

Meeting Minutes
Village of Holmen Finance and Personnel Committee
December 7, 2010

The meeting of the Holmen Finance and Personnel Committee was held Tuesday December 7, 2010 in the Village Board Room.

Chair Mark Seitz called the meeting to order at 6:32 p.m.

Present at the meeting: Committee members, Mark Seitz, Neal Forde, and Ryan Olson (6:37 p.m.). Also in attendance were Nancy Proctor, Robert Haines, Dale Grosz, Dale Brott, Adam Bissen, Dave Bentzen of the Town of Holland Board (7:30 p.m.) and Mary Willett.

Neal Forde/Mark Seitz motioned to approve the minutes of the November 9, 2010 meeting. Carried.

Dale Grosz and Dale Brott came with their original proposal for purchase of the Village's Cherry Lane property and discussed possible alternative conditions to move the proposal and the project along. Points of discussion included the west side of Cherry Lane which borders Town of Holland property and the construction of Commercial and those terms.

At 6:55 p.m., Ryan Olson/Neal Forde motioned to convene into closed session as noticed with the authority of Wisconsin §19.85(1)(e)(g) competitive or bargaining reasons and union negotiations update.

At 7:28 p.m., Neal Forde/Ryan Olson motioned to reconvene into open session per Wisconsin §19.85(2).

Ryan Olson/Neal Forde motioned to counteroffer the Grosz/Brott offer to purchase subject to the terms discussed in closed session. Carried unanimously.

Ryan Olson/Neal Forde motioned to recommend to the Village Board the approval and issuance of an Operator's license to Matthew R. Erickson. Carried.

Neal Forde/Ryan Olson motioned to recommend to the Village Board the approval of the Class A Beer/Class A Liquor, Tobacco/Soda licenses to Get & Go, LLC. Agent Daljeet Singh. Carried.

Administrator/Clerk Mary Willett shared the results of the bids for the \$2.5 million short-term loan that will be the basis for Resolution #16.10: AUTHORIZING THE ISSUANCE AND SALE OF \$2,500,000 GENERAL OBLIGATION PROMISSORY NOTES. The actual resolution is on the agenda for the full board meeting and will be prepared by Quarles and Brady.

Administrator/Clerk Mary Willett presented the revised 2011 fee schedules with nomenclature changes for approval. A few numbers were noted as needing correction.

Ryan Olson/Neal Forde motioned to recommend the new fee schedules for the Village of Holmen for 2011 and the change of name of the Junk/Salvage License to Recycling License. Carried.

Administrator/Clerk Mary Willett presented the revised 2011 General Fund Budget to the Committee. The revised proposal decreases the general property taxes from \$1,989,260 to \$1,929,899 changing the overall tax percentage increase from 2010 to 2011 Village taxes from 17.47% to 13.97%. The tax rate reduced from \$4.1279 to \$4.00. An increase of \$.44 over 2010 for an increase of \$44/\$100,000 assessed property value.

The total allowed levy increase of 3.09% provided for an increase of \$52,419. However 2011 budget item increases calculated in the revised budget included: Approximately \$12,000 increase in the shared ride program, \$8,000 increase to the fire department, \$6,000 to the municipal court, \$9,000 increase to the property insurance (a one-time \$8,000 credit was applied last year), and an increase of \$100,796.89 in salary and fringe benefits.

The total assessed taxable property values increased \$15,026,060 from 2009 to 2010. The Village is fortunate to have had continued building in a very tough economic time.

Total revenues in the revised budget were \$3,910,423 (an increase of \$273,356), while the total expenditures decreased by \$10,320.41 to \$3,910,423.

Administrator Willett proposed a zero balance budget neglecting use of cash reserves unless necessary for unexpected emergencies which may occur because:

- Continued usage of cash reserves in a levy restricted environment could increase borrowing costs in the future
- A reasonable rainy day fund is healthy
- Cash reserves provide working capital in the times when the municipality is waiting for the revenues to come in
- Cash reserves provide frontage funds for projects where the Village pays first (grants) and is reimbursed later
- Backup for unexplained emergencies

Without a healthy cash reserve, the Village could face short-term borrowing for everything and the cost of borrowing could rise substantially.

Graduate Professor Karl Nollenberger was seeking proposals for public policy research for University of Oshkosh graduate students in the Public Policy spring 2011 class. Mary Willett submitted a request for a public policy research assistance for the subject: When does a government use a Rainy Day Fund and what is comfortable cash reserve? Professor Nollenberger has corresponded that it is one of the proposals the Masters of Public Administration program is considering as a project.

Ryan Olson/Neal Forde motioned to recommend the revised 2011 Budget as presented to the Village Board for adoption.

Ryan Olson said that the revised budget brought forward the information and refinement needed to allow more confidence in the proposal.

Neal Forde said that he still has some concern for the people elderly and unemployed citizen who do not see the details of the budgets as Board members do. He said he could not disagree with moving forward with this budget but believes it will not set well with everyone.

The motion carried with a unanimous vote.

Ryan Olson/Neal Forde motioned to adjourn. Carried. The meeting adjourned at 9:13 p.m.

Mary M. Willett, Administrator/Clerk

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