

FINANCE COMMITTEE

Date and Time: Tuesday, October 28, 2014 @ 5:00 pm., Board Room

Members Present: Winters, Kellbach, Nagle, Oberbeck

Members Excused: Nutting

Others Present: Tipple, Groat, Giese, Jacobson, Hite, Kujawa, Barnes, Bliven, Wesolowski, Wagner, Gisselman, Mielke, Abitz, Goede

In accordance with Chapter 19, Wisc. Statutes, notice of this meeting was posted and sent to the Daily Herald in the proper manner. It was noted that there was a quorum present and the meeting was called to order by Chairperson Winters.

Public Comment on matters appearing on the agenda.

None

Minutes of the previous meeting(s). (9/23/14)

Motion by Nagle, second by Kellbach to approve minutes of the meeting on 9/23/14. Motion carried 4-0.

Questions and possible direction for staff regarding the Wausau Mine Company development agreement and the Bridge Street Investors Group development agreement. - Community Development Staff

Winters requested an update on the above development agreements. Tipple stated there was no Community Development staff available to address the item and recommended that it go back to the Economic Development Committee where it originated. Oberbeck felt it was now a financial issue of nonpayment and was appropriate to be at Finance. Tipple stated the Coordinating Committee could make a decision on which committee should take it up. Wagner indicated he is having difficulty setting up a Coordinating Committee meeting. Nagle suggested the Community Development Department send a letter to the Council members addressing the issue. Oberbeck wanted to know who was overseeing these agreements and following up on them. Wagner agreed there needs to be better control. Tipple stated the department is working on getting the information and a procedure put together and pointed out there was a lot of turnover of staff in years past and they are still picking up the pieces.

Winters stated he would put in on the next agenda with the understanding that if the Mayor does not produce the information he would recommend that the committee vote to censure him.

Approval of the 2015 BID Operating Plan – Groat

Groat stated the BID Board met last week and adopted the plan without any significant change. The plan has that the BID would continue to generate \$60,000 of special assessments which go to Main Street to help finance the Main Street Program. She explained the taxing method has a minimum amount of \$250 and a maximum amount of \$2,500, which is based on value.

Motion by Nagle, second by Kellbach to approve the 2015 BID Operating Plan. Motion carried 4-0.

Discussion and possible action regarding budget modification to transfer funds to the Animal Control Fund.

Groat stated when the 2014 budget was adopted there was a goal that it would be self-sustaining, however, we find ourselves with need for property taxes. She indicated we will need approximately \$79,500 for 2014 to balance the budget without dipping into the fund balance too much. She stated if we remove the \$14,500 that was designated for purchasing cages and tables to run our own cat shelter and include some extra license revenue generated, we could reduce this amount down to \$63,500.

Oberbeck felt this should be sent back to Public Health & Safety to come up with a solution to the cat issue rather than throw more money at it. Lt. Barnes stated this program does not address the cat issue; it only maintains the status quo.

Motion by Kellbach, second by Winters to approve the transfer of \$63,500 from contingency to the Animal Control Fund. Motion carried 4-0.

Discussion and possible action to approve the 2015 Animal Control fund budget - Hardel, Groat

Oberbeck stated he wanted to lay this on the table and send this issue back to Public Health & Safety before we approve this in the budget for 2015. He wanted them to come back with some alternatives for revenue enhancement and cost cutting. Wagner stated the Public Health & Safety Committee has already vetted this subject extensively and we could not come up with a fair way to treat the honest cat owners or get people to come forward and voluntarily license their cats. Oberbeck stated he did not know what we would be voting on because we do not have a 2015 contract with the Humane Society. Wagner stated we would basically be funding the same process for 2015 to give us that year to try to figure out what we possibly can do. He encouraged other Council members to attend PH&S meetings and add their input.

Barnes commented they were taking some steps in the right direction for next year. He indicated they are working with the Humane Society to get them participating in licensing with animals that leave their facility to reside in the city. He noted the Humane Officer follows up on every animal that is adopted out to the city resulting in 83% compliance in licensing. There is still a lot of work to be done regarding stray animals. They stated they are planning to hold clinics for micro-chipping/spay/neuter and are looking for sponsorships, as well as writing failure to license citations.

Groat noted the department budget request of \$86,343 was in the Mayor's budget in the levy.

Motion by Nagle, second by Kellbach to approve the adjusted budget of \$79,076 for the animal control fund for 2015. Motion carried 4-0.

Discussion and possible action on 2014 budget amendment based upon estimated actual projections

Groat explained as part of the 2015 budget we asked departments to project their spending for the balance of the year. We took those numbers and combined them with the payroll projections including any staffing changes and overtime projections or seasonal projections based on actual at this point. Based on these projections these departments will be overdrawn by the end of the year: Human Resources Department, Municipal Court, Fire Department, Unclassified, and the Department of Public Works. She reiterated these departments are not currently over budget but projections show that they will be by the end of the year. As part of that projection she noted that there were departments that would have excess money at the end of the year, the main one being the Police Department due to significant vacancies they have right now. She proposed transferring money from the Police Department into these other funds to cover their possible deficits.

Groat stated the other item is the Capital Projects Fund in which it appears we were under budgeted for the Grand Avenue Project. The budget contained \$521,102 which was based on the original contract we had with the State of Wisconsin. She explained subsequent to that in October 2013 we received notification that the amount was just under \$620,000, leaving us about \$99,000 short. She stated the state can be a very slow biller so we have a separate line item for each of the state projects and then carry forward whatever is left in the project. She indicated we have two project accounts that we have not been billed anything from 2007 or 2008, which are the Merrill Avenue Project and the Thomas Street Railroad Bridge Project. She suggested taking it out of these accounts to fund this overage. The other option would be to borrow for it next year.

Motion by Nagle, second by Oberbeck to approve transferring \$305,196 from the Police Department to cover the year end budget adjustments as presented. Motion carried 4-0.

Motion by Nagle, second by Kellbach to take \$98,675 proportionately from the 2007 Merrill Avenue Project fund and the 2007 Thomas Street Railroad Bridge Project fund to cover the Grand Avenue Project. Motion carried 4-0.

Approval of Assignment of City of Wausau Parking Space Lease Agreement from Murdock Wausau, Ltd. f/k/a Murdock Wausau Limited Properties to Compass Block 15, LLC

Jacobson explained Mark Craig, of Compass Properties, for bank funding had Murdock renew the lease and after Council adoption came forward with a request to re-do it in his corporate name. She recommended the committee approve the Consent to Assignment of Parking Space Lease Agreement for Murdock to assign the lease to Compass so they can close on the sale on Friday.

Winters indicated he would vote no because we were putting \$168,000 into Compass Properties, which has promised to do absolutely nothing in return.

Motion by Nagle, second by Oberbeck to approve the assignment of the City of Wausau Parking Lease Agreement from Murdock Wausau, Ltd to Compass Block 15, LLC. Motion carried 3-1. (*Winters was the dissenting vote.*)

Reconsideration of 2015 Budget motion.

Motion by Oberbeck, second by Nagle to reconsider the vote on the motion to approve the budget as amended at our budget meeting on October 21, 2014. He explained he originally voted to move the budget forward to the Council and now he was reading in the media that it is an approved budget by the Finance Committee. He stated there was a lot of discussion about the implications of this budget and the effect, as well as the sustainability. He wanted answers and his vote was only to move to Council for debate. Nagle stated his vote was to send it to Council as well because it is a decision of the entire Council. Motion to reconsider carried 4-0.

Vote on the original motion to approve the Mayor's budget as presented with the addition of the two school safety officer positions. Motion fails on a 2-2 tie.

Discussion regarding future agenda items

Groat indicated the 2015 Fee Schedule would be placed on the next agenda.

Adjournment

Motion by Kellbach, second by Oberbeck to adjourn the meeting. Motion carried unanimously. Meeting adjourned at 6:20 p.m.