

City of Monroe
Finance and Taxation Committee Minutes
April 18, 2016

A. CALL TO ORDER & ROLL CALL

Chairperson Stangel called the meeting to order. Present at roll call were Alderpersons Stangel, Armstrong, and Alt. Beer. Also present were Youth in Government members Abby Yurs & Nate Smith, Admin. Rath, City Atty. Ewald, City Clerk Stamm and other alderpersons, staff and citizens. Alder Bauman was absent.

B. CORRECTION OF MINUTES

none

C. BUSINESS: OPEN

1. REQUEST PERMISSION TO SELL VARIOUS STREET DEPT. ITEMS

Streets Suprv. Boll explained and showed pictures. He wants to sell the items on Wisconsin Surplus Auction. The first item is a 2001 Ford truck with 89,000 miles on it. For this truck, he will first get a trade in price. He also asked permission to sell an old auger, an old patch buggy, old street lights, an old tack buggy, a 2001 back hoe, a forklift cage, a 2001 Ford with 151,000 miles on it, and a 1995 truck with 90,000 miles on it. Questions and discussion took place. Boll said he can set minimums on the items for sale. The back hoe should be worth at least \$30,000 and the rest should be worth about \$10,000 – 15,000. More discussion ensued. Admin. Rath made comments and said that approval is needed to place the proceeds into the street capital fund. Motion made by Alderperson Stangel and seconded by Alderperson Armstrong to move ahead with the sale with the proceeds to go to the Street Dept. capital fund. On voice vote, the motion carried by the Youth in Government members and then by the Finance & Taxation Committee official members.

2. WISCONSIN PALLET AND STORAGE LLC REQUEST FOR RELEASE OR CHANGE OF MORTGAGE

City Attorney Ewald explained. There is a purchase & development agreement that covers this and requires that improvements be constructed and requires a mortgage to secure the agreement, but requires the city to subordinate the mortgage up to 80% of the value of the property. Wisconsin Pallet and Storage has approached a lender for an SBA loan for additional borrowing. The requirement is that the mortgage must be in second position to secure the financing. The City's subordination will get in the way of the second position. The City has been asked to provide a full subordination. An appraisal has been provided that indicates the current value is about \$2,725,000. The required value under the purchase & development agreement is \$1,711,000. It is almost 60% over the required baseline value. Alder Bauman arrived at this time. The basic premise is to assure that the city receives the revenue stream at least equal to the tax value if the minimum value is achieved. The risk of running into a problem with the subordination is minimal at most. Ewald further explained. Todd Schluesche then spoke and presented information on behalf of Wisconsin Pallet. Motion made by Alderperson Stangel and seconded by Alderperson Armstrong to accept the agreement as proposed. On voice vote, the motion carried by the Youth in Government members and then by the Finance & Taxation Committee official members.

D. BUSINESS BY MEMBERS

none

E. ADJOURNMENT

Motion made by Alderperson Armstrong Beer and seconded by Alderperson Stangel to adjourn.
Motion carried.

Carol J. Stamm, CMC/WCMC
City Clerk/Dir. Of Gen. Govt.