MINUTES OF THE FINANCE COMMITTEE

TUESDAY, MARCH 12, 2019, 4:30 PM
CITY HALL, ROOM 207
AMENDED

A. ROLL CALL.

Present: Veronica Corpus-Dax, Kathy Lefebvre, Bill Galvin, Barbara Dorff,

Also present: Ald. Brian Johnson, Chief of Staff Celestine Jeffreys, City Attorney Vanessa Chavez, Finance Director Diana Ellenbecker, and Asst. Finance Director Pam Manley

B. APPROVAL OF THE AGENDA.

Moved by Ald. Kathy Lefebvre, seconded by Ald. Veronica Corpus-Dax to approve. Motion carried.
Yes- Barbara Dorff, Bill Galvin, Kathy Lefebvre, Veronica Corpus-Dax, No- None, Abstain- None

C. APPROVAL OF MINUTES.

1. Approval of the minutes from the February 26, 2019 meeting.

Moved by Ald. Veronica Corpus-Dax, seconded by Ald. Bill Galvin to approve. Motion carried.
Yes- Barbara Dorff, Bill Galvin, Kathy Lefebvre, Veronica Corpus-Dax, No- None, Abstain- None

D. REGULAR BUSINESS.

1. Resolution authorizing 2019 transfer of $3,575.58 from contingency account for one-time costs related to equipment repairs on air conditioner pump and Halon control panel in IT server room.

Moved by Ald. Bill Galvin, seconded by Ald. Kathy Lefebvre to approve. Motion carried.
Yes- Barbara Dorff, Bill Galvin, Kathy Lefebvre, Veronica Corpus-Dax, No- None, Abstain- None

2. Discuss with possible action on a request from the Finance Director to approve contingency funding of $12,500 for a comprehensive Financial Management Planning report using an outside service.

Moved by Ald. Bill Galvin, seconded by Ald. Kathy Lefebvre to approve. Motion carried.

Yes- Barbara Dorff, Bill Galvin, Kathy Lefebvre, Veronica Corpus-Dax, No- None, Abstain- None

3. Resolution authorizing transfer of 2019 budgeted revenue and expenses between accounts.

Moved by Ald. Bill Galvin, seconded by Ald. Veronica Corpus-Dax to approve. Motion carried.
Yes- Barbara Dorff, Bill Galvin, Kathy Lefebvre, Veronica Corpus-Dax, No- None, Abstain- None

4. Request that the City of Green Bay Sustainability Commission Renewable Energy work plan be referred to the Finance Committee and Finance Director to review cost estimates associated with this work plan. Renewable energy is very expensive so having a transition plan to move toward renewable energy for the City of Green Bay will require large capital budget requests at a time when the City can't afford these costs.

Moved by Ald. Bill Galvin, seconded by Ald. Kathy Lefebvre to receive and place on file. Motion carried.
Yes- Barbara Dorff, Bill Galvin, Kathy Lefebvre, Veronica Corpus-Dax, No- None, Abstain- None

5. Consideration with possible action on Notice of Decision from the US Dept of the Interior regarding the intent to take land into trust – Kolb parcel.

The Committee may convene in closed session pursuant to Section 19.85(1) (g), Wis. Stats., for the purpose of conferring with legal counsel for the governmental body who is rendering oral or written advice concerning strategy to be adopted by the body with respect to litigation in which it is or is likely to become involved. The Committee may thereafter reconvene in open session pursuant to Section 19.85(2), Wis. Stats., to report the results of the closed session and consider the balance of the agenda.

Moved by Ald. Veronica Corpus-Dax, seconded by Ald. Bill Galvin to go into closed session at 5:00pm. Motion carried.
Ald. Veronica Corpus-Dax read the closed session language.
Yes- Barbara Dorff, Bill Galvin, Kathy Lefebvre, Veronica Corpus-Dax,
Moved by Ald. Veronica Corpus-Dax, seconded by Ald. Bill Galvin to return to regular order of business at 5:43pm. Motion carried.
Moved by Ald. Barbara Dorff, seconded by Ald. Bill Galvin to have staff move forward as directed in closed session. Motion carried.
Yes- Barbara Dorff, Bill Galvin, Kathy Lefebvre, Veronica Corpus-Dax.

6. Report of the Claims Committee.

The Council may convene in closed session pursuant to Section 19.85(1) (g), Wis. Stats., for the purpose of conferring with legal counsel for the governmental body who is rendering oral or written advice concerning strategy to be adopted by the body with respect to litigation in which it is or is likely to become involved. The Council may thereafter reconvene in open session pursuant to Section 19.85(2), Wis. Stats., to report the results of the closed session and consider the balance of the agenda.

Moved by Ald. Kathy Lefebvre, seconded by Ald. Veronica Corpus-Dax to go into closed session at 5:48pm. Motion carried.
Ald. Barbara Dorff read the closed session language.
Yes- Barbara Dorff, Bill Galvin, Kathy Lefebvre, Veronica Corpus-Dax,
Moved by Ald. Bill Galvin, seconded by Ald. Kathy Lefebvre to return to regular order of business at 5:55pm. Motion carried.
Moved by Ald. Veronica Corpus-Dax, seconded by Ald. Kathy Lefebvre to approve. Motion carried.

E. REPORT OF THE FINANCE DIRECTOR.

F. INFORMATIONAL.

1. The next Finance Committee meeting will be held on Tuesday March 26, 2019 at 4:30 PM.

2. 2019 Contingency Account:
$112,076.00

G. ADJOURNMENT.

Moved by Ald. Veronica Corpus-Dax, seconded by Ald. Bill Galvin to adjourn. Motion carried.
Yes- Barbara Dorff, Bill Galvin, Kathy Lefebvre, Veronica Corpus-Dax, No- None, Abstain- None

H. VERBATIM MINUTES.

- [Woman] Yes, thank you so much.

- Okay I'd like to call the Finance Committee for Tuesday March 12th to order. Roll call vote. Alder Galvin.

- Here.

- Alder Corpus-Dax.

- Present.

- Alder Lefebvre.

- Here.

- And Alder Dorff, here. Okay, entertain a motion for approval of the agenda.

- So moved.

- Second. Motion to approve by Alder Lefebvre, second by Alder Corpus-Dax. All those in favor.

- [All] Aye.

- Opposed? Motion carries. Entertain a motion for approval of the minutes from the February 26th, 2019 meeting.

- So moved.

- Second.

- Motion by Alder Corpus-Dax, second by Alder Galvin. All those in favor.

- [All] Aye.

- Opposed? Motion carries. Regular business, D, all right, number one. Resolution authorizing a 2019 transfer of $3,575.58 from the contingency fund for a one-time cost related to equipment repairs, an air-conditioner pump and Halon control panel in IT server room. Staff.

- I'll give you a quick little update and then I also have my IT person here. These are, the IT Department does have about a $3,000 budget for maintenance, or equipment repair. But these are, these both items both happened in early 2019 and were not planned for. They were one-time hits, and so we recommended that we would ask our contingency dollars. I will let Mike explain the two situations, if you have any questions.

- Yep, let's consent. Yes, and does anyone have any questions?

- I have no questions.

- I'll entertain a motion to approve this item.

- Motion to approve.

- A motion by Alder Galvin.

- Second, same.

- Second by Alder Lefebvre. All those in favor?

- [All] Aye.

- Opposed? Motion carries. All right.

- We wanna get Mike out.

- Number two. Discuss with possible action on a request from the finance director to approve contingency funding of $12,500 for a comprehensive financial management planning report using an outside service. Staff.

- Okay, I did include a memo to try to explain what the 12,500 would get us in a year. Kinda goes back to this last year with the budget that we had, a situation that financially we were in. Finance Committee has actually come back and asked for a much higher level analysis, comprehensive analysis, and it's everything we've talked about. The Moody ratings, we've talked about planning a few years in advance what our budgets are gonna look like. Looking at 2019 bonding, how is that gonna affect our debt levels? What is the next five years with a capital improvement plan? How can we, again, change our ratings? And these are all things that our current staff could handle I'm just not sure if we can get it done as fast as we would like to get it done before we do 2019 bonding. So we were at the conference a couple weeks ago, and Ehlers is a financial, there are other financial advisers in the public sector and we just had gone and talked to them and told 'em what kind of the needs we had, and they submitted the attached proposal of things that they could do and so kinda went lists through all the items and things that they could do for us for a total of $18,000, and they said in about 120 days they could come back with a report, and it would come back and it would basically cover a lot of the things that the Finance Committee has asked us to pull together. Again we would be looking for $12,000 from contingency because a large portion of this has debt management in it and we could take the $6,000 break from the debt service fund. So the 12,000 would be unbudgeted. And again this is not services we can't do, but it would allow us, one, they have the expertise, years of experience, and they could get it done probably faster than internally we could do this. Probably one-time, would, it'd probably one time, or we would try to put in next year's budget if it was beneficial and we wanted to continue this service. But as an example they brought us a full example. This is the same exact management plan that they did for the City of Platteville. So they got a full example, they gave us a complete example of what report he would come back with and then they would be, they would actually, and again I've kinda went through the different things that they would help, they would take, help us on our credit profile and ways that we can improve our credit rating. We'll get forecast for our next year's budget, they would also help project out when TIDS are gonna be closing and how that would affect our general fund or a general levy. It would also help forecast, and they would also work with us on the levy limit worksheet, make sure that we're maximizing and be able to forecast that in the future. They would work out it again with the capital planning portion which is like our CIP. They would be debt modeling and take our five year plan or however far out we go with our planning and they would also forecast on our debt, how that would affect our general levy, our levy needs for the next five years and then in the budget. I think, let's see, they would include some workshops and they would actually do presentations at different stages of the process to whoever we choose we want to present this information for and then they would bring a final report in with recommendations and modifications if we needed changes to our policies. So they would do an overall, just a review of all of our financials. And so that is the service that they're offering. And so that is something that we did not budget for or plan for, and that's why we're looking to see whether or not that was something that the council would be, or the committee would be willing to approve $12,000, 12,500 for this report.

- So it says estimated June bond issuance, is that when we thought we were bonding, I guess I thought we were bonding earlier than June. Is that, can you.

- It, well, on the last couple years we have bonded, we have issued in May, I think, was the last year's, I brought it with me. Last year we actually bond, we issued in April and the year before it was May. But in the last 11 years we've done more than half of the year. For the last 11 years, we've done it four times in June, two times in July, and then. So it's been.

- So it's within recent.

- We've been, we've been, it's between April, May, June, or July in the last 11 years we've been doing it. Over half the time it was in June or July.

- It might take the new mayor time to participate.

- And that was part of the reason the current mayor did not want to go and take out that right before he's out of office. He wanted to let the new mayor have some say in it. And so we wouldn't have, I don't believe that we would have asked the mayor in April, May, for his first or second meeting to take up the bonding request. So we figured this would be a process. We would be bringing it to you a couple times throughout the process, throughout the spring, early summer, so you have more chance to review it, ask questions before we would actually bring in the 2019 final bonding. So the timing is very close to probably, what we have historically, it's been in the same range.

- And this report's gonna contain recommendations for us, for going forward for the next five years?

- Correct it's gonna help, they're gonna help look at projections for our budget, projections for a levy limit, recommendations for debt, yep, yep. And they were also, what she's pointing out is they also recommended that they would do some workshops in which they would present and work with us or whatever committee or team that they would present to, and say what their recommendations were.

- And we'd be able to track, if we follow those recommendations, track the results based on doing a comparison with their projections.

- Correct, yep, and so everything would be based on a five-year projection, then in the report that they, the final report they would bring back to us.

- At the, I'm sorry, at the end here, it says this would, the 18,750 is for that, but then it also talks about the tax increment district. Do you recommend that we would include that? That was an additional 750. Would that be advantageous for us to also do that part?

- That would be, they will take into consideration when a TIF would naturally terminate.

- Permanent TIF

- and that would be the part of this project yes if we decide to go through and knew it was only $750 per TIF that is something that we could move forward I'm not asking for that at this point and then we would take that under the TIF funding so if we hit every fund than the TIF would then get charged 750 if we decided to move forward with it, but that is I think the focus right now would be less about how is our TIF performing and what we could be potentially different in our TIFs I think in the next 120 days I think we would want to focus on the capital improvement the 2019 bonding projections of our next budgets and then we could also take out their services in at a later date for those TIFs

- I see that, okay. Any more discussion on this? The motion?

- No it looks like it's very well...

- I move a motion to approve it.

- Okay, I'll make a motion to approve-

- Too late. You can be second.

- Oh, I'm sorry.

- Motion by Alder Galvin. Oh, there is more discussion yes.

- I just had a question, you can still do the motion.

- Okay well alright a motion by Alder Galvan second by Alder Lefebvre, discussion.

- Diana, I know that I mean we're looking at, I mean the purpose of this is the is the capital improvement plan, but I'm still looking at this from a counsel perspective and one of the things that I've really struggled since being on board is understanding how all these pieces operate together, and so when I look at you know, the TID component of this, I guess I would just like to maybe hear a little bit more from you guys, now what you say you're not recommending it at this time, but it sounds like you're not recommending that because your focus is on the capital improvement plan. Is there value for us to be looking at the TID component because again, it's it's when i start looking at all of these major needs that we need over the next five to ten years, that clearly has to contribute to the conversation.

- Yes we could certainly move forward with it outside of this, this project we could actually approve that $750 per TID and I would actually have to bring into committee so I mean if you want to recommend and move forward with it that is a different funding source so it's only $750 per TID, we certainly can incorporate that and go back to others and say that we want to include that in the process they were certainly going to take a look at all of our TIDs and when they naturally turn and so then see how that would affect, and how it would help our general levy in the future but if when they go down and do to a deep dive into that the TID, they would look whether or not there should be some interfund transfers if there's something else that we should do be doing should we be trying to close this what should we maybe you know maybe lop off a chunk of it and maybe close out a portion of it you know because if it's there's no other changes that's going to happen there so that would be the next step and we certainly can move forward with it I think they were they definitely would include that and that was enough that is a obviously they were part of their proposal.

- Okay so the timing of that just doesn't necessarily impact the bond request so that's sort of an addendum that we could add later.

- Correct.

- And is it something that perhaps if we move forward with this this core package that internally we could handle the TID performance component as an addendum? I'm just not familiar with what one of these packages or reports would look like, so-

- We could we could the only thing is I think for $750 maybe for the first year and since we charge it to the TID, it might be worth it because they're offering cash flow analysis that offering some quite a few other things and recording for the TIDs which we already do but their expertise and their knowledge they may have some tips that maybe we don't know of or that they could recommend for us.

- So each respective TID could fund that-

- Yeah.

- That that is part of the reason why I didn't answer every, now I'm really worried about the contingency fund money

- Right

- The TID at any point we can decide to move forward with it and I may not even pick all the TID if we have a TID that just is not there's no activity it's kind of slow we're thinking well maybe closing it I may not pay the 750, but we can pick and choose which TIDs we wanted to have them move forward with it.

- Okay, and I'm sorry I missed that.

- And then we wouldn't have to have approval.

- Correct, because it's only $750.

- Yeah, below that threshold.

- This being something coming out of the general fund, I needed the approval at the contingency level. I do have one more question, you know, I see in here that the five-year capital improvement plan that's going to be talked about from your experience again I mean five years isn't going to dig us out of this situation, so from your experience, is are they doing a five-year because that's what we're asking for or do you see other communities do even longer term capital improvement plans like the 10-year 20-year? Though we're not gonna have cars in 20 years right? I think five is standard, however you know, we've actually asked our department heads to put out their requests for a longer period of time. Longer than that, I think that's more the standard, I think no matter what municipality we talked about, we've been at some training where they talk about capital improvement plans and it's typically over five years. Those other ones are out farther and you know they're coming and they're gonna take this okay maybe it's not in five years but we know at seven years that they're gonna put a larger item in there and they're kind of anticipating it, but I think five years standard.

- Okay, and this may cross over a little bit into INS, but I tell you, at least from my perspective one of the main reasons I'm asking is, you know, I mean roads is on everybody's mind and it's going to take a generation to fix that issue and, you know kind of the feedback that we've been getting a lot at INS committee is it's the timing of it, right?

- We want to do it at the same time we're doing utilities at the same time that we're doing storm sewer and so again, that may I mean on all those departments doing those five, 10-year forecasts so that our Public Works Department can get all those things on the right cycle so that you know, we can be making appropriate bond requests for those types of repairs.

- Because Steve is the Director of Public Works, he does coordinate all the sanitary, storm, any and pavement the only one that he doesn't typically, he doesn't take into consideration is water but he shares that it works back and forth with water or if there's any other fiber or any other kind of infrastructure, he's not, he doesn't coordinate that, but he's got some of the larger pieces of infrastructure and he is coordinating that.

- And again I'm not really trying to get into that IMS piece of it so much as I'm trying to get a the funding piece of it because I mean if Steve laid out a 10-year plan for us and said we're going to do all this it's all for naught if you don't have a way to pay for it and that's why I'm kind of asking we get a five-year plan in here. Is it more common for us to be looking or do other municipalities look at longer term?

- It's typically five years.

- Okay.

- At least that's what they present our, I'm sure they may be less than forward-looking but they don't actually print a preset though normally past five years

- And would you potentially then update this in a rolling basis?

- Yes, yes.

- So this is, this could, could come back as an annual thing or maybe you discovered something you could do in house.

- Correct. That is our goal at this point to do one year see how it goes whether or not we want to try to budget for that at this year's or in future years or if it's something that we can continue to update and then every couple years maybe just go back to them and you don't have them you know give me to give us--

- Let's look at a template, right?

- Yep.

- Yeah, that would be very valuable. Alright, any other discussion before we vote? Motions have already been made and seconded, all those in favor?

- [All] Aye. Opposed? Motion carries. Item three, resolution authorizing transfer of 2019 budgeted revenue and expenses between accounts.

- Do you feel like we've done this before?

- Yes.

- This is gonna be the third time we're doing it, we found two more, I think two more accounts that that our Parks Department filed and again it's because of the way we budget at the level which we budgeted for and if we want to make any adjustments to it, thank you for the right sheet, the concept teams mostly again I'm trying the sports area there they're just changing it so that they're combining it and putting it into the parks department and so it's because we budgeted at that level we have to move it going forward that way it makes it easier on 19 actions and now might match for the budget is it'll all match up so that we could go to the 2020 budget.

- Motion to approve.

- Approve Alder Galvin.

- Second.

- Second by Alder Corpus-Dax, any discussion? All those in favor.

- [All] Aye.

- Opposed? Motion carries. Number four, request that the city of Green Bay sustainability Commission renewable energy work plan be referred to the Finance Committee and finance director to review cost estimates associated with this work plan. Renewable energy is very expensive so having a transition plan to move toward renewable energy for the city of Green Bay will require large capital budget requests at a time when the city can't afford these costs.

- That's not biased.

- What?

- That's not written in a biased way.

- No, it's rather objective.

- I can start and then I'm gonna allow our chief of staff to step in. We had a good meet on this item and just a couple things we want to remind you that the sustainability is only advisory so there's no at this point there's no recommendation that's come out of it and at this point no Department has implemented anything so at this point I can't give you any estimates any costs because there has been no recommendation no nothing to implement so if the question is how much is going to cost, at this point, I can't pull those costs together but then I'm going to let the chief of staff kind of step up and take over and add some more information here

- Thanks, Celestine Jeffreys, Chief of Staff. So yes sustainability Commission for the meeting for, since October, actually once a month there's nine members on the Commission just to give you some basic information. We have people who are in the industry in sustainability as well as people who are citizens who are interested in the issue. So we have what we're doing right now is sort of gathering information from various departments parks came and gave presentation development came and gave a presentation of course DPW came that they were first presentation but, excuse me, we've had a number of community groups meaning people who are doing that kind of work that advocacy work statewide tomorrow we'll have someone else come from County Conservation league, I think it's going to come. Right now, there are no recommendations that we've made if we were to have any kind of recommendation that would we would need to ask for departmental action since the sustainability Commission is only as Diana I've pointed out advisory so right now there are no financial impacts we do have staff members me my intern not this is my intern Morgan Thanbedic but I have another intern working on some sustainability issues they're all my interns of from UWGB so at this point anything that we're spending on sustainability is really about staff research and input there are no financial impacts at this point.

- So might make a good motion be to receive in place on file at this point?

- That would make sense to me over.

- Okay.

- So moved.

- Second.

- Moved by Alder Galvin, second by Alder Lefebvre, is there any other discussion on this? All right, all those in favor?

- [All] Aye.

- Opposed? Motion carries. We'll see them placed on file. Consideration with possible action, I noticed the decision from the US Department of the Interior regarded the intent to take land into trust whole parcel. Would you want us to go right into closed session on this one?

- Yes.

- Alright then.

- Motion to go into closed session.

- Motion to go into closed session from Alder Corpus-Dax and Alder Galvin. Alder Corpus-Dax, you want to read the?

- Sure, committee may convene in closed session pursuant to section 19.85, IG Wisconsin's stats for the purpose of conferring with legal counsel for the governmental body who is rendering oral or written advice concerning strategy to be adopted by the body with respect to litigation in which it is or is likely to become involved the committee made therefore reconvene in open session pursuant to section 16, oh, 19.852 retention stats to report the results of the closed session and consider the balance of the agenda. All those in favor of going to closed session?

- [All] Aye.

- Opposed? Alright, motion carried.

- Okay, motion to go back into open session. Open the session.

- Second.

- Okay, motion to go back to the order of business by Alder Corpus-Dax, seconded by Alder Galvin. All those in favor.

- [All] Aye.

- Opposed? Motion carries.

- So I will make the motion to have staff do as directed in closed session.

- Second that.

- And Alder Galvin seconded that. All those in favor?

- [All] Aye.

- Opposed? Motion carries unanimously. Staff, go forth as directed. We'll do this one really slowly 'till you get back. Alright, five-minute bathroom break. We just have to allow that. 'cause I want to do so every floor session Okay, but that's in closed session. We're going into closed session. Next item on the agenda is the report of the claims committee and does anyone have anything they wish to discuss about the claims committee?

- Yes.

- Okay so that means we will need to go into closed session so I will entertain a motion to go into closed session.

- I'll make the motion.

- Second.

- Second, and do you want me just to read it, yes?

- Sure.

- The council may convene in closed session pursuant to section 19.851G, the Wisconsin statutes for the purpose of conferring with legal counsel for the governmental body whose rendering oral and written advice concerning strategy be adopted by the body with respect to litigation which it is or is likely to become involved, the council may thereafter reconvene in open session pursuant to such 19.852, Wisconsin statutes to report the results of the closed session and consider the balance of the agenda. All those in favor of going to closed session?

- [All] Aye.

- Opposed? We're in closed session.

- Motion to go back in open session.

- By Alder Galvin, second by Alder Lafebvre. All those in favor?

- [All] Aye.

- We're back in open session. I'll entertain a motion to receive

- To prove.

- To what? To prove the report of the 20 claims committee.

- Motion to approve.

- Motion seconded.

- Motion by Alder Corpus-Dax, second by Alder Lafebvre. All those in favor.

- [All] Aye.

- Opposed? Motion carries. Report of the finance director.

- I just want to give you a quick update, we're finalizing getting prepared for our audit which is the last week of March. Jake will be in. The Clerks Department of course office is ramping up for the April election and they had scheduled or are tentatively scheduling the border review for the and later part of April

- Thank you any questions?

- Nope.

- Alright, informational the next finance committee will be held on Tuesday March 26 at 4:30 p.m. and the contingency account is at, well not anymore

- It was at $112,076 we today we approved 3,570 thousand, $3,578.58 and $12,500 which brings us down to $96,000 in change. And at Council on three five, there was some money obligated for, for legal fees and I think that was around $29,000 and that would bring us down to about 66,000 left.

- Gonna have to have a bake sale. All right I'll action motion to adjourn.

- Second. Motion to adjourn by Alder Corpus-Dax, second by Alder Galvin. All those in favor.

- [All] Aye.

- Motion carries, we are adjourned.