

VILLAGE OF GRAFTON

FINANCE COMMITTEE MEETING MINUTES

SEPTEMBER 7, 2010

President Jim Brunnquell called the Finance Committee meeting to order at 5:00 p.m.

Finance Committee members present: Jim Brunnquell, Jim Grant, Ron LaPean, Richard Rieck

Staff/Officials present: Village Administrator Darrell Hofland, Finance Director Paul Styduhar, and Administrative Assistant Rachel Reiss

HEAR PERSONS WISHING TO BE HEARD

None.

SHADY LADY LIGHTING, INC. ECONOMIC DEVELOPMENT LOAN

Finance Director Styduhar stated Shady Lady Lighting, Inc. is requesting an extension on interest only payments for their economic development loan.

Guy Mortor from Shady Lady Lighting, stated there have been some changes to reduce overhead and manage labor. The interest only payments are making it possible for Shady Lady Lighting to stay in business.

Mr. Styduhar stated staff does not have concerns with the extension of interest only payments.

Motion by Trustee Grant, seconded by Trustee LaPean, to recommend the Village Board to extend the interest only payments on the Economic Development Revolving Loan Program loan to Shady Lady Lighting, Inc., 1350 14th Avenue, for 6 months. Approved unanimously.

FINANCIAL TREND MONITORING SYSTEM

Finance Director Styduhar reviewed the Financial Trend Monitoring System. This is an initiative ICMA recommends for municipalities. This is the third year this is being presented to the Finance Committee. The purpose of the FTMS is to identify the Village's financial condition.

There are three areas which have been identified as caution areas: revenues per capita, expenditures per capita, and taxes per capita. The main reason for this caution is the Village population is growing at a faster rate than the revenues and taxes are increasing on a constant dollar basis. Expenditures are increasing faster than the population due to the debt service expenses. The majority of debt service is paid by the Tax Incremental Districts.

President Brunnquell questioned if this report will cause staff to change any procedures. Mr. Hofland stated there are no anticipated changes in policies.

RESOLUTION TO APPROVE COMMITMENT OF FUND BALANCES

Finance Director Styduhar stated this resolution is a result of GASB 54. The resolution clarifies the special revenue funds to meet the new definition. There must be a substantial specific revenue source to offset the expenditures and the funds must be restricted or committed. The second change with GASB 54 which changes the fund balance reporting terminology. The options to meet the terminology requirements were explained and staff indicated there would be a resolution or motion at a future Finance Committee meeting to satisfy the requirements.

Motion by Trustee Grant, seconded by Trustee Rieck to recommend the Village Board adopt a resolution approving commitment of fund balances.
Approved unanimously.

OLD BUSINESS

None

NEW BUSINESS

None

CONVENE TO CLOSED SESSION PURSUANT TO WISCONSIN STATUTES 19.85(1)(E) FOR REAL ESTATE AND COMPETITIVE BARGAINING MATTERS (REVOLVING DEVELOPMENT LOAN NEGOTIATIONS)

Motion by Trustee Grant, second by Trustee LaPean, to convene to closed session at 5:15 p.m. Approved unanimously by a roll call vote.

A closed session of approximately 28 minutes was held. During the closed session the Finance Committee reviewed litigation strategies relating to revolving development loan negotiations.

RECONVENE TO OPEN SESSION AND THE REGULAR ORDER OF BUSINESS

Motion by Trustee Rieck, seconded by Trustee Grant, to re-convene to open session and the regular order of business, at 5:43 p.m. Approved unanimously by roll call vote.

EDGE, INC. PRESENTATION

Todd Luft, President of EDGE, Inc., reviewed current and future initiatives. Recently EDGE worked with Village Staff to produce a New Business Development Portfolio, assisted Celebrate Grafton with strategic planning, and has worked with the School District and Town of Grafton to increase the brand awareness.

A key initiative for 2011 is for EDGE to take a larger role in the new business attraction. EDGE will have a supporting role for the Village's Planning and Development Department.

President Brunnuell commended Mr. Luft on the efforts of EDGE, Inc. They have been an invaluable resource for the Village.

ADJOURN

Motion by Trustee LaPean, seconded by Trustee Rieck, to adjourn at 5:58 p.m. Approved unanimously.