

**MINUTES
FINANCE ADVISORY AND AUDIT COMMITTEE MEETING
February 28, 2011**

A Finance Advisory and Audit Committee meeting was held at 4:00 p.m. on February 28, 2011. Committee members in attendance were Victor Arnold, Douglas Tarwater, Kevin Smith, and Ed Scavone. Also attending were John Blattel, Finance Director, Ron Barrett, Comptroller, and Paula Barrett, Finance Administrative Support Assistant. Absent were Dale Swoboda and James Schatz.

Approval of November 30, 2010 Meeting Minutes

Mr. Tarwater moved to approve the minutes of the November 30, 2010. The motion was seconded by Mr. Scavone and the minutes were approved unanimously.

Presentation by Councilman Gary Kespohl

Councilman Kespohl led a discussion with the Board members regarding the various City bonds and the alternatives available to the City of paying the principal and interest. Councilman Kespohl asked that the Board take this matter over to discuss the options and submit a report stating the Board's findings, what options City can go forward with, and how much money the City can save with the various options.

Councilman Kespohl gave Chairman Scavone copies of documents detailing his research on this topic. The copies were given to Mr. Blattel and will be scanned and e-mailed to all of the Board members. The Board will consider this topic at future meetings.

Further discussion was held after Councilman Kespohl left the meeting regarding the information needed to go forward and the timetable the Board will follow. It was decided that the Board will invite Laura Radcliffe to a meeting to make a presentation about the City's bonds. Following her presentation, the Board will invite a department, probably Water & Light, to give a presentation regarding their bonds as they relate to Councilman Kespohl's issues.

Mr. Blattel will put together a list of questions for Laura Radcliffe to answer in her presentation and he charged the Board to document the presentations and the information that comes out of the meetings so that a succinct report can be given to Council. Mr. Blattel will also communicate with Councilman Kespohl and confirm with him that he is only interested in Water & Light bonds. The Board's goal is to present Council with a report by late summer for next year's budget.

New Finance Advisory and Audit Committee Chairman

Mr. Tarwater nominated Mr. Scavone to continue serving as Chairman through December 31, 2011. Mr. Arnold seconded the motion and the motion was approved.

Other Items

Mr. Blattel indicated that a new Internal Auditor will be on board in the next 60-90 days. An Assistant Finance Director position will be opened and will hopefully be filled in three to six months.

A new accounting system was discussed and Mr. Blattel estimates that it will be a three year process.

Next Meeting

The next meeting date is being left open until all Board members e-mail Paula Barrett with their available schedules in late March.

Adjournment

The meeting was adjourned at 5:15 p.m.