

Minutes of the Finance Committee – November 3rd 2015

A meeting of the City of Prairie du Chien Finance Committee was held on Tuesday November 3rd 2015 at 6:00 PM in City Hall. Chairman Nate Gilberts called the meeting to order.

GENERAL ITEMS TO BE ACTED UPON:

- 1. Call to order/Roll Call** – Nate Gilberts (Chairperson), Ron Leys, Karen Solomon ABSENT – Jean Titlbach CITY STAFF ALSO PRESENT- City Administrator Aaron Kramer, Mayor Dave Hemmer
- 2. Certification of the open meeting law agenda requirements and approval of the agenda** – MOTION: Solomon SECOND: Gilberts VOTE: 3-0
- 3. APPROVAL – Minutes of the October 20th 2015 meeting** - MOTION: Leys SECOND: Solomon VOTE: 3-0

ACTION ITEMS

- 4. DISCUSSION AND ACTION – Claims** – ACTION: To approve the claims MOTION: Gilberts SECOND: Solomon VOTE: 3-0

- 5. DISCUSSION AND ACTION – Request for Loan Modification (St. Feriole Island Ballpark)** – Tim Baxter was present representing the ballpark. He said the ballpark was over budget on its current field improvement project by roughly \$6,000. Additionally, revenue from the adult softball leagues was down considerably, and he said recent trends indicate the softball leagues may go dormant. Solomon said she had a difficult time considering the request without seeing the financials of the ballpark. Baxter indicated he would try to provide those prior to the November 17th Council meeting ACTION: To recommend the Council approve the following action - to defer the 2016 payment (\$1,294.54) on the City loan to the St. Feriole Island Ballpark, with the payment to be added to the payment schedule and being made in 2023, and the final loan payment in 2024 (\$1,136.09) including a \$100 deferment surcharge MOTION: Leys SECOND: Gilberts VOTE: 2-1 (Solomon opposed)

- 6. DISCUSSION AND ACTION – 2015 Amended Budget (Version Two)** – City Administrator Kramer said recent increases in revenue and some additional expenditures have led to a second amendment of the 2015 budget. He said the projected budget surplus would roughly \$175,000 based on the current projections. ACTION: To recommend the Council approve the 2015 amended budget (Version Two) MOTION: Gilberts SECOND: Solomon VOTE: 3-0

- 7. DISCUSSION AND ACTION – Presentation of Initial 2016 Budget** – Kramer presented the proposed 2016 budget, which calls for a 1.12 percent increase in the tax levy - \$2,300,300 from \$2,274,723 – or \$25,577 in additional levy; a \$.30 per hour increase for all employees not covered under a contract; allocating \$100,000 to the Contingency Fund, which has been continued in each budget since 2010, and; removing the Room Tax and the Mass Transit (Cab) from the General Fund, the last move resulting in a large drop in revenue and expenditures. The move will more accurately show the revenue to the General Fund from the Room Tax and the impact of operating the Mass Transit program on the General Fund. The proposed budget has \$5,361,889.49 in projected revenues and \$5,210,691.34 in projected expenses, leaving a structural surplus of \$151,198.15. Kramer said the unfunded budget requests total \$1,034,587. Considerable discussion was held on the funding for the cab (\$107,514) and the SMRT bus (\$73,313), which, by funding both, would put the budget into a deficit. Leys stated he was opposed to eliminating the cab service, stating it was a needed service. Kramer advised the Committee there are several options for them to consider moving forward: 1) raise taxes, 2) borrow, 3) reduce the funding for the mass transit programs by reducing cab hours, the Safe Ride program, raising fares and eliminating the purchase of two (2) new cabs, and 4) moving some of the Capital items out to mid-2016, in anticipation of a possible 2015 budget surplus to work with at that time, but he said there is no guarantee that any funds would be available, and, if not, the costs could be pushed into the 2017 budget. The Committee asked Kramer to work with department heads on prioritizing the capital requests from each department, and collecting fare and usage numbers for the cab and SMRT bus, as well as the amounts other cities contribute to the SMRT

bus. No formal motions were taken on the budget. ACTION: To schedule a Special Finance Committee meeting on Thursday November 5th at 7:15 PM to continue work on the proposed 2016 budget MOTION: Gilberts SECOND: Leys VOTE: 3-0

8. ADJOURNMENT (6:58 PM) - MOTION: Solomon SECOND: Gilberts VOTE: 3-0

Submitted by City Administrator Aaron Kramer