

SEPTEMBER 19, 2019, FINANCE COMMITTEE MEETING MINUTES

5:15 p.m. Council Chamber. Members present: B. Grootousen, M. Platteter, B. Stoneberg. Others present: A. Christianson 1 and 2, T. Devine, K. Gorseger, R. Grey, S. Kavanagh, L. Klink, D. Parker.

Call to Order:

Chair Platteter called the meeting to order and presided.

Invoices:

A question was raised about payment of LPD union dues. These are payroll deductions from members of the LPPA.

Motion was made by Stoneberg, seconded by Grootousen and carried by voice vote to recommend Council approval of the monthly invoices.

2020 General Operations Budget:

Data/Information Needed

- Information on property valuations is expected to be received in the first part of October.
- Health insurance premium changes should be known within about one week.
- Adm. Christianson will meet next week with Sean Lentz of Ehlers Associates in regard to 2020/2021 borrowing options. Timing of borrowing will be a key.

Expenditure Items

There was discussion of selected budget items, as follows.

Skate Park Relocation

As \$8,000 is identified to relocate the skate park, it was requested that be removed from the budget and that, if and when a community center project is agreed upon, that it be included with that and hopefully be paid for from proceeds of sale of former MSC property to MCHS.

Riverwalk

It was decided to remove this \$26,000 project from the budget under the assumption it could be carried out as a cost to TIFD #8, whose halo zone it is located within.

Highway Barriers

It was noted that, if barriers are to be erected at the Lake Ave. rail crossing despite to City's opposition, the City may as well apply for rail quiet zone status. It is believed that the primary cost would be in completing the application, which could be paid for a "professional service cost" to TIFD #8, such that it would not need to be a budget item.

Election Tabulator

It was noted that the City's election tabulator needs to be replaced before the New Year, and that there is an 8-week lead time. A new tabulator can be purchased outright for \$8,800 or acquired by lease-purchase with \$2,800 needed the first year. It is recommended that it be ordered soon and be paid for from 2020 budget, if necessary. This will be added to September 23, Council agenda.

Tennis Courts

The \$80,000 budgeted for tennis court work is offset by \$80,000 on the revenue side, which will only be available if MCHS exercises its Option to Purchase the former MSC athletic fields from the City.

Net New Construction:

This year's net new construction allowance, calculated by WisDOR, is \$13,186. All present seemed in favor making full use of this.

Borrowing:

Adm. Christianson reviewed possible sizing of borrowing for a combination of possible uses.

-Balancing budget by borrowing for capital purchase items contained in the budget. The debt payment would be come part of budget.

-Items already in budget with plans to borrow to cover them at \$315,000.

-Borrowing, currently estimated at \$1,250,000, to convert former armory into primary City garage.

This not believed eligible for either TIF or grant assistance. It is, however, considered a one-time opportunity to have a facility that would cost \$3-4 million to replicate for around one third that amount. Because this project could be bid ready relatively soon with interior work started mid-winter, decisions on this borrowing plan really need to be made soon. As plans progress the estimate will be updated.

It was recalled that the City's audit firm recently advised that the City should borrow as planned for 2019, applying the \$672,000 planned to borrowed toward ongoing road projects, so that the general fund balance which, at 9%, is currently way below the target level of 25-30% of annual budget, can be replenished.

Adm. Christianson then reviewed a tentative borrowing package for street reconstruction that could be done with the above or separately. As he was bemoaning that he learned earlier in the day a change in the CDBG cost share rate from what has been \$1 local to \$1 grant, to \$2 local to \$1 grant, the Mayor pointed out it is the other way around; the grant share is increased to 2 to 1, a noteworthy improvement. The Adm. then indicated he will redo the handout accordingly to reflect this good news. It was noted that all the street reconstruction numbers provided are initial estimates. As development of these plans progresses these estimates will be refined.

Adjourn:

Upon motion by Platteter, which was seconded by Stoneberg and carried by voice vote, the meeting adjourned at 6:18 p.m. The next meeting will tentatively be slated for Thursday, October 3, at 5:15 p.m.