and welcomed new member, Wolanda Groombridge, to the committee.

ROLL CALL: PRESENT: David Andersen, Jeff Boivin, Tom Cook, Wolanda Groombridge, Thomas Johnston, David Maisel, Timothy Rippe, Debby Roth, Dale Smith, Peter Truax, Val Valfre (left meeting at 6:30 pm) and Malynda Wenzl.

ABSENT: Ronald Thompson, excused, and Elena Uhing, excused.

STAFF PRESENT: Jesse VanderZanden, City Manager; Paul Downey, Administrative Services Director; Bryce Baker, Assistant Finance Director; Beverly Maughan, Executive Assistant to City Manager; in audience -- Colleen Winters, Library Director; Tom Gamble, Parks and Recreation Director; and Keith Hormann, Light & Power Director.

2. CITIZEN COMMUNICATIONS: None

3. ADDITIONS/DELETIONS: None

4. APPROVAL OF MINUTES FROM MAY 10 and MAY 17, 2018:

Rippe moved, seconded by Boivin, to approve the minutes as presented. With all those present voting in favor, motion passed.

5. INFORMATIONAL DISCUSSION:

Retirement Plan Update: Downey gave a brief overview of the retirement plans offered to City employees. He noted the actuary estimates future benefit payments that will be paid from the Plan and determines contributions needed from the City to meet those future funding obligations based on the Plan's actuarial assumptions and also calculates final benefits when an employee retires and the annual cost of living increases. He explained the investment advisor advises the City on the Plan's investment portfolio with the City making the final decision on the actual investments based on the policies adopted by the City Council that establishes the classes of allowed investments and a range of percentages allowed in each class. He then introduced Scott Preppernau and Lacey Engle, Milliman, the City's actuaries who reviewed the retirement plan basics, measuring liabilities, determining recommended contribution, and current funding policy. The floor was turned over to John Upton, Retirement Consulting Group, the City investment advisor who explained the City's pension investment history and future needs.

City Council and URA Goals and Objectives: VanderZanden reviewed the updated objectives that fall under the three Council goals and highlighted the ones which will have an impact on the budget.

General Fund Fiscal Reserves Policy: Downey reviewed the policy that was formalized after last year's budget committee meetings where the fund balance was set at 25% of regular GF operating expenditures. He also reviewed the resolution that authorized reserves above the minimum fund balance be set aside for the purpose of smoothing future defined benefit retirement plan contributions.

General Fund 4-Year Projection: Downey reviewed the PowerPoint presentation and discussed significant revenue and expenditure changes during the current fiscal year and the impact on the projected ending Fund Balance until the end of the local option levy.

Upcoming Capital Improvement Projects: Downey reviewed the PowerPoint presentation briefing the committee on studies which could identify future capital projects in various funds and larger capital projects such as proposed police facility, City Hall and engineering building, Clean Water Services inflow and infiltration projects, and street/intersection improvements.

6. **ADJOURNMENT:**

Mayor Truax adjourned the meeting at 8:37 pm.
Respectfully submitted by

Beverly Maughan, Executive Assistant