

FINANCE AND PERSONNEL COMMITTEE MINUTES
September 19, 2011

The regular meeting of the Finance and Personnel Committee for the City of Monona was called to order by Mayor Miller at 7:03 p.m.

Present: Mayor Robert Miller and Alderman Jim Busse

Excused: Alderman Douglas Wood

Also Present: City Administrator Patrick Marsh, Finance Director Marc Houtakker, Jeff Belongia from Hutchinson, Shockey, Erley & Company, and City Clerk Joan Andrusz

APPROVAL OF MINUTES

A motion by Alderman Busse, seconded by Mayor Miller to approve the minutes of September 6, 2011, was carried.

APPEARANCES

Alderman Jeffrey Wiswell appeared before the Committee and requested the Grievance Policy changes be presented to the City Council and that each Council member receive a copy of the Employee Handbook.

UNFINISHED BUSINESS

A special meeting to hear Heather A. Stroess's grievance is scheduled for September 22 at 6:30 p.m.

A motion by Alderman Busse, seconded by Mayor Miller to table Consideration of Grievance of Heather A. Stroess to September 22, 2011, was carried.

NEW BUSINESS

City Administrator Marsh reported the CDA and Joint Review Board approved the TID 2 action under consideration. TID 2 will fund other under-performing funds for another five-year period. Finance Director Houtakker reports there will be no increase in expenses and this will be paid off as quickly as currently planned.

A motion by Alderman Busse, seconded by Mayor Miller to approve Resolution 11-09-1802 Amending Tax Increment District No. 2 Project Plan, was carried.

City Administrator Marsh reported the action under consideration brings TID 4 in line with State statutes by extending the expenditure boundary by one-half-mile along the TID. The CDA and Joint Review Board will review this after Council approval.

A motion by Alderman Busse, seconded by Mayor Miller to approve Resolution 11-09-1803 Amending Tax Increment District No. 4 Project Plan, was carried.

Finance Director Houtakker reported this Committee authorized a water rate increase which the PSC determined should be 32%. This was last increased in 2005. If it is not increased, the City wouldn't meet the debt requirement due to infrastructure costs for water mains and hydrants. Conservation rates were used, so residents who use a lot of water will be affected. The Public Works Committee changed how Public Fire Protection is allocated, which is for infrastructure, not the Fire Department.

Finance Director Houtakker distributed a report on the changes. The PSC sets the cost, which was on the tax roll and is now on the utility bill. The fee structure is based on the improvement (building) value of a property as assessed yearly, creating a mil rate. Commercial property will be charged 35% for public fire protection, residents 61%, and the remainder will be paid by the public authority.

Mayor Miller reported water conservation is the focus of The Natural Step this year, and Monona is the only municipality in the state using this method. Alderman Busse questioned depreciation, which is in the fund balance. Mr. Belongia provided information on debt service, and stated this method is positive for businesses.

A motion by Alderman Busse, seconded by Mayor Miller to approve Resolution 11-09-1804 Accepting a Public Service Commission Water Rate Increase, was carried.

Finance Director Houtakker reviewed budget results of TIF 6 UW and Meriter Clinics taxable note. Mr. Belongia reported the IRS rules say a for-profit borrowing must be taxable, which is a higher interest rate. The City maintains its AA rating, which allows competition for lower interest rates, and he was able to get a very low rate. A sales comparison report was distributed and discussed. If the City stays with its borrowing policy it will maintain its reserve funds at 15% to 20%.

Finance Director Houtakker explained the cost allocation of federal funds on Monona Drive to the stormwater utility, which was an issue between the City's two auditor firms, Schenk and Baker Tilley, but this has been narrowed down to within an acceptable \$10,000.

A motion by Alderman Busse, seconded by Mayor Miller to approve Resolution 11-09-1805 Authorizing the Issuance and Sale of \$3,775,000 Taxable General Obligation Promissory Notes, was carried.

City Administrator Marsh reported State statutes regarding grievance procedures changed as part of the Governor's budget. Municipalities must have an impartial hearing officer appointed by the Council and a final hearing has to come before the Council. These changes must be approved by October 1. He, Finance Director Houtakker, and Executive Secretary Leah Kimmell attended a meeting at which legal council recommended policy approval by Resolution, not Ordinance. This policy was previously part of union contracts. Members agreed Alderman Wiswell's request could be addressed after approval as there is a deadline to be met.

A motion by Alderman Busse, seconded by Mayor Miller to approve Revisions to Personnel Policy Manual, Chapter 11, Grievance Procedure, was carried.

Finance Director Houtakker reviewed various Accounts Payables expenditures and he and City Administrator Marsh answered member's questions.

A motion by Alderman Busse, seconded by Mayor Miller to accept the General Fund Accounts Payable Checks Dated September 3 through September 15, 2011, was carried.

MISCELLANEOUS BUSINESS

There was no Miscellaneous Business.

ADJOURNMENT

A motion by Alderman Busse, seconded by Mayor Miller to adjourn, was carried. (8:00 p.m.)

Joan Andrusz
City Clerk