

**CITY OF ELKHORN**  
**Finance & Judicial Committee**  
**(Aldermen Howie Reynolds, Chair; Julie Taylor; John Karcher)**

**Lower Conference Room, 9 S. Broad Street, Elkhorn, Wisconsin**

**April 24, 2006**

Chairman Howie Reynolds called the Finance and Judicial Committee meeting at 5:30 p.m. followed by Roll Call.

**ROLL CALL**

Present: Mayor John Giese; Aldermen John Karcher, Scott McClory, Howie Reynolds, Julie Taylor  
Also present: City Administrator Sam, City Clerk Nancy Jacobson, Finance Director/City Treasurer Mary Hinske, Public Works Director Terry Weter  
Others present: Chamber Director Diane Riese, Pat Slattery

**WATER REVENUE BONDS: BORROWING OPTIONS**

Motion (Reynolds/Taylor) to recommend to Council to pursue Water Revenue refunding and new borrowing in 2006 as described in Option 2A and to authorize Ehlers to proceed as financial advisor. Motion carried by the majority present.

In discussion, City Administrator Tapson said the borrowing would finish the new well. Well 8/Lakeland Expansion project has been delayed by one year with completion in the summer of 2007. Borrowing could be delayed, but interest rates are on the rise, which could result in higher cost if the City waits until 2007.

**PA 203 RE: EXPENDITURE OF IMPACT FEES**

Committee discussed the most recent state law concerning the expenditure of impact fees. City Administrator Tapson said a definite timeframe is now in effect. Impact fees would have to be spent within 7 years from receipt. The City will have to change the impact fee ordinance to comply and determine how to manage the change. Payments could be deferred. The City will have to be more precise when starting construction. Staff will prepare an ordinance and procedure for further discussion.

**PA 135 RE: EXPENDITURE OF ROOM TAX**

Committee discussed the impact on the City and Chamber of Commerce concerning the state's law on room tax expenditure. A recent change in the law states that 70% has to impact overnight stays. City Administrator Tapson said that the City and Chamber might need to re-think the 70% factor, provide a better allocation of events linking it to overnight stays and if Elkhorn is not a tourist destination should the tax be kept in place. The City will have to work with the Chamber to change the process so that it will comply with the law.

Chamber Director Riese said that she would be attending a regional meeting of Chambers to discuss the new law. Reynolds asked that she report back to Committee on what was discussed.

**ADJOURN INTO CLOSED SESSION**

Motion (Karcher/Taylor) to adjourn into Closed Session at 6:13 p.m. per SS 19.85 (1) (g) "Conferring with legal counsel for the governmental body who is rendering oral or written advice concerning strategy to be adopted by the body with respect to litigation in which it is or is likely to become involved." Roll Call Vote: Karcher, yes; Reynolds, yes; Taylor, yes. Motion carried.

a. Liability Claims concerning sewer & water backups

Committee reconvened into open session at 6:40 p.m.

**LIABILITY CLAIMS CONCERNING SEWER AND WATER BACKUPS**

Motion (Reynolds/Karcher) to recommend to Council to deny the claims as presented but accelerate the street reconstruction programs for certain streets including Randall. Motion (Reynolds/Karcher) was withdrawn. In discussion, Committee wanted further discussion by Council.

Motion (Taylor/Karcher) to move on to Council for further discussion regarding liability claims of sewer and water backups. Motion carried by the majority present.

**ADJOURNMENT**

Motion (Taylor/Reynolds) to adjourn at 6:50 p.m. Motion carried by the majority present.

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Nancy B. Jacobson  
City Clerk