

**FINANCE COMMITTEE**

**MINUTES**

The Finance Committee Meeting of the City of Willmar met at 5:15 p.m. on Thursday, February 6, 2020, in Conference Room No. 1 at the City Office Building.

Present:	Audrey Nelsen	.....	Chairman
	Rick Fagerlie	.....	Vice Chair
	Andrew Plowman	.....	Member
	Vicki Davis	.....	Member

Others present: Finance Director Steve Okins.

**Item No. 1    Call to Order**

The meeting was called to order at 5:15 p.m.

**Item No. 2    Public Comments**

There were no public comments.

**Item No. 3    Action Items for the Council**

**Acknowledgement of Donations – (Resolution)**

Staff provided a list of fourth quarter donations received by the City to the committee. Pursuant to former Council action on March 7, 2016, a donation protocol allows staff to promptly send a thank you letter and formally approve the donations on a quarterly basis. At this time it was moved by Councilmember Plowman, seconded by Councilmember Davis and passed to introduce a resolution to accept the list of 4<sup>th</sup> quarter 2019 donations totaling \$12,932.56 as presented.

**Fund Balance Policy Update – (Resolution)**

The committee has reviewed and discussed recommendations to the Fund Balance Policy that would include reference to the City Charter Article III – Community Investment Fund, under Section IV Other Policy Considerations of the Fund Balance Policy. The reasons discussed were, due to the restrictive nature and number of findings required. It was included by reference only due to the length of the Article and then any Charter changes would automatically apply. It was then moved by Councilmember Fagerlie, seconded by Councilmember Plowman and passed to introduce a resolution to amend the City Fund Balance Policy to address the Community Investment Fund.

**Invest in Willmar Preliminary Budgets (Resolutions - 4)**

The City of Willmar passed a half cent Local Option Sales Tax in the fall of 2018 and received approval of the tax from the State Legislature in the spring of 2019 that took effect on October 1, 2019. Architects, Construction Managers and Engineers have been selected for the four projects of: Recreation Fields, Recreation/Event Center, Robbins Island and Swansson Field. Staff presented Preliminary Budgets for the projects based on the authorizing legislation.

It was then moved by Councilmember Plowman, seconded by Councilmember Davis and passed to introduce the first resolution setting the Preliminary Budget for the Recreation Fields at \$6,000,000.

Second action was moved by Councilmember Plowman, seconded by Councilmember Davis and passed to introduce a resolution to set the Preliminary Budget for the Recreation/Event Center at \$ 10,000,000.

Third action was moved by Councilmember Fagerlie, seconded by Councilmember Plowman and passed to introduce a resolution to set the Preliminary Budget for the Robbins Island project at \$3,000,000.

Fourth Action was moved by Councilmember Fagerlie, seconded by Councilmember Plowman and passed to introduce a resolution to set the Preliminary Budget for the Swansson Field project at \$2,000,000.

#### **Item No. 4    Discussion Items for the Council**

##### **2019 Investment Report**

Staff presented the 2019 Investment Report which included separate sections such as the Interest/Dividends by Institution, Fourth Quarter Activity, Cash Investment Portfolio listing, Historical Interest/Dividend by Quarter, Investment Balance by Quarter, 2019 Investment Activity, and Market Value History by Quarter since 2009.

There were two items highlighted in the report. The first was the amount of activity in the Fourth Quarter due to the Market Rate decline and a number of Agency Investments being called. The second was the Historical Market value fluctuations and need to have accurate cash flows to prevent the need to cash in any investments early.

##### **2019 MUC Preliminary Financial Report**

The committee received the Preliminary 2019 Municipal Utilities Financial Report for review. The staff of the MUC will be attending a future meeting to discuss and explain any questions the committee may have.

##### **Investment Policy Review**

Staff continues working with Bremer Wealth Management on possible recommendations. This policy will be discussed at future Finance Committee meeting.

There being no further business to come before the Committee, the meeting was adjourned at 5:50 p.m. by Chair Nelsen.

Respectfully submitted,

Steven B. Okins  
Finance Director