



Minutes
Committee of the Whole
January 16, 2013

The Committee of the Whole met on Wednesday, January 16, 2013 at 8:00 am at City Hall, Council Chambers, 30 West Central Street, Chippewa Falls, WI.

Council Members present: Mike Hanke, Brian Flynn, CW King, Chuck Hull, Jane Lardahl, Bill Hicks, and George Adrian.

Others Present: Finance Manager/Treasurer Lynne Bauer, City Planner/Transit Manager Jayson Smith, Public Works Director/City Engineer/Utility Manager Rick Rubenzer, Parks & Recreation Director Dick Hebert, Library Director Virginia Woods Roberts, Police Chief Wendy Stelter, Fire Chief Tom Larson, Utilities Office Manager Connie Freagon, Brian Reilly of Ehlers, and City Clerk Bridget Givens.

The meeting was called to order at 8:00 am by Council President, CW King.

Item #1: Discuss railroad crossing quiet zones throughout the City. Possible recommendations to the Council.

This item was referred to the Committee of the Whole by the Board of Public Works. Currently, the main crossing at Pumphouse Road is being considered for a quiet zone. Costs associated with creating a quiet zone include upfront costs of \$275,000-\$350,000, plus \$10,000 for the study. The study would determine what is needed as far as flashers, gates, etc.

Discussion ensued regarding train noise in which it appears there are two separate issues; the use of whistles for communication in the yard, and the use of whistles at crossings. The Mayor had previously contacted Progressive Rail and was assured that they would do more communication with the radios versus whistles.

Several concerns were expressed in regard to establishing a quiet zone, one of which was cost. It was shared that in addition to the up-front costs, maintenance will be another \$40,000 per year. Rubenzer also advised that the railroads are not in favor of quiet zones due to safety concerns. Lardahl made the point that if the railroad determines the quiet zone becomes too busy, the zone could be cancelled. Hicks questioned how you spend money at one crossing and not the rest. Chief Stelter shared that we had an initiative where a railroad crossing was observed on video, and it is staggering how many people violate and ignore the warning signals.

The Committee agreed that a public hearing should be set through the Committee of the Whole. The City will have to follow-up with all the players and include industry other than just the sand plant as they are not the only entity who utilizes the rail system.

Item #2: Review and prioritize project/item requests and discuss funding options for those items. Possible recommendations to the Council.

Lynne Bauer provided the following handouts:

1. 2012/2013 Capital Item Requests
2. Downtown Entrance Plan Projects

Bauer indicated that the items on the Capital Item Requests list are a compilation of omitted budget items that the general fund could not pay for. At the last meeting, five potential priority items were identified, as follows:

1. EMS Ambulance
2. Ladder Truck
3. Library Carpeting
4. Roads in Irvine Park
5. Bathroom – lower end of Irvine Park

Bauer then introduced Brian Reilly of Ehlers who reviewed a handout entitled “2013 Capital Financing Discussion” and provided details thereon. Reilly advised the Committee of the City’s typical bonding history and shared that the Council has been quite frugal, typically only bonding for street and utility projects. The City has a current Moody rating of Aa3 which Reilly stated is important to maintain.

Reilly advised that Council should consider any other known or contemplated financing requirements, future street projects, and potential TID #12 projects to devise a cohesive frame work to present to Moody’s when considering bonding.

King questioned the timeframe as it was agreed that the bonding should be done under the direction of the City’s current Council. Reilly advised to work backwards from the time when you need the money as bonding for the capital items will be done separately from the SEH project.

Further discussion ensued regarding specific items on the Capital Items Request list including the carpeting and computers at the library. It was decided that the carpeting should be done as a short-term note and the computers with possible land sale monies.

The Committee then addressed the remaining priority items and after discussion unanimously agreed that the following items should be recommended for bonding:

1. EMS Ambulance
2. Ladder Truck
3. Roads in Irvine Park
4. Bathroom – lower end of Irvine Park

Motion by Hicks/Hull that the four priority items identified for bonding be referred to Committee #1 for consideration. **All present voting aye, motion carried.**

Item #3: Adjournment

Motion by Flynn/Hanke to adjourn at 9:10 am. **All present voting aye, motion carried.**

Minutes submitted by:
CW King, Council President

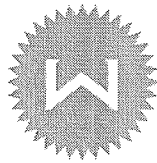
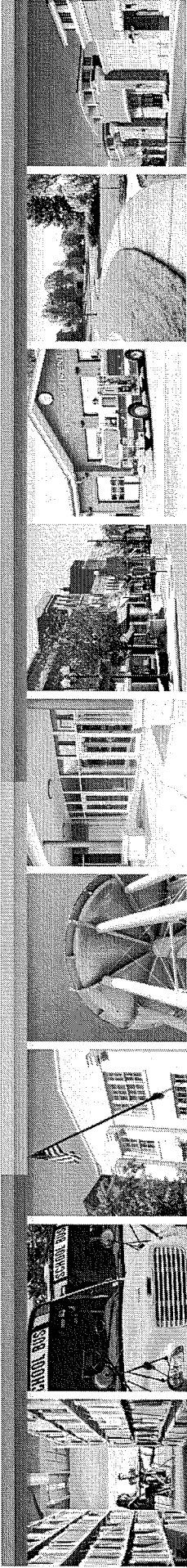
2012/2013 CAPITAL ITEM REQUESTS

Account:	Dept:	Description:	Request:	Funding Source:
	Administration	Reclassification Study	150,000	
		TOTAL ADMINISTRATION REQUESTS	150,000	
10.52100	Police Dept.	Bone Conduction Microphones	2,760	
10.52100	Police Dept.	AR15 Rifles	6,725	
10.52100	Police Dept.	(2) New X26 Tasers	2,030	
10.52100	Police Dept.	(1) Radio Receiver	11,000	
10.52100	Police Dept.	Evidence Bar Coding System	15,000	
10.52100	Police Dept.	(9) Shift Room Chairs	600	
10.52100	Police Dept.	(11) Conference Room Chairs	1,210	
10.52100	Police Dept.	Video Equipment for 5th Squad	5,940	
10.52100	Police Dept.	40mm Gas Launcher	1,410	
10.52100	Police Dept.	Ballistic Shield Blanket	800	
	Police Dept.	Remodel due to Joint Dispatch Consolidation	225,000	Bond Eligible
		TOTAL POLICE DEPT REQUESTS	272,475	
10.52200	Fire Dept.	EMS Ambulance (replace 1999 Medic 3)	180,000	Bond Eligible
10.52200	Fire Dept.	Pay Increase for EMS Medical Director Dr. Erik Dickson	2,000	
10.52200	Fire Dept.	Aerial Ladder Truck (replace 1981 Snorkel Truck)	900,000	Bond Eligible
10.52200	Fire Dept.	Firefighter Protective Clothing (bunker coats/pants)	5,000	
10.52200	Fire Dept.	Fire Dept Engineering Study Station #2	50,000	Bond Eligible (?)
		TOTAL FIRE DEPT REQUESTS	1,137,000	
10.55110	Library	Office Computers/Public Computers	14,651	
10.55110	Library	Replace Switches (County IT Plan)	12,000	
10.55110	Library	Security Cameras	2,800	
10.55110	Library	Carpet Replacement	59,800	
10.55110	Library	History Room Restoration	1,000	
		TOTAL LIBRARY REQUESTS	90,251	
10.55210	Parks & Rec	New Playground Equipment - Thaddeus Pound		Bond Eligible
10.55210	Parks & Rec	Neighborhood Park - South Avenue	35,000	
10.55210	Parks & Rec	New Bathroom - Lower End of Irvine Park	180,000	Bond Eligible
	Parks & Rec	New Piece of Playground Equipment at Irvine Park -	59,800	Bond Eligible
	Parks & Rec	Repair Outdoor Pool Bathroom	260,000	Bond Eligible
	Parks & Rec	Marshall Tennis Courts Repair	13,000	Bond Eligible
	Parks & Rec	Roads in Park	270,000	Bond Eligible
		TOTAL PARKS & RECREATION REQUESTS	817,800	
10.51440	Data Process	Data Center Consolidation with Chippewa County	15,000	funding available \$39,000
		TOTAL DATA PROCESSING REQUESTS	15,000	
		TOTAL 2013 OMITTED/CAPITAL REQUESTS	\$ 2,482,526	
				\$ 1,589,800

12/19/2012

DOWNTOWN ENTRANCE PLAN PROJECTS

PROJECTS	2013	2014	2015	FUNDING SOURCE
EMPIRE REHAB	\$ 310,000.00			CDBG-\$110K/DEBT 10 YR-\$200K
DOWNTOWN PLAN	\$ 125,000.00			TID #11 CASH
CHIPPEWA VALLEY ROOFING	\$ 185,000.00			CDBG
HONG KONG LAND	\$ 40,000.00			TID #11 CASH
TANFASTIC BUILDING	\$ 75,000.00			TID #11-\$30K/CDBG-\$45K
VACANT CAR LOT	\$ 125,000.00			CDBG
SPECS/DEMO/5 PROPERTIES	\$ 65,000.00			TID #11-\$30K/CDBG-\$35K
RELOCATE POWER LINES	\$ 400,000.00			DEBT 10 YEAR
CAPITALIZE TIF#4 RLF	\$ 300,000.00			TID #11
S.E.H. PROJECT	\$ 2,900,000.00			CITY DEBT FIVE YEAR TERM
BRIDGE ST DESIGN	\$ 117,000.00			CITY DEBT 10 YEAR TERM
BRIDGE ST CONSTRUCTION	\$ 1,018,048.00			CITY DEBT 10 YEAR TERM
ACQ CHAMBER/DEMO	\$ 500,000.00			CITY DEBT 10 YEAR TERM
TOTAL	\$ 6,160,048.00			
SOURCES OF FUNDING				
TID #11	\$ 525,000.00			
CDBG	\$ 500,000.00			
CITY DEBT/FIVE YEAR TERM	\$ 2,900,000.00			
CITY DEBT/TEN YEAR TERM	\$ 2,235,048.00			
TOTAL	\$ 6,160,048.00			



EHLERS

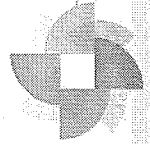
LEADERS IN PUBLIC FINANCE

City of Chippewa Falls

2013 Capital Financing Discussion

Committee of the Whole

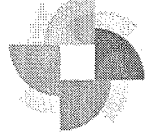
1/15/2013



G.O. Borrowing Capacity - Projected

Levy Year	Collect Year	TID IN Equalized Valuation	4/1/2011		10/1/2014		12/1/2015		12/1/2016		12/1/2018		12/1/2021		4/1/2020		5% Borrowing Capacity	Beginning of Year Principal Outstanding	Total Principal Payment	End of Year Principal Outstanding	End of Year Remaining Borrowing Capacity	End of Year Percent Remaining
			2003	2003	2006	2008	2008	2008	2008	2009	2012	2012	2012	2012	2012							
2012	2013	794,847,900	75,000	600,000	195,000	50,000	50,000	-	300,000	120,000	395,000	395,000	395,000	17,210,000	1,570,000	17,210,000	22,532,395	22,532,395	15,625,000	24,117,395	57%	
2013	2014	794,847,900	\$1,035,000	\$2,075,000	\$4,265,000	\$1,485,000	\$1,485,000	110,000	305,000	310,000	240,000	240,000	240,000	17,210,000	1,585,000	15,625,000	24,117,395	24,117,395	14,155,000	25,587,395	61%	
2014	2015	794,847,900	non-callable	non-callable	non-callable	12/1/2016	12/1/2018	12/1/2021	4/1/2020													
2015	2016	794,847,900	75,000	600,000	390,000	90,000	90,000	115,000	100,000	255,000	290,000	290,000	290,000	14,155,000	1,475,000	12,640,000	27,102,395	27,102,395	11,000,000	33,027,395	79%	
2016	2017	794,847,900	75,000	600,000	350,000	100,000	100,000	120,000	100,000	350,000	345,000	345,000	345,000	14,155,000	1,495,000	11,660,000	28,587,395	28,587,395	8,185,000	31,557,395	83%	
2017	2018	794,847,900	75,000	600,000	310,000	85,000	85,000	60,000	325,000	465,000	280,000	280,000	280,000	12,640,000	1,555,000	11,085,000	30,122,395	30,122,395	6,715,000	33,837,395	87%	
2018	2019	794,847,900	75,000	600,000	280,000	80,000	80,000	335,000	335,000	475,000	295,000	295,000	295,000	11,085,000	1,465,000	9,620,000	31,372,395	31,372,395	5,215,000	34,587,395	89%	
2019	2020	794,847,900	75,000	600,000	140,000	160,000	160,000	705,000	705,000	345,000	110,000	110,000	110,000	6,715,000	1,500,000	5,215,000	34,587,395	34,587,395	4,370,000	35,372,395	89%	
2020	2021	794,847,900	75,000	600,000	145,000	175,000	175,000	720,000	720,000	345,000	115,000	115,000	115,000	5,215,000	1,485,000	4,370,000	35,372,395	35,372,395	3,630,000	36,112,395	91%	
2021	2022	794,847,900	75,000	600,000	150,000	185,000	185,000	80,000	95,000	300,000	90,000	90,000	90,000	4,370,000	1,470,000	3,630,000	36,112,395	36,112,395	2,935,000	36,807,395	93%	
2022	2023	794,847,900	75,000	600,000	185,000	100,000	100,000	100,000	100,000	350,000	85,000	85,000	85,000	3,630,000	1,495,000	2,935,000	36,807,395	36,807,395	2,440,000	37,302,395	94%	
2023	2024	794,847,900	75,000	600,000	45,000	95,000	95,000	100,000	100,000	305,000	305,000	305,000	305,000	2,440,000	1,415,000	2,025,000	37,302,395	37,302,395	1,650,000	38,062,395	95%	
2024	2025	794,847,900	75,000	600,000	185,000	100,000	100,000	120,000	110,000	265,000	265,000	265,000	265,000	2,025,000	1,375,000	1,650,000	38,062,395	38,062,395	1,270,000	38,472,395	97%	
2025	2026	794,847,900	75,000	600,000	185,000	100,000	100,000	105,000	105,000	275,000	275,000	275,000	275,000	1,650,000	1,350,000	890,000	38,472,395	38,472,395	850,000	39,167,395	98%	
2026	2027	794,847,900	75,000	600,000	185,000	100,000	100,000	105,000	105,000	315,000	315,000	315,000	315,000	1,350,000	1,225,000	575,000	39,167,395	39,167,395	575,000	39,517,395	99%	
2027	2028	794,847,900	75,000	600,000	185,000	100,000	100,000	105,000	105,000	150,000	150,000	150,000	150,000	575,000	150,000	75,000	39,517,395	39,517,395	75,000	39,967,395	100%	
2028	2029	794,847,900																				
2029	2030	794,847,900																				
2030	2031	794,847,900																				
2031	2032	794,847,900																				
Total			75,000	600,000	2,930,000	275,000	1,370,000	495,000	4,850,000	6,065,000	2,310,000	2,310,000	2,310,000	6,065,000	4,850,000	2,310,000	2,310,000	6,065,000	4,850,000	2,310,000	2,310,000	2,310,000

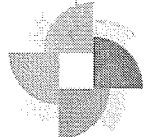
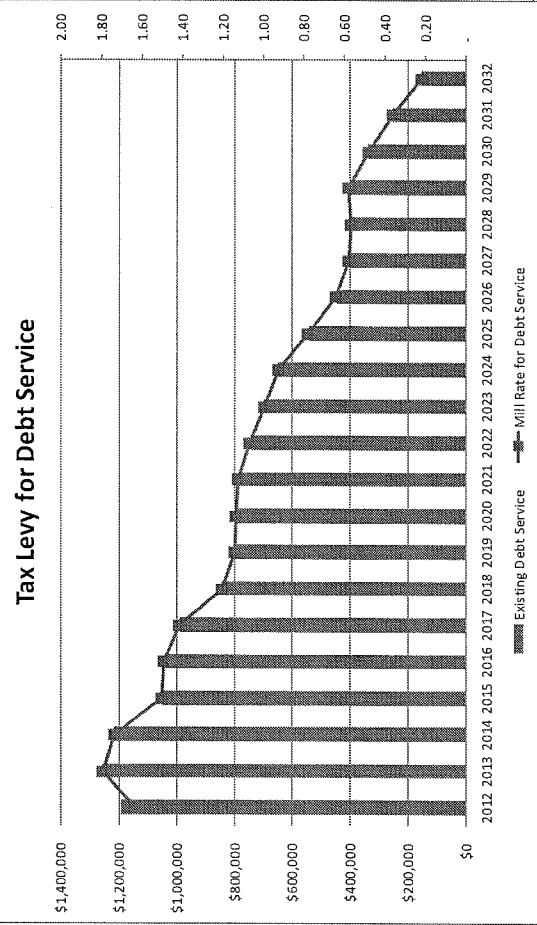
Statutory borrowing capacity remaining = ~\$22.5MM, or 57%



EHLERS
LEADERS IN PUBLIC FINANCE

Tax Levy and Mill Rate for Debt Service - Existing

Levy Year	Collect Year	TID OUT Valuation	2003 G.O. Prom. Notes	2004 Water Utility Loan	2006 G.O. Bonds	2006 G.O. Prom. Notes	2008 G.O. Bonds	2008 G.O. Prom. Notes	2008 Ref. Bonds	2009 G.O. Bonds	2009 G.O. Prom. Notes	2012 G.O. Bonds	2012 Tax. G.O. Ref. Bonds	Existing Total Debt Service	Equalized Debt Mill Rate
2011	2012	728,648,600	636,750	30,000	310,630	61,180	81,400	61,180	14,603	56,440	61,180	4,702	59,188	1,191,303	1.63
2012	2013	699,617,700	612,375	30,000	318,460	59,630	100,500	59,630	14,603	55,960	59,630	4,702	59,188	1,255,318	1.79
2013	2014	699,617,700		30,000	575,368	62,880	154,000	62,880	124,603	55,390	62,880	148,425	64,480	1,215,145	1.74
2014	2015	699,617,700		30,000	486,048	61,010	136,325	61,010	125,863	59,730	61,010	86,925	64,143	1,049,043	1.50
2015	2016	699,617,700		30,000	429,473	59,140	142,175	59,140	126,780	58,865	59,140	126,625	68,668	1,041,715	1.48
2016	2017	699,617,700		30,000	374,598	62,160	123,675	62,160	62,340	57,875	62,160	206,525	73,018	989,190	1.41
2017	2018	699,617,700		30,000	331,423		115,700			56,825		232,825	77,139	843,911	1.21
2018	2019	699,617,700		30,000	179,523		192,900			56,705		259,525	81,006	798,668	1.14
2019	2020	699,617,700		30,000	178,493		191,990			59,515		250,625	84,606	795,159	1.14
2020	2021	699,617,700		30,000	172,053		195,875			58,075		246,625	82,975	785,903	1.12
2021	2022	699,617,700		30,000	170,600		179,400			56,555		218,025	91,050	745,630	1.07
2022	2023	699,617,700		30,000	169,600		107,800			59,955		234,725	93,705	695,785	0.99
2023	2024	699,617,700		30,000	173,400		98,800			58,155		200,840	86,211	647,406	0.93
2024	2025	699,617,700		30,000	141,910		46,800			56,265		297,430	78	542,405	0.78
2025	2026	699,617,700		145,599						59,330		241,438		446,367	0.64
2026	2027	699,617,700		149,385						57,130		196,415		402,960	0.58
2027	2028	699,617,700		153,269						59,680		182,208		395,357	0.57
2028	2029	699,617,700		157,254						52,360		193,100		402,704	0.56
2029	2030	699,617,700		108,646								228,000		336,646	0.48
2030	2031	699,617,700										251,700		251,700	0.36
2031	2032	699,617,700										152,250		152,250	0.22



EHLERS
LEADERS IN PUBLIC FINANCE

Potential Debt Financing in 2013

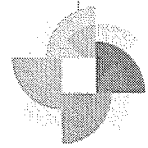
- 2013 Capital Projects Requests (paid from levy)
 - \$2,173,000 - - see Lynne's list by department
- TID 12 Projects (paid from TID revenues)
 1. Property acquisition, demolition, rehab, and infrastructure - - see Jayson's list
 - \$2,295,000
 - Leverages \$500,000 CDBG
 2. SEH project financing
 - \$2,975,000
 - Contemplated to be issued as Bond Anticipation Notes (5-year term), which do not technically count against G.O. borrowing capacity – *required to reserve sufficient capacity to issue G.O. Refunding Bonds prior to maturity*
 - Plan is to retire the entire principal prior to stated maturity



EHLERS
LEADERS IN PUBLIC FINANCE

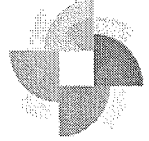
Impacts

- **Borrowing capacity**
 - Currently: \$22.5MM
 - Less: ~\$4.5MM
 - Remaining: \$18MM, or 45%
- **General fund tax levy for debt service**
 - Currently ~\$1.25MM and 1.75 mills
 - Declines to ~\$1.00MM and 1.50 mills in 2015 – 2017 and falls, thereafter
 - Annual debt service for ~\$2.20MM for 20 yrs. = ~\$145,000
 - New debt can be structured to mitigate tax impact



Future Debt Considerations

- Additional TID 12 Projects
 - Riverside Park and downtown entrance plan
 - Previous discussions to finance ~\$3.0MM in 2015
- City typically borrows for street projects every two years
 - \$1.50MM - \$2.00MM
- City is currently retiring ~\$3.00MM in principal every two years through 2021
- Consideration of any other known or contemplated financing requirements for next three years?



Other Considerations

- City needs to consider potential borrowing needs with regard to its existing Moody's rating of Aa3
 - Debt profile is large component of rating
 - Specific focus on debt as % of full market value and per capita
 - Increases to fund balance can offset higher debt burden
- Multi-year approach to capital planning should be considered as best practice

