

COMMUNITY DEVELOPMENT AUTHORITY
FINANCE COMMITTEE MINUTES

8/13/13

MEMBERS PRESENT: Russ Wilson, Andy Witt, Romey Wagner

MEMBERS ABSENT:

OTHERS PRESENT: Juli Birkenmeier, Betty Noel, Ann Werth

(1) Call Meeting to Order

Meeting was called to order at 7:34 am in the CDA Boardroom at 550 E. Thomas Street, Wausau, Wisconsin.

(2) Approval of Minutes

Wagner moved to approve the minutes from 05/07/2013. Witt seconded the motion. Motion approved unanimously.

(3) 2013 Audit Update

The committee reviewed the CDA and Riverview Towers LLC audits which reflected no findings or material weaknesses. Noel stated that a representative from Schenck will present the audits to the full commission at the August board meeting. Werth completed a Management Discussion and Analysis (MD&A) which was included in the 2012 CDA audit. Werth will work with Schenck to continue this practice.

(4) Review of CDA Accounts

Noel reviewed the monthly balances for both June and July. Noel stated that a Riverview Terrace Certificate of Deposit matured at Marathon Savings Bank and was converted into a savings account. There may also be additional funds moved from the Riverview Terrace account at Associated Bank to the Intercity State Bank money market account.

(5) Review of 2013 Second Quarter Financials

Noel reviewed the CDA's and the Riverview Towers' second quarter financial statements with the Committee. She discussed proposed Public Housing budget revisions to include Capital Fund Operations, Operating Subsidy, Insurance Proceeds, Investment Income, Maintenance Materials, Building Improvements, Casualty Losses and Depreciation Expense. Noel will present a revised budget to the full commission at the August 27, 2013 meeting.

(6) Riverview Terrace Loan

Werth discussed a matter recently brought to her attention when the City was investigating blight elimination. She explained that the CDA bought and sold 25 houses back in 1997 as a way to raise funds to build Riverview Terrace. Due to a shortage of funds, the CDA requested a \$400,000 grant from the City using Community Development Block Grant funds. Documentation indicates that the grant was later converted by the City to a loan; however the

loan was neither recorded nor collected. Werth proposed two partial payments of \$200,000. Witt questioned whether this loan was reflected on either the City's or CDA's 1997 budget. Noel said she would check the CDA's audit and report her finding. Werth stated that she would contact our auditor, Schenck, to ensure full disclosure. Witt proposed that the CDA ask the City to waive the interest. This issue will be taken to the full CDA board and to the City's Finance Committee to discuss a possible resolution.

The next Finance Committee meeting will be November 5, 2013 at 7:30 am in the CDA board room.

(7) Adjourn

With no other action to come before the Finance Committee, the meeting was adjourned.

Respectfully Submitted,

A handwritten signature in cursive script that reads "Russ Wilson". The signature is written in dark ink and includes a long horizontal flourish extending to the right.

Russ Wilson
Chairperson