

MINUTES OF THE COMMITTEE OF THE WHOLE MEETING OF OCTOBER 24, 2012

Call to Order

President Vanden Berg called the Committee of the Whole meeting to order at 6:00 p.m.

Roll Call

PRESENT: President Vanden Berg, Trustee Berken, Trustee Frassetto, Trustee Hietpas, Trustee Peerenboom, Trustee Smith, Trustee Van Lankvelt

ALSO PRESENT: C. Kell, J. Moes, E. Misselt, T. Matheny, T. Flick, R. Van Gheem, V. Schneider Phil Cosson - Ehlers, Interested Citizens, Media Reps

Public Appearance for Items not on the Agenda

None

Action – Resolution Awarding the Sale of \$6,230,000 General Obligation Promissory Notes Series 2012A

Phil Cosson of Ehlers handed out the sales results packet and stated the final resolution with the final numbers included was also handed out this evening and he noted that Board members should have received an Official Statement that was mailed to their homes. Mr. Cosson reviewed the Moody's rating report summary noting that Little Chute has maintained its rating of Aa3. Mr. Cosson reviewed the bidding process and the bid results and he noted there were six bidders. The low bidder was UMB Bank, N.A., Kansas City, Missouri and the true interest rate is 1.0640% which means the Village is borrowing the money for 10 years at that rate and that rate was even better than what was projected. Mr. Cosson also explained that this was a premium bid with a reoffering premium built into the rates and because of this the amount borrowed was reduced by \$70,000 and it is now at \$6,160,000 instead of \$6,230,000.

Mr. Cosson also noted that with the rate being lower the overall costs are approximately \$153,000 less.

Moved by Trustee Frassetto, seconded by Trustee Van Lankvelt to Adopt Resolution No. 34, Series of 2012 Awarding the Sale of \$6,160,000 in General Obligation Promissory Notes Series 2012A.

Roll Call Vote: Trustee Berken – Aye, Trustee Frassetto – Aye, Trustee Hietpas – Aye, Trustee Peerenboom – Aye, Trustee Smith – Aye, Trustee Van Lankvelt – Aye, President Vanden Berg- Aye

Ayes 7, Nays 0 – Motion Carried Unanimously

Action – Approval of 2013 Kaukauna Utilities Billing Agreement

T. Matheny reviewed the proposed 2013 Billing Agreement noting that the increase over 2012 is \$384 or 0.06%. and she recommended approval of the 2013 Billing Agreement at \$1.276 per bill.

Moved by Trustee Van Lankvelt, seconded by Trustee Smith to Approve the 2013 Kaukauna Utilities Billing Agreement.

Ayes 7, Nays 0 – Motion Carried Unanimously

Review/Approval of Revolving Loan Application for Tailwaggers Doggy Day Care Project

Moved by Trustee Frassetto, seconded by Trustee Smith to Approve the Revolving Loan Request for Tailwaggers Doggy Day Care.

Ayes 7, Nays 0 – Motion Carried Unanimously

Approval of Offer to Purchase for Lot 5 in Village North Subdivision

C. Kell stated that the offer is for the amount that the Village was asking for the lot and he believes the intent of the Spierings is to close on this purchase before the end of the year. J. Moes noted that this sale is excluded from the listing with the realtor so there is no commission being paid on this sale.

Moved by Trustee Frassetto, seconded by Trustee Berken to Approve the Offer to Purchase for Lot 5 in Village North Subdivision.

Ayes 7, Nays 0 – Motion Carried Unanimously

Presentation/Discussion – 2013 Budget

T. Matheny handed out budget binders to staff and the Board. T. Matheny reported that the budget being presented has the tax levy at \$3,697,317 which gives a starting mill rate of \$6.8875 but this is an approximate number because the final statement of assessment has not yet been received from the State.

T. Matheny stated this is a huge accomplishment of all staff because the Village has an estimated equalized value loss of \$24,856,400 or 4% and an anticipated loss of assessed value of \$24,484,903 or 4.36% for 2012. Staff noted that the decrease in value alone would create a \$0.29 tax increase and to keep the tax rate down, staff looked at cutting \$157,000 out of the budget. T. Matheny stated that staff is fairly confident that by 1/1/2014 the tax base will be brought back up as there is approximately \$18 million in potential development and new homes are being built and TID 3 will be closing. T. Matheny noted that the same levy in 2012 as in 2011 would equate to a mill rate of \$7.16 for 2012. T. Matheny reviewed the budget numbers concerning the reduction of 10% in general transportation aids and the mandatory increase to 6.65% for both employer and employee retirement contributions with the exception of the Police Union as the Village has to pick up the entire cost of their contribution. Health insurance costs were reviewed and the cost went up 14% and the union contracts call for a 10% contribution and for non-reps a 7% employee contribution and it was noted that the AFSCME does not have the \$1,000 deductible amount that the non-reps have to pay. The levy limit calculation was explained and the maximum tax rate allowed would be \$7.71, financial metrics were reviewed as well as the allocation of the taxes between the various taxing entities and the budget history over the last three years. Changes in revenue and expenditures were reviewed and the overall decrease in the tax levy with the proposed budget changes is \$147,697.

Discussion took place on funding fleet replacement and Trustee Smith stated he wants to see that fund built up so if something is needed it can be purchased. T. Matheny also reviewed the tax levy limit worksheet and the worksheets staff used to estimate assessed value for all property in the Village. T. Matheny noted that the budget binder includes all levy items and the major construction funds and utilities are not included in the binder and she will be providing those budgets to the Board soon. T. Matheny stated that her intent is to set the budget hearing for Wednesday, November 28th and after the meeting on November 7th the hearing notice would be drafted. T. Matheny also noted that even with the actual decrease in the general fund expenditures of 11.2% the expenditure restraint program only allows for \$27,639 to be considered for additional budgeting needs. Discussion took place on the process of moving forward with reviewing individual department budgets and the joint budgets. Board members agreed that it was their understanding that the Metro's budget was approved with the exception of the 2% increase for non-reps and this Board would act on that decision, the Library budget was approved at the revised amount of \$670,000 and staff stated they did not hear that Kimberly wanted to change that amount. It was also noted that the Custodial budget had been approved at the joint meeting. J. Moes noted that the Library Board would be meeting next week Monday to amend the budget to the new number. Board members agreed to meet next week Tuesday, October 30 at 6:30 p.m. to continue a review of the budget and the Park and Recreation Director, Community Development Director and Village Clerk indicated they would like to review their budgets with the Board next week.

Unfinished Business

C. Kell reminded Board members of the Public Informational Meeting being held on Thursday at 6:00 p.m. concerning the Village Hall remodeling/expansion project and the Windmill project. C. Kell also provided Board members with a copy of a CSM for the Village's vacant land property that is being proposed to be sold to the Salon owner and the CSM would be presented to the Plan Commission at a special meeting being held next week and the CSM will also be on next week's Board agenda along with the authorization for the President to sign the offer to purchase land, the offer to purchase to sell land and the accompanying resolutions. C. Kell noted that the Salon owner wants to close on the purchase November 5 so they can move forward with the construction of the new facility. C. Kell also reported that easements had been agreed upon with Vanderloops, the Village and the Salon. Trustee Frassetto questioned why the illustration shows the road being straightened out as it was decided by a vote of the Board that the road would not be straightened and she asked the Administrator to clarify this at the public meeting. C. Kell stated that he

will make it very clear to the public that it sets the right-of-way aside so if at some point in the future the Village decides the project should be done it can be accomplished as the Village needs to preserve that option. C. Kell also reported that he had received formal correspondence from St. John Parish regarding the Pine Street project and what they are asking for and that will be presented to the Board in the next few weeks at a closed session. C. Kell reported that he had been contacted by a developer that was interested in purchasing all of the Village North Subdivision with a proposed schedule for building it out but the problem is the Developer is looking for TID incentives and because the Village can't provide the incentives it will not be brought to the Board at this time. C. Kell further stated that he could talk with the Developer about starting something and when TID #3 is closed, a TID could be created there but there would have to be agreements in place and he asked the Board to think about that issue. J. Moes stated that Hietpas Realty has an offer on a lot at Village North that will be brought to the Board at the first meeting in November.

Items for Future Agenda

Trustee Peerenboom requested future agenda items to discuss a policy for keeping records in closed session and for going over a budget timeline because it isn't being done as in past years and he doesn't want to see a repeat of Monday night and if the Board would have had the budget meeting earlier things probably would have went better Monday night. Trustee Peerenboom stated he had reviewed minutes from previous years and the budgets had been presented earlier than this.

Moved by Trustee Berken, seconded by Trustee Frassetto to enter into closed session. (7:27 p.m.)
Ayes 7, Nays 0 – Motion Carried Unanimously

The Village Administrator, Village Clerk and staff were dismissed from the meeting at this time.

Closed Session:

19.85(c) - Consideration of Employment, Promotion, or Performance Evaluation Data of any Public Employee of the Village of Little Chute – Continuation of Performance Evaluation of the Village Administrator

Moved by Trustee Hietpas, seconded by Trustee Peerenboom to Exit Closed Session and Return to Open Session. (8:47 p.m.)
Ayes 7, Nays 0 – Motion Carried Unanimously

Return to Open Session and Adjourn

Moved by Trustee Hietpas, seconded by Trustee Peerenboom to Adjourn the Committee of the Whole meeting at 8:47 p.m.
Ayes 7, Nays 0 – Motion Carried Unanimously

VILLAGE OF LITTLE CHUTE

By: Michael R. Vanden Berg, Village President

Attest: Vicki Schneider, Village Clerk