



SOUTHEAST WISCONSIN PROFESSIONAL BASEBALL PARK DISTRICT

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SOUTHEAST WISCONSIN PROFESSIONAL BASEBALL PARK DISTRICT FINANCE COMMITTEE MEETING MINUTES March 13, 2018

SEWPBPD Conference Room
One Brewers Way
Milwaukee, WI 53214

Committee members present: Doug Stansil, *Chairman*; Alec Fraser; Mark McCune

Committee members excused: Karen Makoutz, *Vice-Chairperson*; Jim Ott; Keith Swartz

Others present: Michael Duckett, Kristi Kreklow, Mike Brockman, SEWPBPD Staff; Dave Anderson, PFM; Sara Walker, Steve Pipp, Molly McCarragher; Associated; Media and other interested parties.

1) Call to Order

Chairman Stansil called the meeting to order at 1:30 pm and stated for the record that a quorum of Committee members was present to conduct business.

a) Review Open Meeting Notice

Chairman Stansil noted that the agenda was properly noticed pursuant to open meeting laws. He asked if there were any members of the general public that would like to address the Committee. There were no comments.

b) Approval of Meeting Minutes – November 14, 2017 Meeting

MOTION: It was moved by Mr. Fraser and seconded by Mr. McCune to approve the minutes of the November 14, 2017 Finance Committee meeting. The meeting minutes were approved by unanimous voice vote.

2) Report of Chairman on Current Financial Status

Chairman Stansil introduced the Report on Current Financial Status and called upon Ms. Kreklow for comments. Ms. Kreklow reviewed the February treasurer's report, noting that the District has \$20.9 million in the unrestricted operating account, \$14.1 million in the restricted SRF account, and \$25.9 million in the restricted Asset-Liability Matching and Stabilization accounts. The Asset-Liability Matching account is 56% funded with an average yield of 2.3%. She also noted that several certificates of deposit were opened to take advantage of higher yields.

Ms. Kreklow reviewed the final 2017 budget. Overall, the District increased its operating fund balance by \$16 million during 2017, which is used to fund future debt payments and contractual obligations. This amount is higher than budgeted due to lower than anticipated expenses and higher than anticipated sales tax collections. Overall, sales tax collections increased 3.14% between 2016 and 2017.

Ms. Kreklow noted that the 2018 budget is tracking well and expects to be at or below budget at year-end. She noted there were unrealized losses on the investment portfolio due to rising treasury rates but that most investments in the District's portfolio are held to maturity. The 2018 sales tax receipts and license plate sales were also reviewed. Discussion ensued on investment earnings and the volatility in monthly sales tax collections.

3) Consideration of Expenditures Relating to District Operations

Chairman Stansil presented the expenditure listings for December 2017, December B 2017, December C 2017, January 2018, and February 2018 that had been previously approved per Finance Committee Resolution FC 2009-01.

MOTION: After discussion, it was moved by Mr. McCune and seconded by Mr. Fraser to ratify the expenditure listings as presented. The motion was approved by a unanimous voice vote.

Chairman Stansil presented the expenditure listings for March 2018 in the amount of \$85,944.41.

MOTION: After discussion, it was moved by Mr. Fraser and seconded by Mr. McCune to approve the March 2018 expenditure listings as presented. The motion was approved by a unanimous voice vote.

4) Associated Investment Report

Chairman Stansil introduced Sara Walker, Steve Pipp, and Molly McCarragher of Associated and asked them to provide an economic update and overview of the performance of the District's portfolio.

Ms. Walker provided an economic overview and discussed various economic indicators along with projections on Federal Reserve rate hikes. Mr. Pipp provided an overview of the investment performance report and strategy for the District's investment accounts. The District's portfolios are performing well against the benchmark and rates continue to be low. Discussion ensued on the investment report and economic indicators.

5) Public Financial Management (PFM) Report on Sales Tax Sunset Date

Chairman Stansil introduced the annual sales tax sunset date report and Dave Anderson from PFM. Mr. Anderson reviewed the 2018 sales tax sunset date report, highlighting the revenue and expenditure assumptions used. He also emphasized the use of recent economic trends, given the relatively short timeframe until the potential sunset date. Mr. Anderson noted that the sunset date will largely be determined by the earnings that are achieved on funds invested to pay future obligations. The report concluded, *"Assuming no significant shift from current economic conditions, we believe the District should be able to satisfy all of its current and future obligations, and therefore retire the 0.1% sales tax, sometime between late calendar year 2019 and early calendar year 2020."* Discussion ensued on the sales tax sunset date report.

MOTION: After discussion, it was moved by Mr. McCune and seconded by Mr. Fraser forward to the Board of Directors the Sales Tax Sunset Date Report as presented. The motion was approved by a unanimous voice vote.

6) Other Business

➤ District Insurance Summary

Chairman Stansil provided an overview of the District's general liability and directors and officers insurance coverage and premium cost for 2018. He noted that the District secured competitive coverage through the Wisconsin Municipal Mutual Insurance Company (WMMIC) again.

- 7) Convene into Closed Session to discuss personnel issues, contract negotiations, litigation or potential litigation matters, deliberate or negotiate the purchase of public properties, the investment of public funds, or conduct other specified public business, whenever competitive or bargaining reasons require a closed session**

The meeting did not convene into closed session.

8) Other Business

There was no other business to discuss.

9) Adjourn

MOTION: It was moved by Mr. Fraser and seconded by Mr. McCune to adjourn the meeting. The motion passed by unanimous voice vote and the meeting adjourned at 2:20 pm.