

**FINANCE COMMITTEE**

Date and Time: Tuesday, November 25, 2014 @ 5:00 pm., Board Room

Members Present: Winters, Kellbach, Nagle, Oberbeck, Nutting

Others Present: Tipple, Groat, Giese, Hite, Kujawa, Erickson, Werth, M. Lawrence, Klein, Rayala, Wagner, Rasmussen, Neal, Mielke

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). (10/15/14, 10/21/14, 10/28/14)**

Nagle requested a correction to the minutes of 10/21/14 under the Discussion of the Budget Recommendation, second paragraph, referring to the last line of a comment made by him, to strike the words “or police and fire.”

Motion by Nutting, second by Nagle to approve minutes of the meetings as corrected (10/15/14, 10/21/14, and 10/28/14). Motion carried 5-0.

**Discussion and possible action regarding the 2015 tax increment district budgets – Winters**

There were no comments or questions regarding this summary report. Winters requested a similar summary be prepared like this for next year’s budget on TIF’s as well as on FTE.

**Discussion and possible action approving Assistance to Firefighters Grant application in the amount of \$138,500 for the installation of direct source capture exhaust system for the three fire stations. The City of Wausau match obligation is \$13,850 - Kujawa**

Kujawa requested support to apply for the grant for this equipment which is imperative for the safety of the firefighters. She felt it probably should have been installed in the fire departments 15 to 20 years ago. She explained this type of capture exhaust system will provide protection within the stations. She noted it is a 90-10 grant and is about a year long process once it is approved and is a priority for the FEMA grant.

Groat stated options for the \$13,850 were to look at reevaluating the capital equipment budget for the Fire Department for any savings; look for savings in the CIP projects fund; or take it from contingency.

Motion by Nutting, second by Nagle to approve moving forward with the grant application as quickly as possible. Motion carried 5-0.

**Discussion and possible action approving sole source purchase of polymer for the sewer utility from Hawkins Inc. in the amount of \$44,975. – Erickson**

Dave Erickson explained the treatment plant was built in 1939 and a lot of changes have happened since then. In 1990 there was a big upgrade and at that time there was a bulk storage tank for polymer, but it was found that one polymer was not working for the two processors that we have. Since that time we have been buying one polymer in bulk and another in 250 gallon containers, which is more expensive. He indicated they have been buying a half truck load, but it gets cheaper the more you buy, so they would like to buy a full truck load at a cost of \$45,000.

Motion by Oberbeck, second by Nagle to approve the sole source purchase for the product as outlined. Motion carried 5-0.

**Discussion and possible action on the establishment of a procurement policy for legal services**

Jacobson proposed some amendments to the existing procurement policy, specifically on page four referring to a list of centralized purchases, adding the procurement of legal services to be coordinated by the City Attorney’s Office. She explained this would not preclude anyone from obtaining outside legal services, but it would require them to do it in coordination and at the request of our office. This way we can know the scope of representation is; we can identify conflicts easier; the basis for the cost of the service and we can engage the attorney. She noted this is the

practice of other city attorney offices throughout the state. The other change on the same page was an exception would be made for an attorney professional services and that an RFP would not be required unless it applied to a particular class of representation. She noted if there is a particular matter that will cost a substantial amount of money it would be brought to them in closed session for approval. .

Oberbeck felt it would be good idea to have large expenditures brought back to Finance for review. Neal questioned, in the absence of an RFP, if there was some comparison of fee structures of potential firms that might be contracted for a particular project. Jacobson stated there were a number of factors that would go into a decision, such as the level of experience, area of expertise and their cost.

Jacobson stated they could exclude the HR Department from this as they have their own line item for legal service; some cities do and some do not. Hite indicated she would consult with the Attorney's Office and confer together on any outside services. Groat stated she spoke with the auditors and John Trautman approved of this change to the policy as well, as in his opinion, they should keep them in the line items that they belong in; if you put them in a central place you will have to reallocate them, which is not as efficient.

Winters suggested a sentence be added that: The City Attorney will consult with the Finance Committee before expenses anticipated to be more than a certain amount (to be determined by Jacobson).

Motion by Oberbeck, second by Nagle to table action of the policy to the December 9, 2014 meeting with the number to be added to the sentence suggested by Winters. . Motion carried 5-0.

#### **Discussion regarding the 2006 Ehlers Financial Planning Process - Groat**

Groat stated Ehlers put on a workshop for the Council, mostly relating to our debt issues, as a complimentary service in 2006. She did not feel there was a lot of applicability to today with all the changes that have taken place with Act 10. Winters offered to send an email on behalf of Finance to the Council to ask them to submit their questions and/or concerns regarding TIFs to use to put together an educational seminar. Oberbeck felt TIFs are becoming a crutch to developers and discussion should center on what we really want out of TIF's and to find out how to transition. Tipple commented it is more of a philosophy or policy issue.

#### **Update on the City of Wausau Strategic Planning process - Tipple, Groat**

Tipple stated they started the process in 2013 and partnered with the GFOA. One of the things we talked about early on is that we want a five-year plan. Rasmussen pointed out there was a Steering Committee in that process to lead and to figure out what needed to be attacked by the focus groups. Wagner agreed the Steering Committee was very effective and should be reactivated. Winters suggested Finance Committee take over the the Steering Committee role and continue this process. Groat stated another option would be for Coordinating Committee to do it because the Steering Committee was originally set up with the idea of being represented by several different fronts. It had the committee chairs of HR, Finance and ED as well as the Council President with a goal of each of those individuals to come to the meeting wearing that hat. Wagner pointed out the Coordinating Committee's function is to decide where to send it. Rasmussen stated whoever takes it over should see it through and get it done. Discussion followed.

Motion by Oberbeck, second by Kellbach for Finance Committee to take over the strategic planning process. (Groat will put this on the January agenda with the GFOA proposal.) Motion carried 5-0.

#### **Discussion regarding the list of properties owned by the city but not used for parks or government services - Community Development Staff**

Werth presented a list properties owned by the city (does not include remnant or right-of-way properties) of developable property that can be developed or sold. Neal indicated he would like to know which were prime properties and which were subprime properties and asked if this information could be incorporated into her list, such as an A list and a B list. Rasmussen suggested instead of a spreadsheet, put the properties on a map and color code it for the goals/uses of them.

**Discussion and possible action regarding five year financial projections – Groat**

**September 2014 General Fund Financial Report - Groat**

**October 2014 General Fund Financial Report - Groat**

**Adjournment**

Motion by Nutting, second by Oberbeck to adjourn the meeting. Motion carried unanimously. Meeting adjourned at 6:30 p.m.