

FINANCE COMMITTEE

Date and Time: Tuesday, April 9, 2013 @ 5:00 pm., Board Room

Members Present: Nagle (C), Brezinski, Nutting, Oberbeck, Winters.

Others Present: Rasmussen, Tipple, Groat, Jacobson, Marquardt, Giese, Abitz, room tax applicants.

In accordance with Chapter 19, Wisc. Statutes, notice of this meeting was posted and sent to the Daily Herald in the proper manner. It was noted that there was a quorum present and the meeting was called to order by Chairperson Nagle.

Minutes of the previous meeting(s). (3/12/13)

Motion by Nutting, second by Oberbeck to approve the minutes of the previous meeting (3/12/13). Motion carried 5-0.

Public Comment on matters appearing on the agenda.

None.

Consider Room Tax Applications

Groat reviewed the room tax policy for distribution. Shed proposed three different scenarios: 1) **Option A** provides the Continuing Appropriations their flat amount established in the policy and then distributes the balance of the room tax on an even percent based on the requests that each one of the applicants submitted. This would give Continuing Appropriations group their minimum amount available and the balance was distributed approximately 74% of each applicant's request. 2) **Option B** would give the Continuing Appropriations group the actual percentage of contribution based on prior year's room tax, which was \$738,250, or about \$20,000 more, reducing the allocations to the other applicants down to 44.67% of their requests. 3) **Option C** would give Continuing Appropriations about 50% of their extra money and distribute the rest of it to the others, giving them 59.5% of their requests.

Kathy Foley, Director of the Woodson Art Museum, felt the system that is in effect is an effective one and they should keep in place what they have for the current fiscal year, but asked the committee to take a look at the policy and the percentages as to whether they are appropriate in 2014 as they were in 2006 when the policy was established.

Brezinski indicated he would abstain from voting as a Board member of Wausau Area Events.

Motion by Winters, second by Oberbeck to approve Option C and the development of an ad-hoc committee to look at the policy for 2014. Motion fails on a tie vote of 2-2, with one abstention.

Consider Cable Franchise Fee History

Groat stated the city has had a cable franchise fee for many years which was initially done by individual communities, until about five years ago when a statewide franchise agreement was created. This provided some continuity from community to community so that each had the same rate; the maximum amount that can be charged is 5%. It also allows for more competition for cable companies within communities. She stated Charter charges 5% for our franchise fee, collects it and remits it to us on a quarterly basis. She explained those franchise rates were established as compensation for right-of-way use. Oberbeck questioned if there was ever any intent for the franchise fee to be devoted to public access channel. Groat responded that there wasn't and there is no requirement that it be used for public access at all. She noted the city receives approximately \$300,000 - \$380,000 per year, so there would certainly be an impact to the taxpayers if we would decide to forgo that revenue. Nagle noted that Rev Oliver Burrows submitted an emailed opinion on this item for the record.

Oberbeck questioned what the city's history was for the use of the franchise fees. Groat stated to her knowledge it has always gone into the general fund. She noted we also used to receive an operations fee for our PEG channels of \$45,000 per year as well as a biennial capital contribution of \$20,000, which were lost when the statewide franchise fee was established.

Resolution Agreeing to Explore Cooperative Ventures - To Be Introduced at Meetings of the Governing Bodies of Wausau, Schofield, Weston, Rothschild and Rib Mountain

Nagle stated it has become bothersome to him that the cities aren't getting together more and cooperating with each other on services and purchases. He distributed a resolution that he drafted and asked committee members to take it home, review it and bring back suggestions to craft a final resolution at the next meeting.

Consider Request to Marathon County for \$1.50 per Dog Rebate on Pet Licenses issued by Communities that have Contracted with Petdata

Winters stated the Humane Society is requesting more money from the county by asking them to raise the portion of license fee the city pays to the county. He stated Wausau and Weston have PetData and we can take the data from the veterinarians, put it into the system and grow the number of licenses that we collect. He felt the county should put together a law that allows for those communities that join Wausau and Weston in the PetData contract to pay \$1.50 less in license fees. He commented it would be a way for the county to encourage municipalities to get into the system that licenses more pets and we need their help to spread this system metro wide. Rasmussen agreed an incentive might get other communities to get on board.

Motion by Brezinski, second by Winters to approve the request to Marathon County for \$1.50 dog rebate to communities that contract with Petdata. Motion carried 5-0.

Consider Request to Marathon County to adopt mandated vaccination record submission by Veterinarians

Withdrawn.

Consider Request to Marathon County to use sales tax for transit expenditures.

Winters suggested the Legislative Committee lobby for a sales tax in which every community could receive up to a quarter percent to fund the transit system. Nagle commented he would be surprised the businesses in Rib Mountain weren't all for it to get shoppers out to their stores. Oberbeck felt by not running regular schedules and a perimeter system or when it is not easy to move from one point to another you create non-use. Wausau's service is to specific entities such as the hospital, NTC or the Health Care Center from a central hub, which needs to be looked at to make this a viable system that people will utilize instead of their car.

2014 Budget Planning

Groat stated she prepared some predictions looking at the total costs by line item for the general fund. Based on the union contracts that we have with Police and Fire there would be 2% cost of living increase for 2014 and social security will reflect 2% increase. The WPS contract stated we would experience an increase greater than 12% for health insurance; with dental she used a flat 10%. She indicated the net effect for total expenditures would be approximately \$731,000. Groat explained she did the same with the other revenues and kept property taxes at the same rate as the prior year to see what our initial shortfall looks like, which she estimated at just under \$500,000. With other considerations she suggested a total of approximately \$530,000 to deal with this year. She anticipated the same amount in state aids as last year. Oberbeck suggested the committee look at setting goals and initiatives for the budget shortfall.

Insurance Claims Report - February 2013

2013 Financial Report - February

Consider Revenue Policy

Items moved to next meeting agenda.

Adjournment

Motion by Brezinski, second by Oberbeck to adjourn the meeting. Motion carried unanimously. Meeting adjourned at 7:00 p.m.