



**City of Moorhead
Advisory Budget Work Group
Meeting Minutes
March 20, 2017 at 4:00 PM
City Hall – Boardroom (1st Floor)**

Pursuant to due call and notice thereof, a regular meeting of the Advisory Budget Work Group was held in the City Hall Boardroom, on March 20, 2017, at 4:00 PM.

Attendees:

Council Member: Mari Dailey
Council Member: Melissa Fabian
Council Member: Joel Paulsen
Council Member: Sara Watson Curry
Staff: Chris Volkers, City Manager
Wanda Wagner, Finance Director
Amy Wohlwend, Accountant

1. Fund Accounting 101

- a. Wanda Wagner, Finance Director distributed the “Money In Moorhead” document that outlined and explained how government accounting works. She explained the different fund types within the City, the types of revenues the City receives, and how and what these specific revenues can be used for. Expenditure types were also discussed and Wagner explained what types of budget changes need to be brought to Council for approval and that a majority of the increases in expenditures are due to wages and benefits. Staffing level was also discussed and it was noted by Chris Volkers, City Manager that the current staffing level has not increased in proportion to growth. Overall, the members present gained a better understanding of how the City finances are run and asked questions and voiced ideas of what they would like to see at future ABWG meetings.
- b. Chris Volkers would like to have the ABWG assist in more financial planning and forecasting out the next 3 years throughout the 2018 budget process. She noted that in order to do this, the members would need to be provided with the last 3 years of budget to actual numbers and detail. Council member Fabian noted that they could accomplish this by looking at the last three years of final budget documents and ask questions and express concerns on certain areas that they notice significant variances or would like more clarification on. Wanda Wagner stated that if they want further information on any areas after looking through previous years, we can provide detail for those areas.
- c. When discussing revenue sources, the transfer from Moorhead Public Service to the City came up. Council member Paulsen requested that the members of the ABWG receive a copy of the current transfer agreement so they are aware of the stipulations in the agreement.
- d. Wanda Wagner also explained the process of calculating tax levy revenue and how the tax rate is determined. Members of the ABWG had questions on how tax rates are calculated. It was noted that tax levy revenue and calculation of taxes will be a topic at

a future meeting once valuations are available and more accurate. A future ABWG meeting will really dive into the detail of how the tax revenue is calculated and specific examples will be given so members of the group can see how everything calculates out from start to finish.

- e. Debt was also explained to the ABWG. The City has a very large amount of debt and everyone present agreed that the City cannot stay on the same pattern we are on right now. It was agreed upon that the City needs to find a way to fund projects, etc. without bonding for them in the future.

2. Citywide Budget Summary

- a. The members received the 2017 Final Budget document and the 2017 Detail Budget document. Wanda Wagner gave a brief overview of the documents and requested that the members look them over. The detail of the budget will be the topic of the next ABWG meeting and therefore, any questions or comments will be discussed then.

3. General Fund Detail

- a. The detail of the General Fund's history was distributed to everyone present. Members of the ABWG were asked to take a look at it and bring any questions and comments to the next meeting. This topic will be discussed in detail at the next ABWG meeting.

4. Next steps

- a. Tuesday, April 18th, at 8:30 AM, City Hall Boardroom (1st Floor)
 - i. City Wide Sources and Uses
 - ii. General Fund Detail

5. Future Meeting Schedule

- a. Tuesday, April 18th, at 8:30 AM, City Hall Boardroom (1st Floor)
- b. Tuesday, April 25th, at 4:00 PM, City Hall Boardroom (1st Floor)
- c. Tuesday, May 16th, at 4:00 PM, City Hall Boardroom (1st Floor)
- d. Tuesday, June 20th, at 4:00 PM, City Hall Boardroom (1st Floor)
- e. Tuesday, July 25th, at 4:00 PM, City Hall Boardroom (1st Floor)
- f. Tuesday, August 15th, at 4:00 PM, City Hall Boardroom (1st Floor)
- g. Tuesday, September 19th, at 4:00 PM, City Hall Boardroom (1st Floor)