



NOTICE OF PUBLIC MEETING – Budget & Finance Committee

The City of Adel's Budget & Finance Committee will meet in council chambers at Adel City Hall, 301 South 10th Street, Adel, Iowa on **Tuesday, October 2, 2018 at 6:45 p.m.**

AGENDA

1. Call to Order
2. Approval of August 22, 2018 Minutes
3. Discussion of Incentives Proposal for Southbridge PUD – Nathan Overberg with Ahlers & Cooney and Jon Burmeister with PFM
4. Discussion of Budget and Police Officer On Military Leave – Police Chief Gordy Shepherd
5. Any Other Business
6. Adjournment

10/1/2018 3:23:38 PM

Please Note: Members or a quorum of members of other City Committees, Commissions, and / or the Council may be in attendance. Only items on the agenda may be acted upon and / or discussed.



August 22, 2018 Budget & Finance Committee - Minutes

The City of Adel's Budget & Finance Committee met in the Adel City Hall council chambers, 301 South 10th Street, Adel, Iowa, on August 22, 2018 at 6:00 p.m.

The Budget & Finance Committee meeting was called to order at 6:00 p.m. by Chair Shirley McAdon. Members present: Christensen, McAdon, and Ockerman. Others in attendance: Council member Selby, City Administrator Brown, Library Director James, Public Works Director Overton, Finance Director Sandquist, Parks & Recreation Director Schenck, and Police Chief Shepherd.

Ockerman motioned, seconded by Christensen, to approve the August 22, 2017 meeting minutes. Motion carried unanimously.

Discussion began on potential incentives for the Southbridge PUD. Brown provided an overview of the development and developer Robert Cramer's initial proposal. McAdon noted that the City has two incentive programs: tax abatement and tax increment financing (TIF). This project would require a new Urban Renewal Area, a TIF district, and a development agreement. McAdon noted that abatement is equal for all who qualify and that abatement covers this property.

McAdon stated that the developer is asking for additional incentives and should have a compelling reason. Ockerman stated that he supports commercial TIF because debt service taxes are carved out for the City, the County, and the school.

Christensen noted that he prefers TIF to abatement, but he has questions and concerns with a one-off deal. McAdon noted that the City should consider its overall goal for projects and incentives. Brown stated that staff is looking for consensus and direction, as many more legal issues must be resolved. The council will continue learning about TIF next week.

Discussion moved to the FY16-17 Audit findings. McAdon noted that the segregation of duties comment always seems to be there because of the City's limited staff size. However, the City should continue to find ways to reduce this comment.

McAdon stated that another audit comment was on the City's accounting policies and procedures. Sandquist noted that this comment related to the Fire Association, which has addressed it. McAdon stated that other audit findings included the City's TIF reporting and a deficit balance in one fund. These areas have been worked on in the past and will continue to receive attention.

Selby discussed some ideas to improve the segregation of duties comment. Brown noted that he and Brittany have scheduled quarterly audit review meetings to keep things on track. Christensen noted that the audit looked fairly typical and that audit findings can help improve things. Selby asked whether any of the findings were more concerning than others.

Discussion moved to the FY17-18 Budget overs/unders at June 30, 2018. McAdon noted that this review will help provide confidence, transparency, and accountability as the City moves into future budgets.

The commission discussed the following budgets: Fire, Police, Library, Parks & Recreation, Finance, and Public Works. Issues brought up were variance reporting, how items are coded, reclassifying, credit card fees, carryover projects (e.g., City Hall windows), local option sales tax, and minor items within each budget. The FY17-18 General Fund balance on June 30, 2018 was \$338,255, which was much more than projected when the budget was submitted in March 2017.

Discussion moved to several fund balances from June 30, 2018 that warranted further review. McAdon noted that she met with Brown and Sandquist to determine how to correctly categorize some of these balances. Some funds may be combined/eliminated.

Christensen motioned, seconded by Ockerman, to recommend these changes to the council except for the Police Forfeiture fund. Motion carried unanimously.

In other business, Brown noted that City staff has been pursuing quotes for LED lighting for several City buildings. Brown also noted that quotes were being solicited for repairing the City Hall roof. The committee agreed with obtaining quotes.

With no other business, the meeting was adjourned at approximately 8:03 p.m.

Respectfully submitted, Anthony Brown, City Administrator