

City of Monroe  
Finance and Taxation Committee Minutes  
July 12, 2016

A. CALL TO ORDER & ROLL CALL

Chairperson Stangel called the meeting to order. Present at roll call were Alderpersons Stangel, Koch and Bauman. Also present were Alder Marsh, City Administrator Rath, City Attorney Bartholf, other city staff, and Bridget Cooke from The Monroe Times. Alt. Alder Michael Boyce was absent.

B. CORRECTION OF MINUTES

none

C. BUSINESS: OPEN

1. LAMAR COMPANIES SIGN LOCATION LEASE ANNUAL RENT

Assistant City Administrator Shanks asked City Attorney Bartholf to explain. There are two leases for two billboards. Each lease is for 10 years. Lamar was paying \$1,000 per year. The lease has come due. The new lease agreement has been sent back and forth between him and Lamar. He is okay with the legal language in the contract; it's the dollar amount that he wants the committee to look at. Lamar wants the new amount to be \$2,000 per year. He would like an automatic renewal after 10 years, Lamar did not want that. Questions and discussion took place. City Administrator Rath said it is a prime area for the billboards and Lamar currently charges \$400 to advertise on it. More discussion took place. The committee would like to see an incremental increase per year. City Attorney Bartholf and Assistant City Administrator Shanks are to continue working on this.

2. PRELIMINARY TID #9 ANALYSIS BY EHLER'S

Greg Johnson from Ehlers joined the meeting via speaker phone. He explained the analysis. An initial look at the finances of the district showed the project costing a little over \$4,421,000. This amount is shown over two phases with the majority of the cost being in the early phase. They created a new taxable value to show what it would cost to pay for the projected costs of \$4,421,000. The value needed would be \$2 million per year for years 2017-2021. Because the costs associated with the project are early in the project \$10.5 million would need to be collected over the first 5 years. Looking at a mixed use district it would generate about \$5.3 million over the first 5 years. Further information was given. He said an aggressive amount of new development would be needed if the total project cost was to be covered by the TID. Questions and answers took place. Alder Stangel said it was a huge risk when nothing specific is set to go into the district as of now. Greg gave more information on other options to pay for the project such as outside lenders, levy, and utilities. He said if we are looking to have the entire project funded by the TID he does not see that we will have the amount of development needed in the amount of time needed to cover the costs of the project. More discussion took place. Alder Stangel said this now gives the members an idea of what the costs would be as there has been talk for a long time about doing this TID district.

3. FIVE-YEAR CAPITAL IMPROVEMENT PLAN 2017-2021

City Administrator Rath gave an explanation. Projects were broken down by year and priority, as well as funding by department. 11 million of the 25 million in projects to be bonded were identified as the South Twining Park shelter, concrete repair and overhang work at City Hall, 4" water main, 911 system replacement as well as 8<sup>th</sup> St. road repair with water and waste water, the parking ramp, and road repairs on 18 & 25<sup>th</sup>.

The rest are things that were asked for with financing needed; land acquisition and improvements to those acquisitions, reconstruction of 31<sup>st</sup> Ave, a shed at the Street Department along with various equipment and vehicles. City Administrator Rath explained what could be delayed to help defer expense. Questions and discussion took place. Alder Stangel wondered what the cost to the tax payers would be. More discussion took place. City Administrator Rath gave more explanation.

City Administrator Rath will have Ehlers look at it again for a 20 year note and a 10 year note. Figuring out this plan is a big part of the next steps of looking at the operating budget for next year and some significant cuts may have to take place. Alder Bauman asked what sort of payments would be needed for these notes. She felt having that number would help make more sense of what can be spent and what to cut.

City Administrator Rath said he would send the information to Ehlers to break out 10 and 20 year notes and what those payments would be.

More discussion took place. Department heads were asked for comments, none were made. City Administrator Rath gave a break down on priority costs. More discussion took place. The committee will get back together next week to go over what City Administrator Rath found out from Ehlers.

D. BUSINESS BY MEMBERS

none

E. ADJOURNMENT

Motion made by Alderperson Bauman and seconded by Alderperson Stangel to adjourn. Motion carried.

Nicole M. Cummings, Deputy Clerk