

FINANCE COMMITTEE

Date and Time: Tuesday, September 8, 2015 @ 5:30 pm., Board Room

Members Present: Oberbeck(C), Kellbach, Mielke, Nutting, Nagle

Others Present: Groat, Jacobson, Giese, Lindman, Schock, Werth, Seubert, Gisselman, Wagner, Neal, Goede, and Media

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 Oberbeck.

Public Comment

None

Minutes of previous meeting(s). (7/14/15 & 7/28/15)

Motion by Mielke, second by Nutting to approve the minutes of previous meetings on 7/14/15 and 7/28/15. Motion carried 5-0.

Discussion and possible action regarding sole source request Wausau/Everest Snow and Ice Plows \$57,996

Lindman stated this is a patented item that works very well with our vehicles and to switch over to a different type of plow would result in us needing to do additional work with our trucks to make them fit the trucks at additional cost. He indicated they were requesting replacement plows for four of the trucks for \$57,996.

Motion by Nagle, second by Mielke to authorize the purchase of snow and ice plows. Motion carried 5-0.

Discussion and possible action on Post Issuance Compliance Policy for Tax Exempt and Tax-Advantaged Obligations and Continuing Disclosure

Groat stated we switched bond counsel firms from Foley to Quarles & Brady and they have some continuing disclosure checklists they would like the city to complete each year and they recommend we adopt Post Issuance Compliance Policy. She explained there are things that the city does after we issue debt to comply with the IRS regulations as far as monitoring spend down; submitting disclosures to clearing houses so bond holders can see if we have had any changes in our financial status or of any of our borrowings. She noted it is somewhat of a housekeeping item.

Motion by Nagle, second by Kellbach to adopt the Post Issuance Compliance Policy for Tax Exempt and Tax-Advantaged Obligations and Continuing Disclosure. Motion carried 5-0.

Discussion and possible action on Budget Modification for the Purchase of Used Buses \$22,000

Greg Seubert, Metro Ride Director, stated he made a request to the Finance Committee about a year ago for funds for used buses. We used a process required by the Federal Transit Administration in which the resolution had to include the places from where we were going to buy the vehicles. We were able to execute a purchase from Ozaukee County for four vehicles, but we chose not to buy vehicles from Milwaukee County because they were not in as good of condition as we were led to believe. He indicated they were still in dire need of vehicles. The issue is that most of these vehicles are out for bid but they have all gone to an online bid system and we don't have money just sitting around for this purchase. If we want to bid we have to have money available, so he was requesting a sum of money not to exceed \$22,000 for the purchase of up to five buses. He stated these buses are used at peak times to alleviate crowding and we currently are short several vehicles. They experienced crowding all last school year and continue to do so. Seubert indicated the funds would come from their reserve account.

Motion by Nutting, second by Mielke to approve the budget modification of \$22,000 coming from the Metro Ride Reserves. Motion carried 5-0.

Discussion and possible action regarding July 2015 General Fund Monthly Financial Report

Groat stated financial statements are continuing to trend as they have throughout the year to date. She reviewed areas where the city could expect issues; we are doing really well with expenses and are under budget. The narrative report can be obtained online: <http://www.ci.wausau.wi.us/Departments/Finance/MonthlyReports.aspx>.

Motion by Nagle, second by Mielke to accept the report as presented. Motion carried unanimously.

Discussion and possible action on approving Pierringer Release and Settlement of Claims – Heather Detjens vs. Lorrie Jehn et al (City of Wausau), Marathon County Case No. 13CV401 and approving 2015 budget modification for same

Anne Jacobson stated this matter was previously taken up in closed session with direction to our outside counsel regarding the terms of what he could use to negotiate a settlement. She indicated he came in under that amount and has completed a Pierringer Release, which basically releases the city from any liability from the suit, but allows the suit to continue for the plaintiff to go after the dog owner. This settlement of claim will require a budget modification and transfer of funds of \$17,500 into the insurance deductible payment account.

Mielke questioned why the city was on the hook for this. Jacobson explained it is because our ordinance requires that we impound all animals and the dog was not impounded.

Motion by Kellbach, second by Nagle to approve the Pierringer Release and settlement of claim. Motion carried 5-0.

Discussion and possible action on Budget Modification Street and Utility Projects

Lindman stated the bids came in high this year compared to what we had budgeted and a budget modification was approved. The amount of money allocated in the budget modification brought the budget in line with each of the projects specific bid amounts. This leaves no contingency for changes in quantities or other small change orders. The asphalt paving project came in under budget so we are proposing to allocate some of those funds to the concrete repair project and to street projects A, B, D and E. He indicated the Department of Public Works is implementing a project tracking system to budget dollars for a project ahead of time, have those bids come in and still maintain that budget if it is over the bid. This way as payments and change orders come in we always know what the budget number is and can ask for funding ahead of time versus after the fact.

Lindman stated the second portion of the request had to do with three water department projects that were budgeted for 2015 but are not proposed to go this year. He requested reallocation of those funds to the Brown Street Tower painting; the water meter replacement project; and the additional Highland Tank Mixer project. He noted the Water Commission has approved these.

Motion by Nagle, second by Mielke to approve the budget modifications for street and utility projects. Motion carried 5-0.

Discussion and possible action on budget modification Public Access

Groat stated Public Access was successful in securing a donation for the financing of production equipment as well as the installation of the equipment at the Curling Club in the amount of \$7,000. The Curling Club was very interested in getting Public Access there because people love to watch events, especially Badger State Games. This will increase the budget for the revenue and increase the budget for the expense, which would allow them to purchase and install the necessary equipment so that they could televise events at the Curling Club.

Motion by Nagle, second by Kellbach to approve the budget modification for Public Access. Motion carried 5-0.

Presentation and discussion regarding TID #5 closure

Oberbeck noted this is not an action item; it is a presentation for information. Groat conducted a PowerPoint presentation regarding the possible impacts of TID #5 closure. (*Copy of presentation and recording on file.*) Discussion followed on the pros and cons of the TIF district; Oberbeck pointed out they have to look at all options to find revenue sources to match our expenses as we go into the budget process.

Informational Report on Budget Transfers below \$5,000

Groat stated our policy indicates that the Mayor has the authority to do budget modifications of less than \$5,000 and that we report them to the Finance Committee. She stated this was the report (in their packets) of those that have been approved so far. No action required.

2016 Budget Update

Groat stated we are continuing to scrub the budget through the individual departmental budgets and the deficit is shrinking. She indicated she had anticipated an increase in the levy and the deficit now is approximately \$800,000. She noted we still have the health insurance outstanding; we have not gotten word on our state aids yet. Oberbeck requested at the next meeting to be able to go over where she found the savings to reduce the deficit in more detail.

Groat commented she learned that the county is looking at a wheel tax. She stated years ago the sales tax was written so that municipalities were actually the benefactor of that half percent sales tax, but no municipality had ever implemented it. The Counties Association, in looking for revenue sources, saw that the availability was there and it wasn't being used by the municipalities, so they asked the Legislature if they could change it and give it to the counties and they did. She pointed right now we have an opportunity to do a wheel tax, too.

Adjournment

Motion by Nagle, second by Mielke to adjourn the meeting. Motion carried unanimously. Meeting adjourned at 6:45 pm.