

FINANCE COMMITTEE

MINUTES

The Finance Committee of the Willmar City Council met on Monday, March 9, 2015, in Conference Room No. 1 at the City Office Building.

Present:	Denis Anderson	Chair
	Tim Johnson	Vice-Chair
	Audrey Nelsen	Member
	Jim Dokken	Member

Others present: Finance Director Steve Okins, Rice Memorial Hospital Representatives Mike Schramm and Bill Fenske, Willmar Municipal Utilities Finance Director Tim Hunstad, "West Central Tribune" Journalist David Little, and Accounting Supervisor Carol Cunningham.

Item No. 1 Call to Order

The meeting was called to order by Chair Anderson at 4:45 p.m.

Item No. 2 Public Comments

There were no comments from the public.

Item No. 3 Rice Memorial Hospital 12/31/14 & 01/31/15 Financial Report (Information)

Mike Schramm and Bill Fenske, of Rice Hospital, presented the committee with the 12/31/14 Financial Report which reflects a year-to-date net loss of \$1,664,533. The Hospital's 01/31/15 Financial Report was also presented which reflects a year-to-date net income of \$552,839. It was noted that both December and January were positive months in terms of actual financial performance generating a gain on operations. Discussion included efforts to recruit more specialized physicians for the hospital, particularly orthopedists. This matter was received for information.

Item No. 4 Willmar Municipal Utilities 2014 Financial Report (Information)

Willmar Municipal Utilities (MUC) Finance Director Tim Hunstad presented to the Committee the 2014 Financial Report which reflects year-to-date net earnings of \$861,732. Discussion included electricity transmission revenue and costs, the MUC's strong cash reserves, and future capital expenditure requirements. This matter was for information only.

Item No. 5 Willmar Township Fire Contract (Resolution)

Staff reviewed with the Committee the proposed Fire Protection Contract with Willmar Township. The state-wide formula used to calculate the amount due from the Township is based on information from the previous year, which includes operating costs of the Fire Department, depreciation of the fire station and equipment, the number of firefighter hours used and market values of the area covered in Willmar Township. It was noted that the amount of the contract is down substantially from last year due to the reduced number of fire calls.

Following discussion, Council Member Johnson made a motion to introduce a resolution authorizing the Mayor and the City Administrator to execute the agreement as presented in the amount of \$20,245.64. Council Member Dokken seconded the motion which carried.

Item No. 6 Miscellaneous (Information)

Chair Anderson informed the Committee that the Payment In Lieu Of Taxes Agreements with Rice Hospital and Willmar Municipal Utilities expired 12/31/14. He noted that the Finance Committee Chair, City staff and representatives from both entities will be conferring to develop new agreements for 2015.

There being no further business to come before the Committee, the meeting was adjourned at 5:44 p.m. by Chair Anderson.

Respectfully submitted,



Carol Cunningham
Accounting Supervisor