



SOUTHEAST WISCONSIN PROFESSIONAL BASEBALL PARK DISTRICT

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SOUTHEAST WISCONSIN PROFESSIONAL BASEBALL PARK DISTRICT FINANCE COMMITTEE MEETING MINUTES June 12, 2018

SEWPBPD Conference Room
One Brewers Way
Milwaukee, WI 53214

Committee members present: Doug Stansil, *Chairman*; Alec Fraser (*via phone*); Mark McCune; Jim Ott; Keith Swartz

Committee members excused: Karen Makoutz, *Vice-Chairperson*

Others present: Michael Duckett, Kristi Kreklow, Mike Brockman, SEWPBPD Staff; Bart Frank, Jay Luedtke, BDO, USA; Media and other interested parties.

1) Call to Order

Chairman Stansil called the meeting to order at 1:32 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 – March 13, 2018 Meeting

MOTION: It was moved by Mr. Swartz and seconded by Mr. McCune to approve the minutes of the March 13, 2018 Finance Committee meeting as presented. The meeting minutes were approved by unanimous voice vote.

2) Report of Chairman on Current Financial Status

Mr. Stansil introduced the Report on Current Financial Status dated June 12, 2018 and called upon Ms. Kreklow to provide a financial update. Ms. Kreklow provided an overview of the Treasurer's Report, noting the District has a fund balance of \$14 million in the restricted Segregated Reserve Fund, \$28.1 million in the restricted Asset – Liability Matching and Stabilization Funds, and \$22.2 million in the unrestricted Operating Fund. It was noted that the Asset – Liability Matching Fund is currently 62.6% funded with an average yield of 2.4% and is anticipated to be fully funded by June 2019.

Ms. Kreklow noted the low market value of the District's investments. She stated that there are large unrealized losses due to the rising rate environment but that the District holds most investments to maturity with no realized losses. Discussion ensued on the investment portfolios.

Ms. Kreklow also reviewed the 2018 budget, sales tax receipts and license plate sales. In all, the District anticipates increasing its operating fund balance by \$22.4 million during 2018, which will be used for future debt retirement and obligations. Discussion ensued on the financial report.

3) Consideration of Expenditures Relating to District Operations

Chairman Stansil presented the expenditure listings for April and May 2018 that had been previously approved per Finance Committee Resolution FC 2009-01.

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

Chairman Stansil presented the expenditure listing for June 2018.

MOTION: After discussion, it was moved by Mr. McCune and seconded by Mr. Swartz to approve the June 2018 voucher listing as presented in the amount of \$162,512.36. The motion was approved by a unanimous voice vote.

4) Consideration of the 2017 Southeast Wisconsin Professional Baseball Park District draft Independent Auditor's Report

Chairperson Stansil introduced Mr. Jay Luedtke and Mr. Bart Frank from BDO. Mr. Luedtke presented the draft 2017 Independent Auditors Report and provided an overview of the Audit Wrap-Up, including all required communication, to the Committee. He noted that there were no accounting adjustments that needed to be recorded and that the District received an unqualified opinion on its financial statements. He also provided an overview of the audit process, the re-valuation of the District's investments, and some Governmental Accounting Standards Board (GASB) statements that will impact the District in future years. Discussion ensued on the GASB statements and the 2017 financial statements.

MOTION: After discussion, it was moved by Mr. Swartz and seconded by Mr. Ott to forward to the Board of Directors the 2017 Independent Auditor's Report and Year End Financial Statements as presented. The motion was approved by a unanimous voice vote.

5) Associated Investment Report

Chairman Stansil presented the latest investment report, including holdings and performance, from Associated. Chairman Stansil noted that the operating investment account duration is now down to approximately one year and that those funds will be used for the final debt defeasance. Ms. Kreklow presented some additional information provided by Associated that illustrated the increase in yield to maturity over the last year as bond rates have risen. Discussion ensued on the investment performance and the flat yield curve.

6) 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.

7) Other Business

There was no other business to discuss.

8) Adjourn

MOTION: It was moved by Mr. McCune and seconded by Mr. Swartz to adjourn the meeting. The motion passed by unanimous voice vote and the meeting adjourned at 2:15 pm.