

**FINANCE COMMITTEE REPORT
CITY OF WILLMAR
MONDAY, JANUARY 23, 2012**

The Finance Committee of the Willmar City Council met at 4:45 p.m. on Monday, January 23, 2012, in Conference Room #1 at the City Office Building. Chair Denis Anderson called the meeting to order.

Members Present: Denis Anderson Chair
Rick Fagerlie Vice Chair
Tim Johnson Member
Jim Dokken Member
Charlene Stevens City Administrator
Steve Okins City Finance Director

Others present included Jill Bengtson, Willmar HRA; Mark Moorhouse, Dominion Management Services; Frank Hogan, Dougherty & Company; and Carol Gluth, Accounting Supervisor.

Item No. 1 – Fire Department Donation (Resolution)

City Finance Director Okins informed the Committee that the Fire Department has received a donation of \$50 from Elaine Doney. Following discussion, it was moved by Council Member Fagerlie, seconded by Council Member Johnson, and passed to make the following:

RECOMMENDATION: to introduce a resolution accepting the donation of \$50 from Elaine Doney and to send a letter of appreciation.

Item No. 2 – Rice Memorial Hospital Refunding Bond Rating Discussion (Information)

Staff informed the Committee that it is anticipated Moody’s will be issuing a notification shortly that the City’s Bond Rating of Aa2 will remain intact after the recent Hospital Refunding Bond issue. This matter was for information only.

Item No. 3 – Investment Policy Annual Review (Motion)

Staff presented the City of Willmar Investment Policy to the Committee for its annual review. Following discussion, it was moved by Council Member Fagerlie, seconded by Council Member Johnson and passed to make the following:

RECOMMENDATION: to make a motion approving the existing Investment Policy.

Council Member Dokken arrived at this time.

Item No. 4 – Willmar/Kandiyohi County Conduit Financing Request – Dominion Development Project (Information)

Staff presented to the Committee an Application For Tax-Exempt Financing from Dominion for \$13.948 million of tax-exempt bonds to finance the acquisition and rehabilitation of Eagle Ridge, Somerset and Waters Edge Apartments. Mark Moorhouse of Dominion provided a brief overview of these three complexes and the proposed plan for financing and

rehabilitation. Part of this project would be to upgrade housing for low and moderate income families and part would be for acquisition of the properties. The HRA Board has already approved this project and it is required that the City approve the issuance of bonds by the HRA. It was noted that these Conduit Tax-Exempt Revenue Bonds are secured by revenue from the project and there is no obligation for the City or HRA to repay the bonds. Further, these bonds will not be considered a debt or indebtedness of the Willmar HRA or the City of Willmar and will not affect general credit. This matter was taken for information and referred to staff to review by the next Finance Committee meeting scheduled for February 13, 2012.

There being no further business to come before the Committee, the meeting was adjourned at 5:22 p.m. upon motion by Council Member Fagerlie, seconded by Council Member Johnson, and carried.

Respectfully submitted,

Carol Gluth
Accounting Supervisor