

These are the minutes of the 2014 Budget Hearing held on December 2, 2013 at 5:30 p.m. in the City Municipal Building.

Mayor Baumgartner called the Public Hearing to order. On roll call were Alderpersons Hilson, Kierstyn, Marti, Scott, Suhr, Mayor Baumgartner, Administrator Ellisor, Chief Anderson and Street Superintendent Mead.

Administrator Ellisor read his 2014 Budget Review Memorandum. The memorandum gave the Revenue and Expenditures Equalized Value Comparison from 2004 and 2013. Various portions of the 2014 budget composing the proposed budget were explained on the relevant trends and projections of the City's finances:

Aldersperson Jensen Arrived.

The anticipated mill rate (pre-TIF millage is the millage rate applied for General Fund operating expenses) is \$3.32 and the anticipated General Fund mill rate (after TIF) is \$4.31. The General Fund levy (the actual dollar amount collected from property taxes) is \$300,000.

State Shared Revenue, the largest revenue component of the General Fund operating budget (approx. 60%) decreased from \$735,500 to \$724,705, a \$10,795 reduction for 2014.

2014 represents the final year of the 3 year COPS Grant funding. The funding equates to \$35,000 of the General Fund operating budget.

Administrator Ellisor read services provided through the general fund operating budget which includes full-time police and fire protection, street maintenance, street trees and tree maintenance, weekly garbage collection, curb side recycling, brush and leaf collection, composting site, parks and recreation services, administration and economic development programs. All general fund services and programs will be preserved at the same level for 2014.

He read Strategies to meet the 2014 General Fund budget:

Create TIF#4 so the economic development investments currently planned can be optimized for the next 20 years.

Infrastructure upgrades include renewable energy generation that will be a source of operating revenue. The scale and means of the revenue generation will be developed through the course of the 2014 year.

Administrative and Clerk expenses are spread across four different budgets, which include the TIF's. In 2012, staffing was increased to three full time positions from two full-time and one half-time. Additionally, a three quarter time office staff position was appointed to the police department. Staffing levels are planned to remain the same.

Capital Equipment Allocation: With the exception of the police squad car and other minor allocations, the amount set-aside planned for 2014 has been temporarily placed on hold until 2015.

Special Assessment collections previously directed to the General Fund operations will likely be channeled back into the Streets Capital Improvement Fund and not utilized for operating expenses.

The Water & Sewer Utility Funds:

As noted earlier, no change in water utility however, a modest three percent (3%) in sewer utility rates is recommended. The current plan for the utilities is to definitely determine how the renewable energy installations will affect operating revenues and evaluate rates based on that information.

TIF Funds:

TIF #1 is closed. Existing TIF's are subject to restructure to enable and implement the creation of TIF #4.

Capital Equipment Budgets:

Items in the budgets are more on the order of durable goods and are outside the scope for inclusion in the general operating budgets. No major purchases are planned for 2014. The three budgets are Public Works, Public Safety and General Government.

Capital Improvement Project Budgets:

Economic Development Administration (EDA) Project for the South Business Park is a \$900,000 project with 75% grant funding from EDA. We have provided final close out documents and waiting for the final reimbursement of \$240,000. The \$200,000 matching share was funded by a 2010 local loan and being repaid from TIF #2.

**Motion by Marti, second by Kierstyn to adjourn the public hearing. Roll call vote, all voted aye.**

Respectfully submitted,

Janet L. Winters, WCMC, CMC, CMTW  
Clerk/Treasurer