



**RIVER FALLS CITY COUNCIL WORKSHOP REGARDING THE FISCAL PLAN**  
**May 14, 2019, 5 p.m.**  
**Training Room, City Hall, 222 Lewis Street, River Falls, WI 54022**

**City Council Members Present:** Mayor Dan Toland, Sean Downing, Chris Gagne, Scott Morrisette, Diane Odeen, Michael Page, Hal Watson

**City Council Members Absent:** None

**City Staff Present:** City Administrator Scot Simpson; Assistant City Administrator Julie Bergstrom; Utility Director Kevin Westhuis; Finance Director Sarah Karlsson

**Others:** Ben Fochs

Mayor Toland called meeting to order at 5:05 p.m. City Administrator Scot Simpson said staff had started a fiscal plan. The workshop was scheduled. Then the proposed purchase of 2815 Prairie Drive happened. Now there is more work to be done on long-range fiscal plan.

Simpson said the long-range fiscal plan is a blueprint. Staff receives feedback from the City Council. He talked about the Fiscal Plan and implementation. Simpson showed a diagram.

He talked the Fiscal Plan's history. The first plan was 2011-2015 first plan. Assistant City Administrator Julie Bergstrom noted when we began, the utilities and City were separate and the power plant was still in operation.

The 2014-2019 Fiscal Plan – comparison to actual – the assessed values are less than projected. 2019 is two percent higher than was projected in 2013 (includes levy for advance to TID 9). The levy allocation for debt service and library has been reduced and there is an additional \$100,000 from Sterling Ponds for debt service.

For the 2019-2023 Fiscal Plan - revenues include assessed values increasing by one percent per year. Shared revenue will decrease by one percent per year. There will be an implementation of a street light utility.

Expenditures included in the plan will be wages increasing by two percent, benefits increasing by five percent, street maintenance increasing by one percent and staffing additions. A chart was shown of shared intergovernmental revenue. The library support remains level.

Changes from 2019-20 budget are the police building and renovation, facilities purchase and renovation, and other staffing changes.

Projects *not included* in Fiscal Plan are Main Street from Division to Locust, Library building updates, Mann Valley Corporate Park except for design services, Glen Park Pool, the Kinni Corridor and a subsidy for EMS.

A chart was shown with the gross and net levy and the projected 2023 levy and target.

Aldersperson Morrisette asked about a past bond for sewer. There was discussion about the general fund balance versus target fund balance. Simpson talked about being conservative in projections. TIDs are a major success in River Falls.

The Fiscal Plan is dependent on continued economic development growth. The Fiscal Plan includes implementation of street light utility. There was discussion about possible risks of doing TIDS. Bergstrom talked about assuming companies will pay taxes. If they wouldn't, the county makes us whole but that is a risk. If the

state changes the property tax formula, revenues would be less. The community could ask us why are doing TIDs. In our development agreements, the minimum tax is included. Further detail about the TID process was provided.

Simpson talked about how a change in tax formula regarding the technical colleges hurt towns. Another risk is the sheer volume of TIDs. He talked about how the developer's agreement is safe. He is assuming the Council is okay with all current TID agreements.

Morrisette asked about the Nash Finch TID. He asked about an expenditure agreement.

Simpson talked about increasing levy to do both the Police and Fire projects. Alderperson Gagne asked about maintenance costs if we wait to do fire.

Simpson talked about the public safety being a priority – that's what he heard from Council.

Alderperson Watson asked about a three percent net increase. There was discussion about how the school district taxes affects the City.

Simpson asked about taking fire out. Watson would like to leave it in for now - that was also the consensus of the Council.

Simpson asked about the library levy. We will have to do some things different. Simpson said there was good feedback. Staff will get a fiscal plan to Council to approve.

Mayor talked about adding a wheel tax for cars registered in the City. He felt there is a need to find more revenue.

Watson expressed concern about the one project that is not included in the plan, and it is the Glen Park pool. If we don't plan for it, we are going to pay for it. Morrisette said there would be room in 2023.

Simpson asked Council what they want to do. Watson talked about fixing the pool and making it a little bigger – basically, updating the facility. There was discussion about the splash pad. Simpson talked about a plan that was developed to enlarge the pool. Gagne talked about capital campaigns to possibly fund the pool.

Simpson said if there was a catastrophic failure at pool, he would be inclined to close pool. He wouldn't be inclined to just fix it without considering other options. He talked about options and having success in the TIDs. Simpson talked about providing the same service levels.

Watson asked about other cities our same size that are running EMS without losing money. Simpson said that the City has a subsidy. The goal is to eliminate it.

Simpson didn't see anyone surprised with the information that was provided. If you have feedback, let him know. Sarah and Julie can also help or meet one-on-one.

The workshop ended at 6:20 p.m.

Respectfully submitted,

Kristi McKahan

Deputy Clerk