

*Village of Fall Creek*  
*Minutes of Finance & Personnel Committee Meeting*  
*August 5, 2020*

1. **Call to Order:** 6:40 p.m., virtual meeting at Zoom.us & physical meeting at Village Hall Meeting Room, 122 E. Lincoln Ave., Fall Creek.
2. **Roll Call:** Members Present: Village President Tim Raap, Trustees Sheena Kaatz, Matt Mattoon. Members Absent: Trustee Joyce Aldrich. Other Board Members Present: Trustee Karen Strasburg. Staff Present: Administrator/Public Works Director Jared McKee, Clerk-Treasurer Renee Roemhild. Also Present: 1 citizen. Those noted in attendance include those attending via the virtual meeting.
3. **Certify Open Meeting Law Requirements Have Been Met:** A notice of the meeting, including an agenda and instructions if wishing to attend the virtual meeting, was posted in the three public places and local newspapers were notified.
4. **Consider the Economic Development Strategy of the Village as it Relates to General Fund:** Committee Chairperson Tim Raap gave a review of past financial strategies. For many years, the Village Board has had a strong commitment to paying down debt, knowing what a sound financial move it is to reduce interest costs. In 2017, the resolve became even stronger when particular attention was given to the heavy burden on the Sewer Fund due to the debt of the Wastewater Treatment Plant (WWTP). The large capital cost of the WWTP adversely affected the sewer rates to the point it was felt the high water/sewer bills were hurting economic development, causing people to move out of town and hindering the prospects for new development. Knowing healthy economic development was vital for the continued financial stability of the General Fund, a decision was made in RESOLUTION #2017-1211A, and subsequent motions in 2017-2020, to use resources that had been freed up in General Fund (due to paying off debt) to supplement the Sewer Fund for the sole purpose of paying down the highest interest rate loan in the Sewer Fund. This was done for 4 years. These additional debt service payments made it possible for the Village to lower the principal balance to a level that allowed refinancing this loan for a shorter term at a much lower interest rate. Also because of historically low interest rates, the Village Board recently made the decision to refinance its other Sewer Fund loan. Upon review of the financial strategy, discussions surfaced that it might be time for the General Fund to stop supplementing the Sewer Fund, feeling it important to work toward the place where the enterprise fund can once again fully support itself on its own.

Raap stated this had been a key element of some of the discussions held when considering the purchase of the Raether property. When the Board considered the possibility of reducing or completely ceasing General Fund's financial supplement to Sewer Fund, it was decided the goal established in 2017 had been accomplished enough to start to move focus onto another avenue for economic development. Raap stated if that is indeed the intent, it would be time to declare it in a new resolution. The committee concurred.

- MOTION (Raap/Mattoon) directing a resolution be drawn up for the Board's consideration to recommend this new emphasis on economic development. PASSED, without negative vote.
5. **Consider Progress re: Purchase of and Plan re: Development of Raether Land:** Raap stated now that an offer has been made and accepted on the Village acquiring the Raether property (home, farm buildings, and approximately 75 acres), discussion that occurred in closed session can now be made public. He and other members offered their review of the timeline and rationale that prompted the Board to make an offer on the property.

- Jan/Feb - meeting with employees & a school representative brought up ideas questioning why the Village didn't do more with residential development, hearing that young families have said they would like more housing availability in Fall Creek.
  - Mar - a couple board members met with Eau Claire Area Economic Development Corporation, discussing the options for residential development as it is so difficult for the Village to gain commercial development. Key points: the Village's need to gain more water/sewer users as the Wastewater Treatment Plant (WWTP) was built for more capacity expecting growth in the Village; discussing what areas would be better for pursuing a residential development, arriving at the conclusion there would be less cost to construct water & sewer utilities for the Raether land than properties on the outskirts of the Village.
  - Mar - When listing priorities for the Administrator/Public Works Director position, the Village Board made the decision they wanted the position to work strongly on getting residential development.
  - May - Sale price for Raether property decreased.
  - May/June - Continued discussions working to find the financial ability to allow more involvement in residential developments; key point learned: if the General Fund ceases making the \$40,000 payment for the WWTP debt without finding another viable debt issue, the Village would likely lose the State's *Expenditure Restraint* money. (approximately \$10,000).
  - Mid June - deeper discussions about the Raether property, thinking about "what it was worth" to have the opportunity to be able to have more say in residential development to help the Village and the school. Key points: Not looking at it as a long-term investment, feeling the Village will be able to sell it to a developer, could rent or sell the house with a smaller parcel of land separately to help in paying the debt payments while marketing the larger land area for residential development, the beauty of the area and the location close to the school make the property very attractive for residential development.
  - Mid June - Board Trustee contacted the Raethers, asking them to hold the property until the Village Board's meeting on June 24<sup>th</sup>.
  - June 24<sup>th</sup> - Closed session resulted in a motion to render an offer to purchase, with some contingencies.
  - July 7<sup>th</sup> - Offer accepted by sellers.
  - Current - in the middle of a 60-day window to work through the contingencies listed in the offer. Appraisal has been completed, home & well inspections done, working on the loan application, environmental phase study is in process.
- 6. Consider Amendments to Personnel Policy:** Administrator/Public Works Director Jared McKee and the committee went line by line through the personnel policy making proposed changes.
- MOTION (Raap/Mattoon) recommending the amendments to the personnel policy as discussed to the Village Board for approval. PASSED, without negative vote.
- 7. Consider Request for Direction re: 2021 Budget Priorities:** McKee asked the Committee what they would like to see in budget preparations. Discussion followed.
- 8. Adjourn:**
- MOTION (Raap/Mattoon) @ 8:07 p.m. PASSED, without negative vote.

Renee Roemhild, Clerk-Treasurer