

**FINANCE COMMITTEE MEETING
JUNE 16, 2005 - 7:00 P.M.**

Chairman Logan called the meeting to order. Committee members present: Aldermen Logan, Hay, Ulmer and Leyden. Also present were Mayor Nolan, Administrator Nelson and City Clerk Wells.

Financial Overview

Administrator Nelson noted the purpose of the meeting was to give a brief overview of municipal finances for the newly elected officials. Areas reviewed and discussed:

- starting minimum wages and merit step increases for non-union personnel;
- funds and accounts: corporate general fund, motor fuel tax fund, water/sewer fund, tax increment financing fund, money market accounts
- revenue sources: property tax, permits, citations, user fees, utility tax, water bills, miscellaneous fees, donation fees, gas tax, income tax, sales tax and grants
- property tax levy
- appropriation procedure – Administrator Nelson is looking into an alternative whereby you adopt a budget system with a budget officer with identified duties which will eliminate the appropriation procedure; a public hearing will still be required for the budget which is a more meaningful document than the appropriation ordinance
- city audit which is done on an annual basis – current auditors are Barke and Associates
- purchasing policy – expenditures over \$100 requires a signed purchase order by the City Administrator; expenditures over \$10,000 require City Council approval
- budget procedure

At 8:07 p.m., moved by Leyden, seconded by Ulmer to adjourn the meeting. All ayes. Motion carried.

Submitted by:
Scott Logan, Chairman