

FINANCE COMMITTEE MEETING
CITY OF WISCONSIN DELLS
MUNICIPAL BUILDING ~ 300 LA CROSSE STREET
WISCONSIN DELLS, WI 53965
OCTOBER 13, 2015

Chairperson Holzem called the meeting to order at 5:00 PM. Notice of the meeting was provided to the *Dells Events*, WNNO Radio, and posted in accordance with State Statutes.

1. Present: Ald. Brian Holzem, Mayor Brian Landers and Ald. Dar Mor
Excused: Ald. Mike Freel
Others: City Clerk Nancy R. Holzem, City Treasurer Karen Terry, Director of Public Works David Holzem, Planning & Zoning Director Chris Tollaksen Park and Recreation Director Thad Meister, BID Chairperson Kelli Trumble, Asst. City Attorney Joseph Hasler, Ald. Ed Fox and Ed Legge from the *Dells Events*.
2. Motion by Ald. Mor seconded by Mayor Landers to approve the minutes of the October 6, 2015 meeting. Motion carried unanimously.
3. Public Works and Utilities Director David Holzem presented his proposed 2016 operating budget for the Public Works Department which came in with a 3.14% decrease (\$35,996) due to the distribution of wages to Planning and Zoning. Estimated revenues decreased by 11.17% (\$7,343) due to a decrease in snow removal services and recycling grant revenue.

The proposed 2016 operating budget for the Water Utility included a 20.25% (\$133,043) increase in revenue and a 1.34% decrease (\$10,045) in expenses. The proposed revenue includes the 2015 rate increase. The proposed 2016 operating budget for the Sewer Utility included a 3.49% decrease (\$39,025) in revenue and a 1.19% decrease (\$13,745) in expenditures due to lack of consumption in 2015. The proposed 2016 budget for the Electric Utility included a 34.41% increase in revenue (\$1,834,316) and a 17.32% increase (\$1,012,568) in expenditures. D. Holzem noted the increase in revenue is a reflection of the rate increase as well as the purchase of electrical facilities (Chula Vista Resort) from Alliant Energy. The increase in expenses is due to the purchase of power to service new electrical utility customers.

City Treasurer Karen Terry noted that Planning & Zoning and Building & Sign Inspection will now be recognized as their own departments and will no longer be reflected as part of Public Works. Also noting the wage allocation to these areas.

Parks & Receptions Director Thad Meister presented his proposed 2016 operating budget which came with a 6.83% increase in expenses over all areas. Meister noted there will be a change in the property insurance allocation that drove the majority of this increase. Meister requested \$382,500 in capital projects, including \$300,000 for pool repairs. Chairperson B. Holzem asked for an update on the possible new indoor aquatic center. Meister stated the School District has been perusing their options to see if it would be a feasible project for them, and also exploring locations. Meister also stated there are many options to extend the life of the existing outdoor pool. City Treasurer

Karen Terry noted the City reserved \$200,000 of PRT funds in 2015 to explore an aquatic/recreation center. Approximately \$25,000 of those funds has been spent in 2015 and would be eligible to carry over for the pool repairs in 2016.

City Treasurer Karen Terry along with Thad Meister presented the River & Bays 2016 proposed budget. Terry noted that in 2016 River & Bays will be recorded as a Special Revenue Fund as the City Ordinance dictates. Also stating any revenue generated by the boat slips and dock use will remain in this fund for future use within River & Bays. Meister also noted the reflection of wages in this fund to account for the labor performed in those areas.

BID Chairperson Kelli Trumble presented the 2016 proposed budget for the Business Improvement District. Trumble stated the assessments were increased due to the removal of a discounted rate provided and extended from 2010-2015. This resulted, in conjunction with an increase to the City's overall assessed value, an increase in revenue of \$39,518. Trumble state the BID's focus for the 2016 will be to support implementation of Phase II of Dells River Arts District, downtown beautification and the July 4th celebration. Trumble also stated the committee will use \$90,560 of the BID surplus to help fund these efforts.

City Clerk Nancy Holzem presented the 2016 Council and Administrative operating budgets with a 1.75% increase in expenditures (\$7,041). The Municipal Court budget reflects a 2% increase (\$2,033) Proposed 2016 Municipal Court revenue remains at \$150,000. Clerk N. Holzem noted a review of municipal forfeitures needs to be done. Cemetery expenses presented showed a 1.88% increase in expenses. Clerk N. Holzem stated consideration for a columbarium will go before the Cemetery Committee in 2016 noting if this capital expenditure was approved the cemetery has the funds reserved to complete the project. N. Holzem also stated the columbarium could host as many as 72 units and would pay for itself over time. The cemetery is also in need of a new mower and also has the funds reserved to purchase this item.

City Treasurer Karen Terry presented the proposed 2016 TIF & Debt Service budgets. Terry noted that the TIF #2 has one bond issue and the 2016 increment will be sufficient to cover the TIF #2 expenditures. Also noting the Pioneer Developer Agreement will be paid out of TIF #2 reserves at the end of 2015 (\$357,500) and balance in 2016 (\$357,500). Terry stated that TIF #3 has a considerable amount of debt and a large portion of the debt will become callable in 2017. Terry stated the committee will be asked to consider a major refinancing in 2017 that will stabilize this debt over a long period of time. The total Debt Service levy will be \$1,054,512, and expenditures will be \$1,219,504. Terry also noted there will be some special assessment revenue that will offset a small portion of the debt payments. Terry also recapped the Premier Resort Tax requested by each department.

City Treasurer Terry also stated the City had net new construction percentage of 2.05% in 2015. This calculation along with the CPI drives the amount of increase for the Expenditure Restraint Program. Terry stated the City has based their budget requests to reflect a 2% increase in expenditures in order to qualify for the ERP in 2017, but noted the final notice will come from the State by the end of October. Adjustments will be made accordingly.

6. The next budget review meeting will be held on Tuesday, October 27th at 5:00pm.
7. Motion by Mayor Landers seconded by Ald. Mor to adjourn. Motion carried unanimously and the meeting adjourned at 6:10 PM.

Karen Terry, City Treasurer