

**Financial Advisory Board
Meeting Minutes
February 23, 2022**

Board Members Present	Board Member(s) Absent	Staff Present	Guest(s) Present
Dan Sullivan		Steve Boyd	Mike McCallum
Steve Beckley		Yvette Gustad	
Salvadore Rico		Matt Langhorst	
Munro Wilcox			
Christian Henny			
Asha John			
Charlie Willman (Council)			

- Steve Beckley opened the meeting at 7:40.
- No Public comment offered.
- Christian moved, Munro seconded approval of minutes from January 26. Motion passed unanimously.
- Electric report included Director of Public Works talking through MEAN’s rate study report with suggestions on how and when to raise rates. Christian moved, Dan seconded, motion to recommend to Council that “the City increase electric rates 5.2% this year and next, followed by inflationary increases as necessary, and consider implementation of a rate structure to provide incentive to users that help optimize the City’s electric system.” Motion passed unanimously.
- Sales tax update for year-end 2021 is up about 18% over 2019 and 24.5% over 2020. In 2022 the City expects sales tax growth to best be measured against 2021. The biggest category of growth is remote online retailers signing up through the SUTS system. The 2022 budgeted revenue is flat from 2021, though staff expects an increase of around 10% during 2022.
- Year-end reserves are reported to be healthy by staff. The goal in the General Fund for available reserves is 40% to 50% and the 2021 year-end reserve is currently estimated at 41.4%. The Capital Projects fund has an available reserve greater than \$2 million, and the A&I Fund has greater than \$3 million which are the recommendations from this Board.
- Dan adjourned the meeting at 9:20 am.