
MEETING MINUTES
BUDGET & FINANCE COMMITTEE
CITY OF FRANKLIN, TENNESSEE
CITY HALL BOARDROOM
MONDAY, JULY 11, 2011 @ 3:00 P.M.

Committee Members

Alderman Ann Petersen, Chair P
Alderman Beverly Burger P
Alderman Michael Skinner P

Other Attendees

Eric Stuckey, City Administrator P
Russell Truell, ACA Finance & Administration P
David Parker, City Engineer/CIP Executive P
Mark Hilty, Water Management Director P
Mike Lowe, Controller P
Steve Sims, Assistant City Recorder P
Brian Wilcox, Purchasing Manager P
Joe York, Streets Director P
Mayor Ken Moore P
Alderman Margaret Martin P
Lauren Lowe, PFM via WebEx P
Lanaii Benne, Assistant City Recorder P
Linda Fulwider, Board Recording Secretary P

1. Call to Order

Alderman Petersen, Chair, called the meeting to order at 3:00p.m., Monday, July 11, 2011.

- Items 4 & 9 taken out of order and followed by items 2, 3, and 5.

2. Approval of the Minutes

Alderman Skinner moved to approve the May 17, 2011 minutes as presented. Seconded by Alderman Burger. Motion carried unanimously.

3. Consideration of RESOLUTION 2011-26, A Resolution Adopting a Revised Purchasing Policy for The City of Franklin

Brian Wilcox, Purchasing Manager

Mr. Wilcox noted the most significant changes:

- Incorporate procurement threshold changes approved per Ordinance 2010-72: \$10,000 to \$25,000 for the City's procurement threshold for sealed submittals pursuant to public advertisement.
- Change name of document from "Purchasing Procedures" to "Purchasing Policy"
- Have all communication with vendors during procurement phase funneled through the Purchasing Office for continuity.
- Delete a statement pertaining to "purchasing from an employee" and replace it with a reference to Article XXII in the COF Human Resources Manual and a reference to Title 1 ("General Administration"), Chapter 8 (Ethics"), of the City's Municipal Code. The current purchasing procedure provision on the subject is inconsistent with HR Manual so deleting the purchasing procedure provision would solve the inconsistency. **(Committee requested the HR policy regarding purchasing from City employees or families be reviewed and brought back for discussion)**
- (There was some discussion regarding multiple quotes, sole source purchases, and consolidated purchases)
- Proposal to handle tie bids and tie quotes. Mr. Wilcox noted this has not happened, but some

have been within a penny difference.

- The end-user department may authorize sole source purchases valued at less than \$10,000. Sole-source purchases valued between \$10,000 and \$25,000 may be authorized by the Purchasing Manager upon reviewing the end-user department's documentation that it is not possible to obtain at least three quotes. Sole-source purchases valued greater than \$25,000 would require either authorization by or reporting to BOMA.
- Three exceptions to the need for individual authorization of sole-source purchases by BOMA (but still requires that they be reported to the Board).

By resolution, the City Administrator has been delegated the authority to sign contracts below \$10,000. As a means to staff in processing transactions more efficiently, Mr. Wilcox recommended the \$10,000 delegated authority be raised to \$25,000. This recommendation is for the Aldermen to consider and unrelated to the purchasing policy.

Alderman Burger moved to approve Resolution 2011-26 with changes as presented and forward recommendation to BOMA. Seconded by Alderman Skinner. Motion carried unanimously.

4. Review and Discussion of Minor Text Changes to Reserve Policy

Russ Truell, ACA Finance & Administration

Lauren Lowe, PFM (Public Financial Management)

The Government Accounting Standards Board issued Statement 54, which changes the nomenclature of the various fund balance reserves beginning with annual reports for the year ending June 30, 2011. Although this Committee discussed this during one of the presentations with PFM, no formal action has been taken. There are no changes to percentages or amounts.

Staff recommends the Board instruct staff to incorporate GASB Statement 54 language in the Franklin Reserve Policy and bring the amended document back for adoption in August.

5. Review of Debt Refunding Report

Lauren Lowe, PFM (Public Financial Management)

Eric Stuckey noted this is reviewed on a regular basis to look at refunding options. A year ago, one variable rate issue was converted into a fixed rate issue through a refunding.

Ms. Lowe reviewed the following (as of June 10, 2011):

- Existing Debt Overview–G.O. Bonds
- Existing Debt Overview–Sewer & Water (Series 2008 @ variable rate; all else @ fixed rate)
- Debt Service Profile–G.O. Bonds
- Debt Service Profile–Sewer & Water (Series 2008-TCSLP 4.500% variable rate assumption)
- Future Risk Matrix

Regarding the current international money situation, Ms. Lowe said the next 6-8 months outcome is uncertain. The City is in a good position and PFM is trying to be more proactive.

- Existing Interest Rate & Liquidity Exposure

<u>General Obligation Bonds</u>	
Effective Capital Structure	
Fixed Rate Bonds	60%
Variable Rate Bonds	22%
Fixed Payer Swaps	18%

<u>Water & Sewer Revenue Bonds</u>	
Effective Capital Structure	
Fixed Rate Bonds	60%
Variable Rate Bonds	40%

Liquidity Exposure		
Banc of America Series 2001_TMBL Series 2001_TMBL_Clarksville Series 2004_TMBL Series 2009_TMBL	\$29,807,000	56%
Depfa Bank Series 2007_MKTN_Franklin PBA	\$20,000,000	38%
SunTrust Bank Series 2005_PBA_City of Lawrenceburg	\$3,275,000	6%

- Existing Interest Rate & Liquidity Exposure

<u>General Obligation Bonds</u>	
Net Effective Capital Structure	
Fixed Rate Bonds	60%
Variable Rate Bonds (Unhedged)	3%
Variable Rate Bonds (Naturally Hedged)*	19%
Fixed Payer Swaps	18%

*Naturally Hedged portion of variable rate debt based on Unreserved Fund Balance of \$25,424,000 as of June 30, 2010

- Consideration for Modifications – G.O. Debt Portfolio

Variable Rate Exposure – 40% Series 2001 TMBL Series 2001 TMBL Clarksville Series 2004 TMBL Series 2005 PBA Lawrenceburg Series 2007 MKTN Franklin PBA Series 2009 TMBL
Currently Callable VR without Swap – 22% Series 2001 TMBL Series 2001 TMBL Clarksville Series 2004 TMBL Series 2009 TMBL
Timing of Bank of America Renewal Series 2001 TMBL Series 2001 TMBL Clarksville Series 2004 TMBL Series 2009 TMBL

- Consideration for Modifications – Water/Sewer Debt Portfolio

- *40% of the Water/Sewer debt portfolio has exposure to the variable rate market
- *Interest rate stability provides for predictability in determining Water/Sewer rates
- *Increased interest rate costs (currently 0.46%)
- *Costs of issuance associated with refinancing

- Refinancing Options - \$19.3 Million Water/Sewer Debt

Refinancing Options

\$19.3 Million Water/Sewer debt



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		Considerations					
Issuance Type	Cost (All in TIC) <i>Estimated</i>	Timing	Disclosure	Rating Agencies	Process	Call Provision	Market
Competitive Sale	3.15% (not BQ)	<ul style="list-style-type: none"> Estimated 6-8 weeks Market risk that rates could move prior to pricing 	<ul style="list-style-type: none"> Full disclosure through POS required Continuing Disclosure Required 	<ul style="list-style-type: none"> Required Two week turn around Staff preparation 	<ul style="list-style-type: none"> Market determines best price Open, fair bidding process 	<ul style="list-style-type: none"> 8 Year Par call 	<ul style="list-style-type: none"> Low supply has led to lots of bids on quality credits
Negotiated Sale	3.15% (not BQ) <i>(unqualified)</i>	<ul style="list-style-type: none"> Estimated 8 weeks Market risk that rates could move prior to pricing 	<ul style="list-style-type: none"> Full disclosure through POS required Continuing Disclosure Required 	<ul style="list-style-type: none"> Required Two week turn around Staff preparation 	<ul style="list-style-type: none"> Would need to procure an underwriting team Flexibility on day of pricing 	<ul style="list-style-type: none"> 8 Year Par call 	<ul style="list-style-type: none"> Low supply
TN Municipal Bond Fund Fixed Rate Product	3.38% (assumes BQ)	<ul style="list-style-type: none"> Likely to close quickly Rate locked in 	<ul style="list-style-type: none"> Little required Less Continuing Disclosure Required 	<ul style="list-style-type: none"> Not Required 	<ul style="list-style-type: none"> Less than \$10 MM issued now to keep BQ (remaining in January) No bidding process 	<ul style="list-style-type: none"> 1% premium if refunded before 10 years 10 Year call Par Call 	<ul style="list-style-type: none"> Issuing BQ in Jan. 2012 will hinder Franklin's ability to issue any more debt in 2012
Direct Placement through a competitive process	3.95% (BQ) 5.45% (not BQ)	<ul style="list-style-type: none"> Likely to close quickly Market risk that rates could move prior to closing 	<ul style="list-style-type: none"> Little required Less Continuing Disclosure Required 	<ul style="list-style-type: none"> Not Required 	<ul style="list-style-type: none"> Survey providers needed 	<ul style="list-style-type: none"> First Year: 103% Second Year: 102% Third Year: 101% 	<ul style="list-style-type: none"> Subject to interest rate movement



Miss Lowe said she did not recommend a negotiated sale, and explained the two best options are Competitive Sale or the TN Municipal Bond Fund Fixed Rate Product.

Issuance Type	Competitive Sale	TN Municipal Bond Fund Fixed Rate Product
Cost Estimate	3.15% (not Bank Qualified)	3.38% (assumes Bank Qualified)
Timing	<ul style="list-style-type: none"> Estimated 6-8 weeks Market risk that rates could move prior to pricing 	<ul style="list-style-type: none"> Likely to close quickly Rate locked in
Disclosure	<ul style="list-style-type: none"> Full disclosure through POS required Continuing disclosure required 	<ul style="list-style-type: none"> Little required Less continuing disclosure required
Rating Agencies	<ul style="list-style-type: none"> Required 2 week turnaround Staff preparation 	<ul style="list-style-type: none"> Not required
Process	<ul style="list-style-type: none"> Market determines best price Open, fair bidding process 	<ul style="list-style-type: none"> Less than \$10MM issued now to keep BQ (remaining in January) No bidding process
Call Provision	<ul style="list-style-type: none"> 8 Year Par Call 	<ul style="list-style-type: none"> 1% premium if refunded before 10 years 10 year call Par Call
Market	<ul style="list-style-type: none"> Low supply has led to lots of bids on quality credits 	<ul style="list-style-type: none"> Issuing BQ in Jan 2012 will hinder Franklin's ability to issue any more debt in 2012

Lengthy discussion ensued on the pros and cons of the above considerations. Ms. Lowe provided detailed explanations. Mr. Stuckey and Mr. Truell answered questions as well. It was pointed out this issue will be discussed during the Work Session tomorrow (July 12).

Requested staff see if the TN Municipal Bond would extend their time. Letters for each option will be prepared, Ms. Lowe will see if there is anything that could influence the rates in the interim.

•	RECESS
	By 5:00 p.m., not all agenda items were discussed and another Committee meeting was scheduled in the Board Room. It was decided to resume Friday, July 15, 2011 @ 1:00 p.m. in the Board Room.
	<i>Alderman Skinner moved to recess until Friday, July 15, 2011 at 1:00 p.m. Seconded by Alderman Burger. Motion carried unanimously.</i>
	Meeting recessed at 5:03 p.m. July 11, 2011.
•	RESUMPTION
	Meeting resumed July 15, 2011 at 1:06 p.m. to address Items 6, 7, 8, 10, and 11.

6. Review and Discussion of FY 2012 Water/Wastewater Budget and Five Year Financial Plan
Mark Hilty, Water Management Director

- a. RESOLUTION 2011-32, the Estimate of Revenues and Expenditures for the Water and Sewer Utility Fund, Fiscal Year 2011-2012 and Fiscal Year 2012-2013
- b. RESOLUTION 2011-33, a Five Year Financial Plan for the Water, Sewer and Reclaimed Water Utility Fund, Fiscal Year 2012-2013 Through Fiscal Year 2016-2017

7. Consideration of ORDINANCE 2011-29, An Ordinance to Amend Title 22, Chapter 18 to Establish New Water Rates and Sanitary Sewer Rates

Mark Hilty, Water Management Director

Water and Sanitary Sewer Funds

- The water and sanitary sewer enterprise funds are established to account for operations and capital investments. The expenditures associated with providing services to customers on a continuing basis are recovered solely through user charges and development fees.

Financial Planning Path

- Cost of Service Analyses – 2007, 2009 & 2010
 - Rate Funded Capital
 - Operations Reserve
 - User Charges
- Biennial Budgeting and Financial Plans
- Development Fee Evaluation – in progress
- Integrated Water Resources Planning
- Cost of Service Analyses – FY 2012 (inclusive of Reclaimed Water)

Budget Overview

- Operations Revenues
- Operations Expenditures
 - Operations Capital
 - Rate Funded Capital
- Proposed Rate Adjustments

Water and Sanitary Sewer Revenue

- Water consumption declined from 2005 through 2010
- Sanitary Sewer service declined from 2008 through 2010
 - Variable consumption
 - Rate adjustments

Water Sales Revenues

- Bar graphs reviewed for Sales (Gallons) and Sales Revenues (\$)

Water and Sanitary Sewer Expenditures (Spreadsheet reviewed)

- Water Section: Actual 2009, Actual 2010, Budget 2011, Estimated 2011, and Budget 2012
- Water Section: Budget 2013, and Forecasts 2014, 2015, 2016, and 2017
- Wastewater Section: Actual 2009, Actual 2010, Budget 2011, Estimated 2011, and Budget 2012
- Wastewater Section: Budget 2013, and Forecasts 2014, 2015, 2016, and 2017

Water Section Operation and Maintenance Expenditures Budget 2012

Contractual Services	\$205,875
Debt Service	\$202,496
Operation & Maintenance Expenses	\$438,500
Other	\$1,279,276
Repair & Maintenance Services	\$150,800
Supplies for Resale	\$3,300,000
Utilities	\$256,310
Personnel	\$1,791,686

Wastewater Section Operation and Maintenance Expenditures Budget 2012

Contractual Services	\$668,075
Debt Service	\$1,105,010
Operation & Maintenance Expenses	\$441,800
Other	\$1,901,237
Repair & Maintenance Services	\$233,550
Utilities	\$1,451,200
Personnel	\$3,267,741

Water & Sanitary Sewer Capital Expenditures

- Operations Capital
 - Vehicles, equipment
- Rate Funded Capital
 - Infrastructure replacement and rehabilitation

Summary of Operations Capital Expenditures Per Division

	Budget FY 2012	Projected FY 2013	Projected FY 2014	Projected FY 2015	Projected FY 2016	Projected FY 2017
<i>Utility Administration</i>	\$52,000	\$0	\$0	\$0	\$0	\$0
VEHICLES	\$52,000	\$0	\$0	\$0	\$0	\$0
<i>Utility Billing</i>	\$0	\$28,000	\$0	\$0	\$0	\$0
MACHINERY & EQUIPMENT	\$0	\$28,000	\$0	\$0	\$0	\$0
<i>Wastewater Collection</i>	\$210,000	\$425,000	\$140,000	\$85,000	\$250,000	\$30,000
COMPUTER SOFTWARE	\$0	\$0	\$0	\$0	\$0	\$0
MACHINERY & EQUIPMENT	\$105,000	\$350,000	\$115,000	\$0	\$250,000	\$30,000
VEHICLES	\$105,000	\$75,000	\$25,000	\$85,000	\$0	\$0
<i>Wastewater Treatment</i>	\$389,000	\$640,000	\$235,000	\$465,000	\$397,000	\$100,000
MACHINERY & EQUIPMENT	\$311,000	\$640,000	\$235,000	\$465,000	\$397,000	\$100,000
VEHICLES	\$78,000	\$0	\$0	\$0	\$0	\$0
<i>Water Distribution</i>	\$139,000	\$208,000	\$30,000	\$30,000	\$50,000	\$50,000
MACHINERY & EQUIPMENT	\$50,000	\$88,000	\$0	\$0	\$50,000	\$50,000
VEHICLES	\$89,000	\$120,000	\$30,000	\$30,000	\$0	\$0
<i>Water Treatment</i>	\$320,000	\$225,000	\$200,000	\$60,000	\$0	\$0
BUILDING IMPROVEMENTS	\$45,000	\$0	\$200,000	\$60,000	\$0	\$0
MACHINERY & EQUIPMENT	\$275,000	\$225,000	\$0	\$0	\$0	\$0
TOTAL	\$1,110,000	\$1,526,000	\$605,000	\$640,000	\$697,000	\$180,000

Sample Rate Funded Capital Priority Projects

WATER	SANITARY SEWER
<ul style="list-style-type: none"> • Booker Trailer Park Water Line Replacement 	<ul style="list-style-type: none"> • West Main Street Sanitary Sewer Line Replacement; in coordination with Water Replacement Project
<ul style="list-style-type: none"> • Old Carters Creek Pike Water Line Replacement; Downs Boulevard to Approximately Incinerator Road 	<ul style="list-style-type: none"> • 11th Avenue at Boyd Mill
<ul style="list-style-type: none"> • Old Peytonsville Road Water Line Replacement; Interstate Crossing to Goose Creek Bypass 	<ul style="list-style-type: none"> • Frasier Drive Sanitary Sewer Rehab
<ul style="list-style-type: none"> • Bobby Drive Water Line Replacement; Hillsboro Road to Overlook Drive 	<ul style="list-style-type: none"> • Evans Street Sanitary Sewer Replacement/Rehab
<ul style="list-style-type: none"> • Forrest Street Water Line Replacement; Brookwood to West Main Street 	<ul style="list-style-type: none"> • North Petway Sanitary Sewer Replacement/Rehab

• Advanced Metering Infrastructure	• South Margin; Sanitary Sewer Line Replacement from 1 st Avenue to 5 th Avenue
• West Main Street Water Line Replacement in Coordination with Sanitary Sewer Replacement Project	• South Margin 2 nd Avenue to 5 th Avenue
• Berry Circle Water Line Replacement	• Eastview Circle Sanitary Sewer Line Replacement

Cost of Service Curves

- Residential Inside – Cost Curve/Kgal and Residential Inside Cost Curve/Kgal reviewed

Proposed Water and Sanitary Sewer Rate Adjustments

- Consistent with 5-Year approach established by BOMA in October 2010
- Proposed changes target availability charges which is the largest area of under-recovery
 - Reduces the fluctuation of revenues due to variables that drive consumption and stabilizes revenues to cover fixed costs

Proposed Water Rate Design to Achieve Approximately 4% Revenue Increase

Water-Residential Inside	Cost of Service	Current	Proposed	Difference
Availability Charge (plus 1,000 Gallons Included)	\$14.94 (\$10.71+\$4.23)	\$8.82	\$10.42	\$1.60
Next 9,000 Gallons		\$3.72	\$3.72	\$0.00
Next 15,000 Gallons		\$4.65	\$4.65	\$0.00
All Additional		\$5.58	\$5.58	\$0.00
Water-Residential Outside	Cost of Service	Current	Proposed	Difference
Availability Charge (plus 1,000 Gallons Included)	\$15.12 (\$10.84+\$4.28)	\$10.82	\$12.42	\$1.60
Next 9,000 Gallons		\$5.80	\$5.80	\$0.00
Next 15,000 Gallons		\$6.38	\$6.38	\$0.00
All Additional		\$6.96	\$6.96	\$0.00
Water-Commercial Inside	Cost of Service	Current	Proposed	Difference
Availability Charge (plus 1,000 Gallons Included)	\$18.66 (\$14.46+\$4.20)	\$11.61	\$13.21	\$1.60
Next 9,000 Gallons		\$3.72	\$3.72	\$0.00
Next 15,000 Gallons		\$4.65	\$4.65	\$0.00
All Additional		\$5.58	\$5.58	\$0.00
Water-Commercial Outside	Cost of Service	Current	Proposed	Difference
Availability Charge (plus 1,000 Gallons Included)	\$19.89 (\$15.54+\$4.35)	\$12.41	\$14.01	\$1.60
Next 9,000 Gallons		\$5.80	\$5.80	\$0.00
Next 15,000 Gallons		\$6.38	\$6.38	\$0.00
All Additional		\$6.96	\$6.96	\$0.00

Proposed Rate Design to Achieve 7% Revenue Increase

Wastewater-Residential Inside	Cost of Service	Current	Proposed	Difference
Availability Charge (plus 1,000 Gallons Included)	\$24.82 (\$21.56+\$3.26)	\$12.30	\$14.55	\$2.25
Next 14,000 Gallons		\$3.61	\$3.61	\$0.00
All Additional		\$2.82	\$2.82	\$0.00
Wastewater-Residential Outside	Cost of Service	Current	Proposed	Difference
Availability Charge (plus 1,000 Gallons Included)	\$22.94 (\$19.68+\$3.26)	\$15.21	\$19.21	\$4.00
Next 14,000 Gallons		\$5.62	\$5.62	\$0.00
All Additional		\$4.47	\$4.47	\$0.00
Wastewater-Commercial Inside	Cost of Service	Current	Proposed	Difference
Availability Charge (plus 1,000 Gallons Included)	\$46.87 (\$43.52+\$3.35)	\$21.00	\$29.00	\$8.00
Next 14,000 Gallons		\$4.42	\$4.42	\$0.00
All Additional		\$3.43	\$3.43	\$0.00
Wastewater-Commercial Outside	Cost of Service	Current	Proposed	Difference
Availability Charge (plus 1,000 Gallons Included)	\$40.81 (\$37.46+\$3.35)	\$23.00	\$31.00	\$8.00
Next 14,000 Gallons		\$6.91	\$6.91	\$0.00
All Additional		\$5.02	\$5.02	\$0.00

Water Rate Comparison

- Reviewed bar graph of COF rates compared to HVUD, MVUD, Brentwood, NCGUD, MUD, & HB&TS. The average (not including COF current) is \$12.16 per 1,000 gallons, \$37.57 per 7,000 gallons.

Wastewater Rate Comparison

- Reviewed bar graph of COF rates compared to HVUD and Brentwood. The average (not including COF current) is \$14.70 for 1,000 gallons, and \$43.37 for 7,000 gallons

Proposed Reclaimed Water Rate Adjustment

- Reclaimed water is an alternative disposal method of treated sanitary sewer which provides a source of revenue to sustain its operation
- \$0.10 proposed increase to reclaimed water user fee
- FY 2012 Cost of Service Analysis
- The City has about 40 reclaimed water customers

ARRA Proceeds

	Water (Reservoir)	Wastewater (Country Road, Boyd Mill, Simmons Ridge)	Reclaimed (West, Downs Boulevard)	Total
FY 2010	\$2,348,557	\$310,677	\$44,580	\$2,703,814
FY 2011	\$151,443	\$777,914	\$774,937	\$1,704,294
Total	\$2,500,000	\$1,088,591	\$819,517	\$4,408,108
Principal Forgiveness	\$1,000,000	\$435,436	\$327,807	\$1,763,243
Loan to be Repaid	\$1,500,000	\$653,155	\$491,710	\$2,644,865
Total	\$2,500,000	\$1,088,591	\$819,517	\$4,408,108

Alderman Petersen had questions about the decreased revenue and the 5-year plan rate increase percentages and asked for the numbers from 2009-2010. She also commented on the odor of the water. Mark Hilty explained that with the high temperatures, sunlight, etc. exacerbate the growth of algae. Increased carbon is used to treat the water to eliminate taste and odor problems. This problem is not uncommon in the months of July and August. Crews are flushing the lines. Eric Stuckey mentioned that Harpeth Valley Utility District is experiencing the same problem. It was pointed out that the City's last water score was 98.99.

Alderman Burger moved to forward the Water/Wastewater Budget and Five-Year Financial Plan to the August 6, 2011 Work Session. Seconded by Alderman Skinner. Motion carried unanimously.

8. Interim Report on Fuel Hedging Plan for FY 2013

Russ Truell, ACA Finance & Administration

Mr. Truell advised this was a progress report and should be included with the FYI items on Item 11. He did say there is an order in for the first tier.

9. Review of Minor Text Changes to Investment Policy

Russ Truell, ACA Finance & Administration

The City's Investment Policy for non-pension assets is based heavily on the model investment policy recommended by the Government Finance Officers Association of the U. S. and Canada. At a recent meeting of the GFOA Treasury & Investment Management Committee, some text changes and language updates were made to the model policy. Maintaining consistency with the national model will require incorporation of those policy adjustments to the City's investment policy. Copies of the City's policy and new GFOA policy marked with changes were presented for review.

Staff recommends the Committee instruct staff to incorporate model investment policy changes to the Franklin Investment Policy and bring the amended document back for adoption at the August meeting.

10. Discussion of Business Rules for Utility Billing Project

Steve Sims, Assistant City Recorder

Eric Stuckey noted the upgrading of utility billing and customer service software is underway. Staff is now looking at the way we apply business rules.

Steve Sims informed the Committee of utility service delivery and billing challenges resulting from inconsistencies and lack of specificity for certain issues in the Municipal Code. Guidance is sought from BOMA.

This initiative will bring to the forefront issues by (1) identifying inconsistencies (2) explaining the impacts to the customers and the City (3) presenting alternatives, and (4) providing recommendations for Board guidance and approval.

Staff recommendation is to obtain input from BOMA on approving policies and eliminating inconsistencies by establishing standardized business rules to avoid adverse actions. The business rules are necessary for the deployment of the Hansen 8 application. There will be changes to the Municipal Code as well.

11. Monthly Reports (Information Only)

a) Sales Tax Report – April Sales

Eric Stuckey announced Sales Tax Revenue was up 11.7% in May

b) Fuel Hedging Report – May and June Utilization

c) Conference Center Report – Month of May

d) Transit System Report – Month of May

e) Construction Activities Report – Month of May

f) Property Tax Report – Month of May

Reports filed with the minutes and can be found on the City Website

12. Next Meeting

The next meeting was tentatively set for Thursday, August 18 @ 4:00 p.m.

ADJOURN

Alderman Skinner moved to adjourn and with a second from Alderman Burger, motion carried unanimously.

Meeting adjourned Friday, July 15, 2011 @ 2:39 p.m.

Ann Petersen, Chair

Minutes prepared by Linda Fulwider, Board Recording Secretary, City Administrator's Office - 11/22/2011 3:33 PM