

**FINANCE COMMITTEE  
APRIL 10, 2017 AT 7:09 P.M.  
LINCOLN CENTER – 1519 WATER STREET**

**PRESENT:** Ald. Phillips, Doxtator, Kneebone, Shorr, and Dugan

**ALSO**

**PRESENT:** C/T Ladick; Deputy C/T Freeberg; Mayor Wiza; City Attorney Beveridge; Clerk Moe; Directors Schrader, Ostrowski, Lemke; Police Chief Skibba; Fire Chief Finn; Ald. Slowinski, Morrow, Ryan, McComb, Oberstadt, Johnson; Brandi Makuski; Nate Enwald; Tori Jennings; Mary Ann Laszewski; Travis Haines

**ITEM #1 – RENEWAL OF REALTOR CONTRACT FOR LEASING THE PROPERTY AT 933 MICHIGAN AVENUE (FORMER MSTC BUILDING).**

Motion made by Ald. Shorr, seconded by Ald. Doxtator, to approve the renewal of the realtor contract for leasing the property at 933 Michigan Avenue.

Ayes: All                      Nays: None                      Motion carried.

**ITEM #2 – REFINANCING OF STATE TRUST FUND LOAN.**

C/T Ladick stated that we are looking at refinancing a loan with the State Trust Fund. It is currently at an interest rate of 5.5%, which is high, but we can refinance it with the State Trust Fund for 3.5%. The reason why that rate is a little higher is because it is a taxable borrowing, which means the interest is taxable to the investor. He stated that knowing that the Redevelopment Authority has their Housing Trust Funds and they have some cash that they are looking for some good investment options on, he approached them to see if they would be interested at the same rate, which they were. Basically, we would then owe the Redevelopment Authority instead of the State Trust Fund.

Mayor Wiza questioned how much interest we will save by refinancing. C/T Ladick replied about \$6,500 per year, so about \$65,000 over the life of the borrowing.

Motion made by Ald. Kneebone, seconded by Ald. Dugan, to approve the refinancing of the State Trust Fund loan.

Ayes: All                      Nays: None                      Motion carried.

**ITEM #3 – RESOLUTION SUPPORTING A CHANGE TO WISCONSIN STATUTE 66.0603 (LOCAL GOVERNMENT INVESTMENTS).**

C/T Ladick explained that we had a unique situation back in 2013 with planning for a large capital project in the future. We had about \$5 million dollars at that time that we knew we could put aside for 4 years and invest, knowing that we were going to do a large capital project in 2017, which is the overpass. It would have made a lot of sense to take out a 4 year certificate of deposit with a local bank, but unfortunately, State Statute limits you to only 3 years for a deposit at a local bank; however, if he wanted to buy a corporate bond in Apple or Google, he could go up to 7 years. He stated that it is unfair to our local institutions and gives us an incentive to send money outside the community, which he has a problem with. The problem it created is that he had to do a certificate of deposit for 3 years and when it matured in 2016, he had to renew it for another year and both times, we received a lower interest rate than we would have gotten if we could have just invested in a 4 year certificate of deposit. He calculated the total loss of interest revenue because of taking that lower interest rate and it is a little over \$73,000, which would have gone a long way in our capital budget.

Due to this, a couple of years ago he started working to get this changed and he is finally starting to see a little traction as there are now some legislators that are willing to take this up. He wanted to get the Council involved since we are going to be the poster child for this change on the state level, and he hopes that the Council will be supportive.

Ald. Shorr thanked C/T Ladick for bringing this forward and spoke in support of the effort.

Motion made by Ald. Shorr, seconded by Ald. Dugan, to approve the resolution supporting the change to Wisconsin Statute #66.0603.

Ayes: All                      Nays: None                      Motion carried.

**ITEM #4 – APPROVAL OF PAYMENT OF CLAIMS.**

The claims were discussed.

Motion made by Ald. Doxtator, seconded by Ald. Kneebone, to approve the payment of claims in the amount of \$909,548.40.

Ayes: All                      Nays: None                      Motion carried.

**ITEM #5 – ADJOURN INTO CLOSED SESSION (APPROXIMATELY 7:30 P.M.) PURSUANT TO WISCONSIN STATUTES 19.85 (1)(E) (DELIBERATING OR NEGOTIATING THE PURCHASING OF PUBLIC PROPERTIES, THE INVESTING OF PUBLIC FUNDS, OR CONDUCTING OTHER SPECIFIED PUBLIC BUSINESS, WHENEVER COMPETITIVE OR BARGAINING REASONS REQUIRE A CLOSED SESSION) ON THE FOLLOWING: A. NEGOTIATING THE PURCHASE OF PROPERTIES IN TIF DISTRICT 6 (DOWNTOWN TIF DISTRICT). B. NEGOTIATING THE TERMS IN BUILDING IMPROVEMENTS RELATED TO THE LEASE ON THE BUILDING AT 1101 CENTERPOINT DRIVE. C. NEGOTIATING THE POTENTIAL PURCHASE, SALE, AND/OR LEASE OF POTENTIAL PROPERTIES IN ORDER TO MEET CURRENT NEEDS FOR CITY ADMINISTRATIVE AND POLICE DEPARTMENT FACILITIES.**

Motion made by Ald. Doxtator, seconded by Ald. Kneebone, to approve adjourning into closed session at 7:20 P.M.

Roll Call: Ayes: Ald. Dugan, Kneebone, Shorr, Phillips, and Doxtator                      Nays: None  
Motion carried

Adjournment in closed session at 8:47 P.M.