Purpose of Finance & Administrative Services Committee: To enable the City Council to discuss and evaluate in greater detail these specific issues that directly impact the financial and organizational strength of the City of Cedar Rapids.

City Council Committee Members:
Council member Kris Gulick, Chair
Council member Justin Shields
Council member Susie Weinacht
  - Mayor Ron Corbett is an ex-officio member of all Council Committees per City Charter Section 2.06.
Mike Silva, VenuWorks
Matt Evans, TrueNorth
Stu Haker, TrueNorth

Agenda-
Meeting called to order at 2:33pm

1. Approve Minutes from last meeting- the minutes were approved as distributed.
2. Review financial information- the recap for FY17 is being pushed to November due to a large number of agenda items this month.
   - For the first quarter of FY18 so far seeing the typical expenses.
   - Capital Improvements-good news is that we've done more than normal this season due to the good weather.
     - Golf up $55k in revenue so far with rounds up about 6%. The first quarter seems to be on pace from golf’s past years and the dry weather has helped. One less pro should save about $80k in expenses.
3. Presentation on insurance renewals- TrueNorth’s Matt Evans and Stu Haker were in attendance to provide details of the December 1 property insurance renewal negotiations and current status. A resolution item will be placed on the November 14th agenda wherein full Council will receive proposal information.
   - No enhancements were made to the policy and deductibles are occurrence based.
   - $820M in property values to insure.
   - $100M for excess flood coverage; with the deductible for protection and preservation of property having a deductible on an occurrence basis instead of a building basis.
   - In September True North discussed with the market a 5-15% increase in premium, but due to the rise in natural catastrophes the market has struggled to price insurance and given the most recent catastrophes determined it was too soon to gage the effects of these catastrophes and commit to a final rate.
TrueNorth provided the renewal proposal as they currently had it from the market: rate of 0.172 per $100 of total insurance values, with a worst case scenario renewal of $1.42M premium. Knowing that the City’s preference is a renewal premium of no higher than $1.4M, TrueNorth is still working with the market to obtain the best rate and are committed to getting the premium under the $1.4M.

4. Ice Arena FY 2017-Review of the last four years financials provided.
   - In fiscal year 2017 Ice Arena had an operating loss of $210,306. After hotel motel revenue was allocated to the Ice Arena the operating loss was $86,647.
   - The City will need to allocate the additional $86K to the Ice Arena to cover the shortfall.
   - Venuworks is working on a new agreement with the Roughriders that is intended to reduce the operating loss experienced in FY 2017.
   - New Contract-$79k rental income will go away as well as the $55k rebate for the most part. The Riders will only receive revenue shares if they exceed a certain level.
     o Food and Beverage profit target $10K per game.

5. Hotel Motel application-about six years ago became a three year cycle.
   - Casey provided a handout explaining how the funds can be used and category definitions.
   - Requirements for submission-mission statement, current board list, verify 501©(3) status, financial statements and a current strategic plan.
   - Part 1-if received funding over the past three years explain how the funds were used over the past three years by the organization.
   - Part 2-Explain why the City should award funding to your organization for the next three year cycle (how will the funds be used, what is the benefit to the community, etc.)
   Casey asked the committee how they would like to proceed with the next upcoming cycle?
     - The recommendation from Finance is that the three year cycle is preferred. The committee was asked if they wanted to change anything on how Hotel Motel is handled?
     - Council Member Gulick thinks this should be incorporated into the budget discussion in January and that certain set commitments (debt) and that City items are removed from the revenue before deciding how much is within the Hotel Motel fund.
     - Receive 30-45 applications on average per cycle. Usually the requests are 2.5 times more than what is to be allocated. The three years seems to allow the other organizations to plan ahead a little better. Allocating $1.4 to $1.6m and seems to be the most in demand amount allocated in each budget year due to the structure.
     - The committee requested some more information on how to incorporate the Hotel Motel into the budget discussion, but agree to the three year plan.

6. Items for future agendas

Meeting adjourned at: 3:40pm.

Public Comment: (2 minutes per person, total maximum of 10 minutes per meeting)

Outstanding items update:
None
Future Topics:

1. Regional services
2. Development financial incentive process
3. Entrepreneurial development economic development incentives and land use issues
4. Efficiency efforts

Any discussion, feedback or recommendation by Committee member(s) should not be construed or understood to be an action or decision by or for the Cedar Rapids City Council. Further, any recommendation(s) the Committee may make to the City Council is based on information possessed by the Committee at that point in time.

Anyone who requires an auxiliary aid or service for effective communication, or a modification of policies or procedures to participate in a City program, service, or activity, should contact Casey Drew at 319-286-5097 or email c.drew@cedar-rapids.org as soon as possible but no later than 48 hours before the event.