

**SPECIAL FINANCE COMMITTEE MEETING  
December 22, 2015**

**A special meeting of the City of Jackson Finance Committee was held on Tuesday, December 22, 2015 at 5:15 p.m. in the City Council Chambers of City Hall with the following persons in attendance: Finance Committee members Dave Cushman, Brandon Finck and Fred Bern, City Administrator Jennifer Bromeland and Recording Secretary Dave Maschoff. (A quorum of the Finance Committee was present.)**

**SOUTHWEST MINNESOTA BROADBAND REQUEST**

The Finance Committee continued their discussion pertaining to a request from Southwest Minnesota Broadband Service (SMBS) to refinance the note that SMBS has with the City of Jackson instead of repaying it in April of 2016 as was previously agreed upon.

Finck noted the Finance Committee requested information from SMBS that shows their 2016 projections. He said nothing has been received that shows what SMBS is expecting for cash flow, ability to repay, any increases in their operating costs or what they have paid employees. SMBS talks about the uptick they did in charges, but Finck asked if it's just a pass through or did they capture what their increased operating costs are so that they stay at par or improve their cash flow. Finck said the numbers that have been provided don't show what debt service is on the RUS debt so it's very hard to determine. As he looked through the numbers, Finck said it's hard to make any determinations from the numbers that have been provided.

Cushman said there are two items missing. He said they include the proposal SMBS is asking for and a recommendation from SMBS for the future of where they see themselves going. He said some of the concerns include information about SMBS's sales and overhead, retention of sales, what their focus is moving ahead, knowledge of the industry and arrangements with Windom. Cushman their arrangements with Windom is a big item because if there is not a secure agreement in place it's a "deal breaker".

Discussion ensued. The consensus is for City staff to contact SMBS to see if a meeting could be held with no more than two representatives from each City to review financials so that an informed decision could be made by all parties involved. Specifically, the committee would like to see projections, the 2016 budget and long term strategic plan.

### **LIBRARY EXPANSION PROJECT**

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Bromeland said she had received an email from the contractor, architect and Jackson County Library Director Tam Erickson. She said they want to install low voltage cabling in the library to accommodate a new camera and projector and some other items. Bromeland said the cost of that request is totaling almost \$5,000. She said her concern is that this wasn't included in the scope of the project when the project was bid.

Bromeland also questioned whether the expense was the City's responsibility or the County's or both.

City staff was directed to set up a meeting with County representatives to discuss further and report back at an upcoming City Council meeting.

**With no further business, the meeting was adjourned.**

  
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David A. Maschoff, Recording Secretary