

**VILLAGE OF CLEVELAND, WISCONSIN  
COMMITTEE OF THE WHOLE**

**TUESDAY, OCTOBER 2, 2018**

**7:03 PM – 8:27 PM**

**MINUTES**

- I. CALL TO ORDER/PLEDGE OF ALLEGIANCE/ROLL CALL.** Village President Kathy Stolzmann called the meeting to order and led the Pledge of Allegiance at 7:03pm on Tuesday, October 2, 2018, at the Cleveland Village Hall, 1150 W. Washington Ave., Cleveland, Wisconsin.

Board Present: Kathy Stolzmann, Village President  
John Ader  
Jonalee DeNoble  
Jacob Holzwart  
Andy Williams  
Louis Wilmot

Board Absent: Terry Gottsacker (excused)

Staff Present: Stacy Grunwald, Director of Village Services

**II. YEAR 2019 BUDGET PREPARATION**

- A. EXPLANATION OF VILLAGE FUNDS.** Director Grunwald reviewed the Village's six funds (General, Water, Sewer, Capital Projects, Debt Service, and Tax Increment District No. 1) and their purposes. She noted TID No. 1 had been terminated by the Village Board in 2018 and the fund would close after all of the funds were disbursed.
- B. YEAR 2017 AUDIT REVIEW.** The Village received the 2017 audit from Corson, Peterson and Hamann on October 1, 2018, and copies were distributed to the Village Board. The following was noted during discussion.
1. The budget does not correlate directly with all line items in the audit report. For example, the Village treats the Water Utility payment on the General Fund advance as available revenue for budget purposes; in the audit, these payments are a reduction to a long-term liability.
  2. The end-of-year balances in the General Fund and Debt Service Fund were lower than the prior year, but both funds were financially sound.
  3. General Fund expenditures were lower than budgeted; however, revenues fell short of expectations as well.
  4. The Water Utility experienced an operating loss in 2017. This calculation is not cash-basis and includes depreciation expense.
- C. REVENUES AND REVENUE CHANGES.** (1) Shared revenues in 2019 are estimated to decline almost \$13,000; notice regarding Transportation Aids has not been received. (2) Net new construction in 2017 increased 1.272%, which translated to a \$6,020 levy adjustment. However, the State deducted the new personal property aid of \$3,562.50 from the levy base, so the new allowable levy reflected only a 0.52% increase, or \$2,457.
- D. DEBT SERVICE.** The Board reviewed the Village's outstanding debt schedule for the two outstanding issues, the 2010 Water Utility notes and the 2011 bond issue. Water Utility rates support payments on the 2010 notes, which will be paid off in 2019. Debt payments for the 2011 bond issue are composed on debt service tax levy, tax increment, special assessments, and Sewer Utility rate revenue. Director Grunwald explained the Village had abated some special assessment revenue; more would be presented on this the next budget meeting. This issue would be paid in full in 2025.
- E. TAX INCREMENT DISTRICT (TID) NO. 1.** Tax Increment District No. 1 (the Village's only TID) was terminated in 2018, with a final report due at the end of the year. The TIDs share of the debt service would be essentially escrowed and applied at the time each payment is made.

**IV. MEETING SCHEDULE**

- A. WED OCT 3 PLAN COMMISSION**
  - B. WED OCT 3 CLEVELAND FIRE DEPT BUDGET PRESENTATION.** President Stolzmann and Trustee Holzwart will attend.
  - C. THU OCT 4 HUMAN RESOURCES AND PUBLIC SAFETY COMMITTEE**
  - D. TUE OCT 9 COMMITTEE OF THE WHOLE (LTC).** Trustee DeNoble will be unable to attend.
  - E. WED OCT 10 PLAN COMMISSION (10-YR COMP PLAN UPDATE).** Trustee Williams will be unable to attend.
  - F. TUE OCT 16 VILLAGE BOARD REGULAR MEETING**
  - G. WED OCT 17 MANITOWOC CO VILLAGE ASSN**
  - H. MON OCT 22 PUBLIC WORKS AND UTILITIES COMMITTEE**
  - I. TUE OCT 30 COMMITTEE OF THE WHOLE (LTC)**
  - J. THU NOV 1 HUMAN RESOURCES AND PUBLIC SAFETY COMMITTEE.** Trustee DeNoble will be unable to attend.
  - K. SCHEDULE MSA PROFESSIONAL SERVICES MEETING.** The meeting with MSA was scheduled to begin at 7pm on Thursday, October 18, 2018.
  - L. SCHEDULE OTHER MEETINGS AS NEEDED.** Chair Holzwart will be unavailable the evening of the regularly-scheduled December HRPS Committee meeting, so the date was moved to Monday, December 10, 2018.
- V. ADJOURNMENT.** Motion Williams/Ader to adjourn; carried without negative vote. The meeting adjourned at 8:27pm.

Respectfully submitted,

*/S/ STACY GRUNWALD*

Stacy Grunwald  
Director of Village Services

Approved on 10/16/2018