

MINUTES
FINANCE COMMITTEE
SEPTEMBER 6, 2018

The Finance Committee met on September 6, 2018, at 4:30 p.m. in the Council Chambers at City Hall.

Present: Chairman Thornton, Alderman Colwell, Alderman Braun, Mayor White, Office Manager Passage

Chairman Thornton called the meeting to order.

FIRST QUARTER BUDGET REVIEW

Office Manager Passage presented the committee with the First Quarter Budget Review. A review of the income and expenses was held. Chairman Thornton stated that the overall budget at this time looks good and expenses are in line. Chairman Thornton stated that the concern is the water/sewer fund. Mayor White stated that it shows that we should proceed with caution.

UTILITY RATE ANALYSIS

Office Manager Passage advised the committee that Bernie Mrugala, consultant has gathered the information needed to analyze the rates and is putting together some spread sheets and facts. She stated that together they will be preparing a power point presentation for the committee and the whole council. Mayor White stated that once the presentation is paired down with the facts it will be presented to the committee and possibly a committee of the whole meeting.

AUDIT UPDATE

Office Manager Passage advised the committee that the auditors have completed their field work and are now working on compiling the audit report. Once they have completed, they will present to the Committee. Mayor White stated that he may have them present to the committee without staff present which will allow for potential questions to be asked regarding process and gathering of information was achieved.

TAX LEVY

Office Manager Passage stated that it is time to set the tax levy. A discussion was held regarding the increase in the tax levy. She explained that typically a 4.98% increase would be taken which would generate approximately \$33,000.00. This amount would be needed to fund the Police Pension Fund. A second recommendation was made to increase the tax levy 14.74%, which would fund the Police Pension Fund, and the Fire Department. A discussion was held regarding needing this amount of increase whether or not the city joined the fire district. A discussion was held regarding the need additional revenue to fund the fire department. By increasing the levy it would allow for the Fire Protection Fund to be funded almost to the maximum limit, and fund the police pension and fund General Corporate which would allow money to be used for any department in the general fund or to transfer funds to other funds that may need additional funding. Office Manager Passage explained the timing of the fire district referendum and the tax levy. Mayor White stated that increasing the tax levy for 2019 would help with the funding of the fire department should we not join the district and if the vote is to join the district the levy could be adjusted for 2020. Alderman Colwell reminded the committee that the Fire Chief during the budget session outlined the need for additional revenue. Chairman Thornton recommended that we proceed with the increase of 14.74% to the tax levy. He will give a report to the council at the next council meeting in committee update.

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SUMMARY

Council Agenda Items – none

Chairman Action – Advise council in committee communication of the tax levy increase and
Offer to meet individually with each one to go over the numbers.

There being no further business the meeting adjourned at 5:15 p.m.

Respectfully,

James Thornton
Chairman