

CITY OF MASON
Worksession
September 13, 2007

Vice Mayor Grossmann called the meeting to order at 6:15 p.m.

ATTENDANCE

The following members of Council were present: Victor Kidd, Steve Osborne, Tony Bradburn, Matt Kline, Todd Wurzbacher and Tom Grossmann. Charlene Pelfrey was unable to attend because she was attending the Team Hoyt Event at the Great Wolf Lodge in support of the Park Foundation.

FINANCIAL PRESENTATION

Councilmember Osborne presented to Council several financial statements regarding all factors that impact the City of Mason's financial picture. He noted all of the information distributed was in "draft" form. The documents included the following spread sheets: Working Performa, General Fund Revenue, General Fund Operating Expense, General Fund Capital and Assumptions. He explained this has been prepared to supply a tool for Council to utilize in determining future spending. He further explained how the decisions regarding the assumptions were made. The department heads supplied the dates for the capital expenditure items. Items discussed included the number of acres the City has available for build out, the date that is expected to occur, the amount of debt the City has borrowed and can borrow at 5% and at 10.5%, the capital improvement list and various other factors that impact the financial projections for the city. He stated it is Council's job to review expenditures and this information will help make informed decisions.

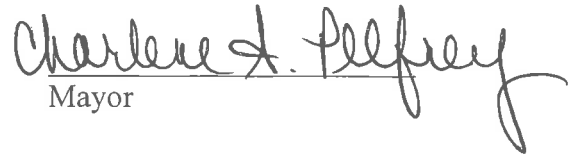
Councilmember Osborne said this type of document has never been prepared by the city before but is something that is done in business everyday. Councilmember Grossmann asked for clarification how the sale of the property the City holds can influence the year of build out and the revenue received. He stated he feels this is most beneficial in evaluating spending issues for a five-year period but to take it out any further than that in the future is unrealistic because there are too many variables. He also noted the City should generally not increase any debt that doesn't have a revenue value attached to it. Councilmember Bradburn said there are so many variables that can impact this and that will change the numbers from year to year. He agreed five years out with projections has a value. Councilmember Osborne agreed but stated the principles used are solid and allow for a serious in depth look at the city's finances. Councilmember Wurzbacher noted this information will help us determine what portion of annexed land in the future should be devoted to jobs versus residential use.

Councilmember Osborne asked each member of Council to review the information and mark in yellow highlighter the capital expenditures they think can wait and orange highlighter for any questions they have about a specific number. He noted we are only allowed to finance capital

items not operating costs. Once these are returned, Council will be able to collectively reach a consensus on how to proceed.

Meeting adjourned at 8:11 p.m.


Clerk of Council


Mayor