

**VILLAGE OF DRESSER
FINANCE COMMITTEE MEETING
MONDAY, JULY 29, 2013
6:00 PM**

The meeting was called to order by Jim Rochford Jr. at 6:00 PM. Roll Call was taken: Jim Rochford Jr., Bryan Beseler and Darron Nelson. Also present Jodi A. Gilbert Clerk. No other public or press was in attendance.

Discussion was held in regards to License/Permit Fees in Chapter 12 of the Code of Ordinances. Gilbert explained the spreadsheet that was presented to the committee and the fees that could be changed. Class A Malt Beverage or Class A Intoxicating Liquor is where the product is taken away from the premise. Class A here in Dresser is one business. We want to bring our fees in line, but obviously it will impact that one business. Let's come back to that one. How about bringing the Operator License to \$20.00. The Provisional and Temporary Operators should go to \$15.00 each. Let's come back to the Cigarette. The Solicitor Investigation fee could go to \$25.00. Next you have the Dog Licenses. How about raising each of them \$2.00. That would bring the license up to either \$12.00 or \$7.00. Nelson stated I don't think we should be increasing the dog license fees. We should change the Adult Orientated license to \$2,000.00. We have matched the lowest guy on the totem pole. For one business – they could do more with the money then we can. Rochford continued it would be different if we had many businesses. Beseler stated OK so what if someone new comes to town. They will come in cheap when you compare the cost to apply for a new license. The cost of time would not be recouped at the current rate. Beseler continued right now we are so far off from the other municipalities. We could increase the fee just a little bit or enough to be in line with other municipalities. Beseler stated ideally we should be in line with everyone else, but I could support an increase of some kind. Rochford stated OK give me some numbers. Beseler stated Class A Malt \$50, Class A Intoxicating \$250, and Cigarette to \$50. Beseler continued would those charges discourage them from not selling that product. Nelson stated I am OK with everything, but no on the dogs. We want to have everyone license there dog and we are not out to make money. Dresser currently only gets \$2.00 per dog and postage by itself takes up most of the cost. That doesn't include office time, paper, computer software etc... Dresser would have \$4.00 to cover costs. Rochford read the changes on the spreadsheet. Motion Beseler/Rochford to recommend to the Village Board that they approve the increases in fees for Chapter 12 as outlined on the spreadsheet. All in Favor. Motion Carried.

Discussion was held in regards to financing options for the Water Utility Project – New Water Meters/Radio Read System. Gilbert explained the packet that the committee had received. The Village has met with HD Supply and Midwest Testing several times and have finalized the numbers for the project. The total amount for the project is \$152,000.00. Gilbert enclosed some information from Brock Geyen, CliftonLarson Allen that she had received. Options for financing are as follows: 1. Private Bank. Frandsen Bank and Trust said no. Bremer Bank has submitted some options. 2. The State Trust Fund Loan Program. 3. The Safe Drinking Water Loan Program was contacted and they

Page 2 of 2 – Finance Committee Meeting July 29, 2013

stated that a meter replacement project is not an eligible project. 4. USDA Rural Development was also contacted and our project would be eligible, but 10-20% of the project cost would be needed to up front get the money. They actually suggested the State Trust Fund Loan Program because they are quicker and a lot less paperwork. Nelson stated we need to look at how we would be paying off principal. If you can pay ahead in the future and have more options go with longer terms. Rochford stated need to look at this like a household. Beseler stated if you have a bonus and have extra money then things aren't right – we should be taxing for what we are going to spend. How are you going to come up with extra? Rochford stated I am not opposed to longer terms. Nelson stated I think it would just give you more options. At year end you evaluate your money or maybe we get new businesses in town and generate more revenue, which would allow us to pay it off quicker. We need to be fiscally responsible. Pay it off early if possible. We would be taking this loan out as G.O. debt. We have plenty of borrowing capacity. Nelson stated I think fixed terms are good. Bremer has a 5 year fixed term with 10 year amortization 2.95%. The State Trust Fund Loan is 10 years 3.25%. Bremer 5 year \$8,850 semi annual payment. Take $\$8,850 * 2 =$ annual payment divided by 400 customers \$44.25 per year divided by 12 months \$3.69 per month increase. Beseler stated Bremer has a fixed 10 year but that rate is at 3.95%. Beseler continued we don't know where the interest rates are going to go in 5 years. Rochford stated I think we should recommend 10 years at 3.25% from the state. Motion Nelson/Rochford to recommend to the Village Board that they approve financing the water meter/radio read project by taking out a State Trust Fund Loan in the amount of \$152,000.00. Terms: 10 year loan at 3.25% General Obligation Debt with the Water and Sewer Utility paying back the General Fund. All in Favor. Motion Carried. Gilbert suggested talking to Brock Geyen at CliftonLarson Allen to make sure that the motion was acceptable. Geyen was available by cell phone. Beseler put a call into Brock. Beseler explained by conference call that the committee is recommending a State Trust Fund Loan via G.O. debt with part of the motion stating that the Water and Sewer Utilities will pay the general fund back in the future. Brock stated in talking with Gilbert that was one of the avenues that I was recommending based on your cash position. We have reached out to the PSC and they will be reviewing our rates. Beseler stated I seen in an email that the Sewer Utility pays part of the water meters – what percentage? Brock stated there is a calculation with several factors built in. The PSC prescribes rates and they get recorded at year end. I believe the Sewer Utility paid \$5,200 based the information for 2012. When they look at a rate increase they will also look at how the sewer portion is calculated and they will recommend a change. Based on what the PSC recommends the Village may need to look at their Sewer Rates also. Beseler thanked Brock for his time.

Motion Beseler/Rochford to adjourn at 7:00 PM. All in Favor. Motion Carried.

Jodi A. Gilbert, Clerk/Treasurer

These minutes have not been approved.