



## MINUTES OF AN OFFICIAL MEETING:

Regular / Special Meeting: Finance Committee

Date and Time: Tuesday, June 14, 2023, at 6:30 pm

Location: City Hall, 2000 N Calhoun Rd, Common Council Chambers

Members Present: Alderman Dave Christianson, Alderman Bob Reddin, Alderman Jason Anderson, Alderman Mike Hallquist, Alderman Scott Berg, Alderman Jerry Mellone, and Alderman Kathryn Wilson

Members Excused:

Others Present: Director of Finance and Administration Robert Scott, Deputy Finance Director Sarah Kitsemel, Alderman Bill Carnell and Alderman Chris Blackburn

### 1. Roll Call

Alderman Dave Christianson noted a quorum was present and called the Finance Committee meeting to order at 6:30 pm.

### 2. Announcements

The next regularly scheduled Finance Committee meeting is Tuesday, June 20, 2023.

### 3. Minutes

a) None.

### 4. Unfinished Business

a) Status report regarding state proposal for local government funding, review of long-term financial forecast and other budget issues, and consideration of 2024 budget parameters.

Director Scott distributed a summary of the updated results from the City's financial forecasting model that included revised amounts of supplemental state shared revenue based on the local government funding framework bill as passed by the state Legislature. That updated revenue amount, plus a revised estimate of net new construction, plus some other minor changes to the model, results in a forecasted shortfall in the 2024 projected tax levy of approximately \$830,000 compared to the estimated state levy limit.

Staff then made a presentation of possible options to address the levy shortfall in 2024 and future years as forecasted in the financial model. Options presented and discussed by the Committee included:

- Greenway Corridor fund – shifting additional wireless lease revenue to General fund (not recommended)
- Employee Retirement Fund – shift \$250,000 in levy to General fund.
- Attrition savings in the fire department to offset loss of SAFER grant in early 2025.
- Potential Elm Grove fire/EMS partnership
- Expand borrowing for high dollar vehicles/equipment.
- Specially assess annual pavement maintenance program
- Alternative vehicle registration fee ("wheel tax")
- Transportation utility

- User fee for recycling center
- Interfund transfer from wastewater utility (like payment in lieu of taxes required of the water utility)
- Shift public fire protection (“hydrant rental”) to water bills.
- Increase budgeted use of fund balance.
- Reduce or eliminate expenditures for “non-core” municipal functions (e.g., mosquito/deer, Humane Society)
- Other program changes and associated expenditure reductions – to be determined.
- Position vacancies – more aggressive budgeting
- Allocate more administrative costs to Self-Supporting Recreation Fund

The Committee also reviewed considerations regarding a referendum to permit exceeding the state levy limits. The consensus of the Committee was to defer consideration of such a recommendation until many of the options reviewed are implemented and/or further reviewed and set aside.

The Committee deferred final consideration on the 2024 budget parameters until the regularly scheduled June 20 Committee meeting.

5. New Business

a) None.

6. Adjournment

***Motion by Alderman Bob Reddin, second by Alderman Jerry Mellone to adjourn the meeting at 8:39 pm.  
Motion carried 7-0.***

Respectfully Submitted:

Robert W Scott

Director of Finance and Administration