

**MINUTES
BUDGET & FINANCE COMMITTEE**

JANUARY 11, 2010

Jean Soine called the meeting to order at 5:15 p.m. Other members present were Dennis Zimmerman, Renee Eckerly, and Belinda Ludwig. Also present were Bill Ludwig and Pat Flanders.

Motion was made by Belinda Ludwig to approve the December 2, 2009 and Budget & Finance Committee Meeting minutes. Seconded by Zimmerman and unanimously carried.

ELECTION OF OFFICERS

Motion was made by Zimmerman to elect Soine as Chairperson, Zimmerman as Vice Chairperson, and Eckerly as Secretary. Seconded by Soine and unanimously carried.

MEETING SCHEDULE

Motion was made by Zimmerman to set the meeting schedule for the Second Monday of each month at 5:30 p.m. Seconded by Eckerly and unanimously carried.

LIQUOR STORE PROPERTY

Flanders stated that he has a client interested in the Liquor Store property and the empty lot behind the store that the City owns. His client would like to be by the new bypass. Flanders explained that the County's market value is \$133,000.00 and the other lot is at \$42,900.00. In his experience, property usually sells for less than the county's value for businesses. The vacant building at 216 Washburne Ave. is vacant in the downtown district and is a possible option for moving the store. The vacant building owned by Roger Teal is valued at \$200,000.00 and the two lots behind the store are valued at \$25,400.00 each owned by Joel Burr. Mr. Burr is willing to negotiate if the lots stay parking lots as long as he is alive. A deed restriction would accomplish what Mr. Burr wants. Mr. Burr would be open to talking as long as the restriction was on. The Committee discussed leasing the parking lot with Mr. Burr as an option. The Liquor Store is no bigger than 1,600 square feet. Teal's are open to a triple net leasing option at \$1,500.00 to \$1,600.00 per month. The City would have to retro fit 216 Washburne Ave. to fit the City's needs. The Committee talked about leasing for a few years. Flanders explained the condition of the building at 216 Washburne Ave. The roof is rubber and would need maintenance. The main building is 9,000 square feet plus the 810 square foot addition.

Bill Ludwig expressed that location is important. There are opportunities with both locations. He would survey the customers to help find out why people come to the liquor store. What impact does the location have? The Committee discussed traffic

flow and access to the property. Leasing the property for three years with option to buy was discussed. The cost to renovate would have to be calculated.

Benefits of the downtown building:

- Help local business expand
- Fill vacant building in downtown
- Available parking
- Possible commercial incubator
- Leasing the store would give up front cash

Bill Ludwig stated that the more square footage may cause for the need of more staff for security reasons. The Committee discussed that the wine club could be done on site. Bill Ludwig will look at the building and get an estimate on the cost to renovate and call for a Special meeting of the Liquor Board.

CITY HALL FURNACE

Eckerly reported that the intent notice has to be filed by 1-15-10 and the final grant application due by 1-25-10. Eckerly asked if a match should be included. A match is not required, but the application will get more points. The Committee agreed on \$5,000.00. The furnace will cost \$36,170.00 plus. Staff is also looking at including lights at the fire hall.

NEW MEMBER

Kirk Johnson has been contacted and Thompson is waiting for a reply.

2011 BUDGET

Fire Department may need three sets of turn out gear yet, but Winter is waiting to see if the department gets a FEMA grant. There is money in capital improvement if needed. Kortlever needs to replace the squad car and computers for Doreen and him at the estimated cost of \$1,200.00 each. Money for these items will come from capital improvement. Mergen needs to replace the F250 pickup; he will take \$25,000.00 from sewer/water capital improvement. The street sweeper also needs to be replaced; he will take \$50,000.00 from street capital improvement. Eckerly needs a scanning system for all the papers since the storage room is full and staff is now using the EDAP office. It was suggested to plan for the above items and use the capital improvement funds for those items that can be utilized. With all the cuts; only items that are desperately needed should be purchased.

Department heads are to plan for a zero increase in 2011 and have department heads come to a Committee meeting to explain any increases. The MAPE contract needs to be negotiated for 2011. All department heads are to start reviewing their budgets now. It was noted that the final numbers for 2009 will not be completed until after the auditors are here in February.

There being no further business, the meeting was adjourned at 6:45 p.m.