

**MINUTES OF THE WEDNESDAY, OCTOBER 28, 2015 FINANCE COMMITTEE MEETING
2:30 P.M. Council Chambers**

Committee Members Present: Chairman Ken Brown, Mike Hraban, Mark Platteter

Others present: Hollis Helmecci, Shari Kavanagh, Terry Verdegan, Doug Parker, Chief Allen Lobermeier, Kurt Gorseger, Al Christianson, Luke Klink

Chairman Ken Brown called the meeting to order at 2:30 p.m.

Minutes. Before the minutes were approved, T. Verdegan clarified that the Police Department vehicle purchase will be a 2016 expenditure. Motion by M. Hraban, seconded by M. Platteter, to approve the October 7, 2015 Finance Committee minutes. Motion carried.

Assessment Services. S. Kavanagh requested written quotes from 5 area assessment firms for 2016-2017 services. The following quotes were received:

- Chimney Rock Appraisal, Mondovi, WI -- Assessor Barrett Brenner
 - \$12,300/year using Appraisal Services software -or-
 - \$14,000/year using Market Drive software.
- Kleven Property Assessment, LLC, Eau Claire, WI -- Assessor Eric Kleven
 - \$13,500/2016 year
 - \$13,900/2017 year
- Elk River Appraisals, Phillips, WI -- Assessor Cindy Chase
 - \$13,500/year plus miscellaneous charges for new accounts added, etc.

It was noted that Roger Kostki of Bowmar Appraisers and James Toth of Grota Appraisals were sent requests for quotes and both declined our offer. After discussion of the three quotations received, motion was made by M. Hraban, seconded by M. Platteter, to recommend the council approve the 2016-2017 contract with Barrett Brenner of Chimney Rock Appraisals (\$12,300/year). Motion carried.

Property Insurance/Health Insurance Quotes. City owned property values have increased by 12% bringing the City's total property value up to \$49,389,509. T. Verdegan explained that our current insurance provider is LGPIF and their quote came in at \$57,262 which includes an alarm credit of \$5,000. The other quote received was from MPIC (Municipal Property Insurance Company) for \$45,548; T. Verdegan will inquire whether that quote includes an alarm credit. Motion by M. Hraban, seconded by M. Platteter, to recommend council accept the quote submitted by MPIC for property insurance. Motion carried.

After receiving notification from Security Health Insurance of a projected 10% increase in 2016 health insurance premiums, T. Verdegan was asked to bid out the City's health insurance. Final quotes on health insurance have not been received but speculation is that WEA may come in with an 8% increase versus Security Health's 10% increase. Final quotes should be in for review at the November 23, 2015 public hearing on the proposed budget.

2016 Budget Discussion. T. Verdegan passed out the preliminary 2016 budget which reflects a variance of (\$3,708) due to the added expenditure of \$15,000 for purchase of a Police Department vehicle. Upon recommendation of the Police & Fire Commission, the PD is asking that their budget be increased from \$15,000 to \$25,000 in order to purchase a 2016 Ford Interceptor; this revision increases the budget variance to (\$13,708). After discussion, the committee is in favor of increasing the Police Dept budget in order to purchase a new vehicle in 2016 and the recommendation is to take the additional \$13,708 out of the general fund in order to balance the budget.

Motion by M. Hraban, seconded by M. Platteter, to recommend the Police Chief place an order for the 2016 Ford Interceptor but not make the actual purchase until 2016. Motion carried.

The 2016 proposed budget includes a tax levy increase of \$166,000 to cover a portion of the City's debt service; this equates to a 14% increase over last year's levy.

The decision of the Council to waive building permit fees for an additional year has resulted in a loss of \$8,000-\$10,000 in annual revenue. Because the building permit fees are included in the City's Code of Ordinances, a public hearing should have been held in order to make revisions to the ordinance.

It was noted that the 2016 proposed budget includes \$200,000 for road construction. It is hoped that additional grant money can be acquired to continue making much needed street repairs and reconstruction.

Upon recommendation of the Personnel Committee, a 3% wage increase for all city employees has been included in the proposed 2016 budget. M. Hraban expressed concern since Rusk County employees are receiving a 1% wage increase. Chief Lobermeier mentioned that although the Chief and Lt. are non-union employees, they entered into an agreement to pay an additional 2% into their Wisconsin Retirement upon the guarantee of a 3% wage increase in 2016. It was asked that any further discussion be postponed until the November 23, 2015 public hearing.

Motion to adjourn by K Brown at 4:10 pm.

Respectfully submitted, Shari Kavanagh, City Clerk