

**CITY OF FRANKLIN
FINANCE COMMITTEE MINUTES
June 26, 2007**

- I. The June 26, 2007 Finance Committee Meeting was called to order at 6:00 p.m. in the Common Council Chambers of Franklin City Hall.

Present were Members Arvanetes, Kust, Bowe (arrived at 6:03 p.m.), Alderman Solomon, Alderman Hammelman, and Alderman Olson. Member Ciche was excused. Also present was Director of Finance & Treasurer Cal Patterson.

- II. Citizen Comment Period: None.

- III. Approval of the May 15, 2007 Finance Committee Meeting Minutes

Motion made by Member Kust and seconded by Member Arvanetes to approve the May 15, 2007 Finance Committee Meeting Minutes as submitted. Upon vote, Ayes-3, Noes-0, Abstain-1 (Ald. Hammelman), Motion carried.

- IV. Waste Management's Request for City to Issue \$20M in Industrial Development Revenue Bonds

Lee McCormick of Community Development Resources presented the Waste Management request for Industrial Development Revenue Bond financing.

Motion made by Alderman Olson and seconded by Member Bowe to recommend approval to the Common Council with Quarles and Brady Bond Counsel review for Council. Upon vote, Ayes-All, Motion carried.

- V. May General Financial Report

Director of Finance & Treasurer Patterson presented the May Financial Report. Informational item only – no action required.

- VI. Annual Status Report for the Self-Funded Employee Group Health & Dental Program

Director of Finance & Treasurer Patterson presented the Annual Self-Funded Employee Group Health & Dental Program report to the Committee. Informational item only – no action required.

- VII. Equipment Revolving Fund Annual Report

Director of Finance & Treasurer Patterson discussed non-motorized equipment issue and non-like equipment replacement issue. By consensus of Committee Members, this issue will be studied to add to policy statement.

Motion made by Alderman Hammelman and seconded by Member Bowe to recommend to the Common Council early replacement of the Police Department's 2000 Ford Expedition due to accident for a net cost of \$25,000 (\$36,000 cost less \$11,000 in insurance proceeds). Upon vote, Ayes-All, Motion carried.

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VIII. Capital Improvement Fund Funding Availability

Director of Finance & Treasurer Patterson presented this agenda item. Informational item only – no action required.

IX. Funding Issues (items a. through d.)

- a. Request from Police Department for Purchase, Training, and Equipping of 3 Replacement Dogs in K-9 Unit with Funds in 2007 Police Department Personnel Budget (Referred to Finance Committee from 6-5-07 Council Meeting for funding sources).

Police Chief Oliva presented the replacement police dogs item to the Committee.

Motion made by Alderman Olson and seconded by Alderman Hammelman to recommend to the Common Council to authorize a transfer from the General Fund with the funds coming from contingency to the Capital Outlay Fund in the amount of \$45,000 and establish a budget in that amount for Police Department Capital Outlay for purchase, training, and equipping 3 replacement dogs in the K-9 Unit. Upon vote, Ayes-All, Motion carried.

- b.-d. b. Construction Limits for the Reconstruction of S. 51st Street North and South of W. Rawson Avenue; c. Relocation Order for Acquisition of Property for Right-Of-Way for the Reconstruction of South 51st Street in the General Vicinity of West Drexel Avenue; d. Drexel Avenue Road Project-Hwy. 100 to Loomis Road (all referred to Finance Committee from 6-5-07 Council Meeting for funding sources).

Motion made by Member Bowe and seconded by Alderman Hammelman to designate Items b. through d., for \$1.7M, from the Capital Improvement Fund with authorization to internally borrow for funds not on hand to be replaced with a potential outside borrowing in 2008 or 2009 or receipt of one-time funds. Upon vote, Ayes-All, Motion carried.

X. GASB 45 OPEB Implementation Plan

Director of Finance & Treasurer Patterson presented this item to the Committee.

Motion made by Alderman Hammelman and seconded by Member Kust to recommend this issue to the next Committee of the Whole Meeting for review. Upon votes, Ayes-All, Motion carried.

XI. 2007 Budget Adjustments

Motion made by Alderman Hammelman and seconded by Alderman Olson to refer the Mayor's request for a Legal Service Budget increase of \$19,200 for increased involvement by the City Attorney in Plan Commission activities to the next Committee of the Whole Meeting. Upon vote, Ayes-All, Motion carried.

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Motion made by Alderman Olson and seconded by Alderman Hammelman to approve the 2007 budget adjustment for City Development to study the Civic Center District where the Council allocated \$15,000 in contracted services for an outside contractor to do a study on the financing alternatives related to this district. Upon vote, Ayes-All, Motion carried.

Motion made by Alderman Olson and seconded by Member Kust to table the 2007 budget adjustment request of \$15,000 for emergency appointments of outside contractors for 24 hours a week during the City Development Department's vacancy period plus UDO prep work. **Motion withdrawn.** Motion made by Member Bowe and seconded by Alderman Olson to recommend striking the 2007 budget adjustment request for City Development UDO prep work by outside contractors and recommending approval of a \$10,000 budget adjustment for the emergency appointments of outside contractors for 24 hours a week during the City Development Department's vacancy period. Upon vote, Ayes-All, Motion carried.

Motion made by Alderman Olson and seconded by Alderman Hammelman recommending approval of a 2007 budget adjustment addition of \$1,800 for refunded property taxes based upon Board of Review actions. It was further recommended to approve a total of \$46,000 in General Fund 2007 Budget Adjustments to be funded through an equal reduction in the Contingency Budget, subject to Committee of the Whole review. Upon vote, Ayes-All, Motion carried.

Motion made by Member Bowe and seconded by Alderman Hammelman to recommend to the Common Council approval of the Capital Improvement Fund 2007 Budget adjustment changes as described on page 50 of the June 26, 2007 Finance Committee Meeting packet, where a transfer from the Fund Balance of the Capital Improvement Fund of \$795,400 will be necessary to make these budget changes. Upon vote, Ayes-All, Motion carried.

Motion made by Member Bowe and seconded by Member Kust to recommend to the Common Council approval of the Debt Service Fund 2007 Budget adjustment changes as outlined on Page 51 of the June 26, 2007 Finance Committee Meeting packet, reducing the budgeted Fund Balance of the Debt Service Fund by \$16,032,793. Upon vote, Ayes-All, Motion carried.

XII. 2008 Budget Forecast

Director of Finance & Treasurer Patterson discussed the Budget Forecast with the Committee. Informational item only – no action taken.

XIII. Council Actions

Informational item only – no action required.

XIV. Discussion of Future Topics for Finance Committee Consideration

- Update Fines and Forfeitures Fee Schedules

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XV. Future Meeting Date – July 24, 2007

XVI. Adjournment

Motion made by Alderman Hammelman and seconded by Member Arvanetes to adjourn the June 26, 2007 Finance Committee Meeting at 8:37 p.m. Upon vote, Ayes-All, Motion carried.