

NOVEMBER 6, 2006

Special Budget meeting was called to order by Mayor Meyers at 6:00 p.m., in the Council Chambers, City Hall Plaza.

**PRESENT:** Michael Feirer, Alanna Feddick, Trish Siegler, Marty Anderson, Ed Wagner, Chris Meyer, Donald Krueger, John Spiros, Tom Buttke, and Edward Beaudry, Jr.

**ABSENT:** None

The flag was saluted and the pledge given.

Chairperson Beaudry of the Finance, Budget and Personnel Committee assumed the chair.

City Administrator recommended the following changes to the 2007 recommended budget:

<b><u>EXPENDITURES:</u></b>		<b><u>Increase</u></b>	<b><u>Decrease</u></b>
Plumbing Inspector	101.52411..5250	\$ 700	
	101.52411..5350	500	
	101.52411..5331		\$ 1,200
Law Enforcement	101.52110..5111		7,600
	101.52110..5122		248
	101.52110..5151		1,162
	101.52110..5152		400
	101.52110..5153		600
	101.52110..5157		255
Finance	101.51510..5154	10,115	
<b><u>REVENUES:</u></b>			
State Transportation Aids		\$ 3,885	
State Connecting Hwy Aids		2,470	

The impact of all of these changes is a reduction in the tax levy of \$6,505. The Council can leave it as is and the levy would be reduced by that amount and the tax rate would go down by about 3/4¢ or take the \$6,505 and increase the contingency fund or any other type of expenditure that they might be interested in.

**CC06-356** Motion by Buttke, second by Feirer to approve the changes as presented and increase the contingency fund by \$6,505.

Aldersperson Feddick is concerned about the money going into the contingency fund. Perhaps it would be put to better use if it is offset against what is being taken out of the general fund balance.

Aldersperson Buttke **amended his motion to put the money in the unreserved/undesignated fund**. The second also agreed to amend the motion.

Vote on motion **CC06-356 as amended**; All Ayes

**Motion carried**

Aldersperson Feddick talked about TID #7 which is the Yellowstone Industrial Park in the amount of \$764,276. She is concerned because of the trend in economic development. Marshfield has lost a lot of businesses, started few and started no industrial and there is no trend on a wide plane in our economy for industrial. We need to become a quality of life city versus an industrial.

**CC06-357** Motion by Feddick, second by Wagner to remove TID #7 from the budget in the amount of \$764,276.

Administrator Brehm said that the amount of \$764,276 would be reduced by the \$259, which is auditing services. The total removed from the budget would than be \$764,017.

Finance Director Strey added that in addition to that the debt issuance expense that is allocated to TID #7 would also need to be transferred because that is an allocated share of the overall debt issuance cost. So the amount of \$9,017 would have to be transferred.

Director of Planning and Economic Development Miller said that according to the CENTERGY report the types of facilities that we need to target for our area that would be able to be housed in this specific area are agricultural and food processing; bio-fuels and energy production which is another area that needs large tracts of land. A minimum of 20 acres is the smallest that you would want for something of that type. Those would both be an 'M-3' Heavy Industrial Usage that would be most appropriately located in a park of this size. Any expansion of our existing industrial facilities could be relocated to this park. If our existing industrial manufacturers run out of space, a lot of them are landlocked. If they need to relocate, we don't have room in the community to relocate them with the exception of the Nikolai Industrial Park which is about 60 acres. Once that land is gone and if we don't develop Yellowstone Industrial Park there will be no land available.

Aldersperson Beaudry said that he can remember when the Airpark was put in and everybody was so concerned about the big mistake that they made because the land sat empty with nobody using it. That park is now full but before it got completely filled, the Eastside Park was developed and people asked them why they would do such a dumb thing because the city put all that money into the Airpark and it was not full. The Eastside Park is now almost full. The city just lost within the last couple of years the potential for a large manufacturer in that same area because at that point in time we had no land to offer them. It was not ready yet. If we don't have the industrial park ready, the businesses will go any place but here.

Aldersperson Buttke added that nobody likes to see land sit empty for a while but that is the process that you go through to get business and industry in.

Mayor Meyers said that for future development in the community it is incumbent on this council to consider proceeding in the direction that they have already laid out for ourselves and proceed with the development of Yellowstone Industrial Park.

Aldersperson Wagner commented that he is in favor of delaying the construction of infrastructure into the park. We already own the land and if we had to we could do an emergency bond issue if somebody came in and wanted to build a plant. He objects to passing a Tax Increment Finance

District until the revenue stream is identified and we know where the revenues to payback that bond is going to come from. He doesn't want to spend the money until they have to and he doesn't want to incur the debt until they have to.

Mayor Meyers responded that very recently they had a development that wanted to establish itself here in Marshfield. Something as simple as having a road so that they could get into the site but we couldn't take them down Yellowstone Drive and we couldn't get them into the park. We didn't have the utilities and that is not something we can plan for in one council meeting. This is not something we can physically do in a 6-8 month period. It is the infrastructure that we are talking about here. We need access to that facility and in order to do that we have to proceed with the plans that have been put forth by the Capital Improvement Committee. This is something that has been talked about for a lot of years.

Aldersperson Feirer stated that if you don't have the infrastructure in place, businesses will walk right on by. So you have to have a plan and the plan can't be that we will fund it when a business decides to put their name on the dotted line. It doesn't work that way. If you expect some plant to come here and wait 6 months, 9 months to a year, they will go down the road to some place that can do it.

Administrator Brehm explained that the amount deleted from TID #7 would be \$764,017. The long term debt issuance cost in the street construction fund would be increased by \$9,017. On the revenue side, the long term debt proceeds in the street construction fund would be increased by \$9,017 and decrease the long term debt proceeds in TID #7 by \$764,276. The impact would not change the tax levy or the tax rate but it would reduce the budget by \$755,259.

Vote on motion **CC06-357**; Feddick and Wagner voted Aye, rest Naye.

**Motion failed**

CC06-000 Motion by Feddick to cut 3% of the budget of General Government; Public Works; Health and Human Services; Culture, Recreation and Education; Conservation and Development, Capital Outlay and other financing uses except for Public Safety and Debt Service.  
Motion died for lack of a second.

Administrator Brehm said that the recommended budget was based upon estimated assessed valuations. The actual valuations came in just recently. What this means is that the levy can increase \$11,712 without changing the rate from last year. The Council can lower the tax rate or spend it on something they want or lower the fund balance applied.

**CC06-358** Motion by Feddick, second by Siegler to reduce the general fund balance applied by \$11,712. Anderson, Krueger, Spiros and Buttke voted Naye, Feirer, Feddick, Siegler, Wagner, Meyer and Beaudry voted Aye.

**Motion carried**

Administrator Brehm and all of the staff members were thanked for a job well done.

**CC06-359** Motion by Anderson, second by Wagner to set the date of November 28, 2006 at 6:30 p.m. for the public hearing on the 2007 City budget and authorize the Finance Director to publish the notice of hearing and the proposed 2007 budget, incorporating any previous budget actions of the Common Council. All Ayes

**Motion carried**

Motion by Buttke, second by Spiros to adjourn at 7:08 p.m.

**Motion carried**

Deb M. Hall  
City Clerk