

## FINANCE COMMITTEE

**FEBRUARY 19, 2008**

The meeting was called to order by Ald. Voss at 6:47 p.m. with the following Roll Call:

Members Present: Voss, Nitschke

Members Absent: Liebenow

Others Present: Mayor Heron, Ald. Sabel, Ald. McKinnon, Ald. Hoy, Kathie Wild, Shelley Eilbes, Vern Hilker, Ron Wellner, Roger Williams, Sally Kahlhamer, Brian Paynter, Andrew Johnson, Dave Pasbrig

### Item #2 – Approve the Minutes of the January 22, 2008 meeting.

Motion by Ald. Nitschke, second by Ald. Voss to approve the minutes. Motion carried unanimously.

### Item #3 – Citizen Comments.

None.

### Item #4 – Treasurer’s Report.

#### **A. Finance Report Update.**

Shelley handed out the general fund, tag center fund, and golf course fund reports for period ended January 31<sup>st</sup>. She is getting everything ready for the audit which is at the end of March.

### Item #5 - Golf Course Update.

**Nothing to Report.**

### Item #6 – Discuss/Approve Mayville Fire Department 2008 Fundraisers.

Roger Williams reviewed the four fundraising events for 2008 for the Fire Department. Motion by Ald. Voss, second by Ald. Nitschke to approve the Mayville Fire Department 2008 fundraisers. Motion carried unanimously.

### Item #7 – Discuss/Recommend Mayville Fire Department 2008 Rate Schedule.

Roger explained that the 2008 rate schedule is the same as the 2007 rate schedule. Motion by Ald. Nitschke, second by Ald. Voss to recommend to council for approval the Mayville Fire Department 2008 rate schedule. Motion carried unanimously.

### Item #8 – Discuss/Recommend Engineering Costs for Dam Projects.

Vern asked Kunkel Engineering for a yearly breakout of the costs for the dam projects. There will be \$25,000 for 2008. Shelley explained we can do a state trust loan or put something out to the local banks and get rates. The Mayor explained that we have no choice that we need the work done and have to get started on the engineering for the projects. Motion by Ald. Nitschke, second by Ald. Voss to recommend to council for approval. Motion carried unanimously.

### Item #9 – Discuss State of the City Report.

The Mayor started the discussion by saying that he has been on the council for four years and has always sensed a lack of tools/numbers to have in front of the council to show where we are at and where we are going. One purpose of the state of the city report was to show trends. Trends show what the motion has been and allow the council to make intelligent decisions. The report also can be used to dispel a lot of rumors. The report’s purpose is not meant to be all doom and gloom. The Mayor then opened the discussion for the alderpersons to voice their thoughts on the report. Ald. McKinnon expressed his concern with the \$7 million dollars of debt the city has and that no one seems to know how to knock this number down. Ald. Voss mentioned that the department heads need to keep to their budgets and not go over. Shelley reported that if we go over our budget she needs to report to the auditors why. Ald. McKinnon expressed that he thinks we need to concentrate on getting more new houses put up in Mayville in order to bring more money in to the city. Ald. Sabel mentioned that we need to attract more people in the TIF district which includes the Muche subdivision and also the Industrial Park. The Mayor mentioned some things that were of concern on

the report for him. He is concerned that our debt had doubled in the last 10 years and that our undersigned fund balance was \$800,000 and is now a negative \$373,000. We also have the second highest debt service, the lowest general fund balance applied to the balance and the highest tax levy. He does feel we are at a good staffing level. He expressed that we need to come up with a way to knock down our debt. He knows it isn't feasible to completely stop borrowing. He feels if we have budgets that are over budget this doesn't mean that people are mismanaging. The department heads are budgeting to the penny and the budgets are given no extra cushion. This needs to be looked at closer during the budget process this year. The Mayor expressed that the TIF district isn't talked about enough and he would like to bring someone in here to explain the TIF to the alderpersons so there is a better understanding to what our options are. People come to our city because it's a safe place to raise a family and because it is a neat city. Those things come at a price to the city. There are tons of positives about our city and those are the things we need to market. The Mayor feels the top priorities should be to have a marketing plan, a stimulus/recovery package that we can use to attract new businesses and homes and also to have attainable goals which includes three or five year borrowing plans. Ald. Voss allowed the audience to talk and ask questions. Andrew Johnson expressed that the city has a lot of assets such as the golf course and TIF district that they have put a lot of money into but that we aren't receiving any money out of our investments. He sees it as a cash flow problem. He also feels that our operating budget is low compared to other communities.

Item #10 – Adjournment

Motion by Nitschke, second by Voss to adjourn at 7:55 p.m. Motion carried unanimously.

Kathie Wild, City Clerk