

FINANCE COMMITTEE MINUES
July 27, 2010
City Hall – First Floor Hearing Room East

Chairperson Scott McMeans called the meeting to order at 5:01 PM.

Present: Alderpersons, Scott McMeans, Christopher T. Able, Allan Schema, and Alex J. Olson.

Excused: Alderperson Matt Kadow

Also Present: Alderperson Dave Soeldner, City Planner Dave Less, Interim Finance Director Tony Scherer, and DPW Business Manager Mike Huck.

Approval of Minutes

Motion by Alderperson Able, second by Alderperson Schema to approve the minutes of the July 19, 2010 Finance Committee Meeting. Motion passed unanimously.

Planning Office Report - Expansion of TIF #16

City Planner David Less reported on the proposed boundary resolution regarding Tax Incremental Financing (TIF) District #16 to the Committee. He reported that the building was in a state of deterioration, unfit for habitation and that sooner or later there would be a need for the City to take action regarding the 1512 Washington Street property (previously the Mirro Aluminum building). Mr. Less stated that it was his feeling that the expansion of TIF #16 was the most equitable way for all concerned parties to participate in any project costs. Mr. Less also reported that it was his hope that the expansion of the TIF would provide a catalyst for the funding needed to eventually raise the building and provide for possible future investment in that block and surrounding area. The City Planner provided fundamental information regarding how TIF districts work, TIF extensions, eligible expenditures and the approval of TIF expenditures.

Finance Committee 2011 Budget Priorities and Directives

Alders continued their discussion regarding the 2011 Budget Priorities and Directives. Interim Finance Director Tony Scherer provided information regarding the City's 2009 General Fund Cash and Investment balance as well as 2010 overtime as requested.

Led by Alderperson McMeans the Committee discussed the 2011 incurrence of debt, property tax rate increase, the use of special assessment revenues for debt reduction, elimination of services, capital project limits, expenditure reductions, and a lean government initiative.

Following the discussion a motion was made by Alderperson Able, second by Alderperson Olson to vote separately on the approval of the following 2011 priorities and directives:

- 1) To recommend a zero percent property rate tax increase. Motion failed on a 2 to 2 vote with alderpersons Able and Schema voting nay.
- 2) Cap the incurrence of new debt to retired debt at the same percentage as the 2010 budget. Motion carried unanimously.
- 3) Increase the amount of special assessment revenues going for debt reduction by 5% above the 2010 designation. Motion carried unanimously.
- 4) Propose department heads reduce a budget account line by 5%. Motion carried unanimously.
- 5) Request the Mayor prioritize the City's capital project requests for review and approval by the Finance Committee. Motion carried unanimously.

The Committee continued their discussion pertaining to the property tax rate increase. Alderperson Schema made a motion to set the rate between zero (0%) and one percent (1%). Motion failed due to the lack of a second.

Interim Finance Director Tony Scherer requested some direction from the committee in setting the departmental labor increase for the 2011 budget. Alderperson Schema made a motion to set the budget rate at one percent (1%). Motion failed due to the lack of a second. It was further recommended that the Interim Finance Director discuss this matter with the Human Resources Department.

Next Meeting Date

The next Finance Committee meeting is scheduled for August 2, at 6:00 PM where Brad Viegut of Robert W. Baird will make a presentation to the Committee regarding the City's bonding functions and outstanding debt.

Motion by Alderperson Able second by Alderperson Olson to adjourn. Meeting adjourned at 6:06 PM.

Alderperson Scott Mc Means Chairperson
Finance Committee

By: Anthony J Scherer
Interim Finance Director