

MINUTES
FINANCE COMMITTEE
April 15, 2014 7:00 p.m.
City Hall Room 207

MEMBERS PRESENT: Chairman Joe Pieper, Ald. Andy Reiland, Ald. Roger Patton, Ald. Aaron Perry

OTHERS PRESENT: City Administrator Ed Henschel, Tim Whitmore and members of the public.

MEETING CALLED TO ORDER: 7:00 P.M.

1. **Minutes:** The first item on the agenda was a review of the March 11, 2014 minutes. A motion was made by Ald. Patton and Seconded by Ald. Reiland to approve the minutes as presented.

Motion passed unanimously.

2. **Subordination Agreement for a property located at 1408 Garfield Avenue:** The next item on the agenda was consideration of a request of Peoples Home Equity Mortgage Lending (PHE) to have the City issue a Subordination Agreement making a Mortgage to the City of Waukesha in the amount of \$3,290.00 subordinate to a new mortgage issued by PHE to refinance a property located at 1408 Garfield Avenue.

Tim Whitmore with the Community Development Department explained that the City provides loans for lead abatement and property maintenance through the CDBG Program. In this case a \$3,290 loan is still outstanding on a property that is being sold. The sale requires the City to approve a subordination agreement. He stated that this action does not mean the loan will not be repaid.

Ald. Reiland asked if we have taken such action on these loans before. Mr. Whitmore stated that this has happened several times in the past and the Committee has always approved these requests.

After further discussion, a motion was made by Chrm. Pieper and seconded by Ald. Patton to approve the Subrogation Agreement as presented.

Motion passed unanimously.

3. **Administrative Approval of subordination agreements for mortgages:** This item on the agenda was to consider a request of the Community Development Department to authorize them to execute subordination agreements administratively. There are no policy issues involved in these matters and they have always been approved in the past.

Ald. Reiland asked if there are a range of amounts for these loans. Mr. Whitmore reported that they can go up to approximately \$35,000. He also noted that often, like the one just approved, the approvals are time sensitive for sales. Ald. Reiland suggested that in order to keep elected officials fully informed, these approvals be a matter of report to the Committee.

After further discussion, a motion was made by Chrm. Pieper and seconded by Ald. Patton to recommend to the City Council that the approval of subrogation agreements be an administrative matter to be handled by the Community Development Department and that such agreements be reported to the Finance Committee.

Motion passed unanimously.

Communications/Referrals:

1. The City Administrator reported that there will be a joint meeting of the Finance and HR Committees on April 22nd to consider the matter of the Joint Employee Health Clinic.

With no other business to come before the committee the meeting adjourned at 7:15 PM.

Respectfully submitted,

Ald. Joe Pieper, Chairman

Prepared by Edmund M. Henschel, City Administrator