

**FINANCE COMMITTEE
COUNCIL ROOM, CITY HALL
APRIL 21, 2026
4:45 P.M.**

The Finance Committee met in the Council Room of City Hall, Mayor Poeschel presiding. On roll call: all members present.

The minutes of the previous meeting were declared approved.

Mayor Poeschel announced that the agenda item is TIF District #4 – Phase II capital projects and borrowing.

City Clerk Roehl presented background information on Tax Incremental District Number Four. The district was created on September 14, 2021. The City has 15 years (until September 14, 2036) to spend money within the district. The district closing date is September 14, 2041 (the 20th year).

City Clerk Roehl presented a map outlining the TIF District #4; the original project plan; Phase I borrowing of \$1,200,000 covered W. Fifth Street Reconstruction, Listeman Arboretum improvements, Developer’s incentive, administrative costs and one block of W. Second Street Reconstruction; the Phase I borrowing – balloon payment of \$506,549.78 in 2032; and the 2025 Tax Increment payable in 2026.

City Clerk Roehl presented the TIF District #4 – Phase I completion audit prepared by CliftonLarsenAllen along with the projected 2026 City Advance of \$71,346.83. If the City does no more projects and just makes the Phase I loan payments, TIF District #4 will be paid off in 2033 (the 12th year) and closed out.

City Clerk Roehl presented the proposed TIF District #4 – Phase II – W. Second Street and Ferguson Street project capital costs:

VisuSewer	Sewer lining	\$ 120,000.00
American Asphalt	Removal of old black top, fine grading and paving	300,000.00
Harmon Concrete	Curbs & gutters	60,000.00
Summit Infrastructure	Manhole rehab	55,000.00
Dirt Bros Excavating, LLC	New manhole installation at 2nd & Clay Street	10,000.00
Farrell Equipment	Fabric	5,000.00
		<hr/> \$ 550,000.00

City Clerk Roehl presented an amortization schedule for borrowing, \$550,00 at 5% with annual payments for 10 years (2027-2036). If the funds are borrowed in 2026, beginning in 2027 the City would have two loan payments to make (Phase I and Phase II). In year 2032 when the Phase I – balloon payment comes due the City would have to decide whether to advance the money and continue to collect the TIF increment (funds would be recovered in 2038 – year 17) or refinance a portion of the Phase I loan (if \$450,000 were refinanced at 5% with annual payments for 5 years), funds would be recovered in 2038 – year 17. The only difference is the interest paid on the refinancing of Phase I, both options payoff in 2038 – year 17; three years before mandatory closing.

Director of Public Works Friemoth recommended doing the TIF District #4 – Phase II – W. Second Street and Ferguson Street project. The sewer main lining would help decrease I & I (inflow and infiltration) and the streets are in very bad shape.

Motion Neville, second Clough, to recommend to the Common Council to proceed with the TIF District #4 – Phase II – W. Second Street and Ferguson Street project and to borrow \$550,000 for the capital project expenditures as presented. All Aye.

Motion Petkovsek, second Pavlac, to adjourn. All Aye.

Duane G. Poeschel, Mayor

Rex R. Roehl, Clerk