MINUTES OF THE FINANCE COMMITTEE

TUESDAY, SEPTEMBER 24, 2019, 4:30 PM
CITY HALL, ROOM 207

A. ROLL CALL.

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

Also present: Fire Chief David Litton, IT Administrator Mike Hronek, Mayor's Chief of Staff Celestine Jeffreys, Police Chief Andrew Smith, Assistant Development Director Cheryl Renier-Wigg, Public Works Director Steve Grenier, HR Director Joe Faulds, HR Operations Manager Melanie Falk, Police Business Manager Rick Jurkanis, Finance Director Diana Ellenbecker, Assistant Finance Director Pam Manley and others.

B. APPROVAL OF THE AGENDA.

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

C. APPROVAL OF MINUTES.

1. Approval of the minutes from the September 10, 2019 meeting.

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

D. REGULAR BUSINESS.

1. Request approval to purchase one 2019 Type I Ambulance from Jefferson Fire & Safety, Inc. for $256,807.

Moved by Ald. Kathy Lefebvre, seconded by Ald. Bill Galvin to approve the purchase of one 2019 Type I Ambulance from Jefferson Fire & Safety, Inc. for $256,807. Motion carried.
Yes- Barbara Dorff, Bill Galvin, Kathy Lefebvre, Veronica Corpus-Dax, No- None, Abstain- None

2. Request by Ald. Gavin for the Police Department to work with IT to set a system on the City's Request for Service icon for citizens to report problems and request service.

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

3. Resolution authorizing 2019 transfer of $14,559.21 from contingency for expenses related to Oneida trust matter.

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

4. Update and discussion on the five year combined Capital Improvement Plan (2020-2024).

Moved by Ald. Bill Galvin, seconded by Ald. Veronica Corpus-Dax to receive and place on file the memo of the five year combined Capital Improvement Plan. Motion carried.
Yes- Barbara Dorff, Bill Galvin, Kathy Lefebvre, Veronica Corpus-Dax, No- None, Abstain- None

E. REPORT OF THE FINANCE DIRECTOR.

F. INFORMATIONAL.

1. 2019 Contingency Account:
$75,367.94

2. The next Finance Committee meeting will be held on Tuesday October 8, 2019 at 4:30 PM.

G. ADJOURNMENT.

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

H. VERBATIM MINUTES.

- Okay, great, oh my gosh, where's my cursor? All right, I'm gonna call the Tuesday, September 24th meeting of the Finance Committee to order. Roll call: Alder Galvin.

- Here.

- Alder Corpus-Dax.

- Present.

- Alder Lefebvre.

- Here.

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

- So moved.

- Moved by Alder Galvin.

- Second.

- Second by Alder Lefebvre. All those in favor?

- [All] Aye.

- Opposed? Motion carries. Approval of the minutes.

- So moved.

- Moved by Alder Galvin.

- Second.

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

- [All] Aye.

- Opposed? Motion carries. Regular business. Item one: Request approval to purchase one 2019 Type one ambulance from Jefferson Fire & Safety, Incorporated for 256,807 dollars, staff?

- What I can tell you is it went out for a normal bid. We got one qualified bid back, that is what you're seeing in your packet. Wondering if you had any questions on that?

- Is that unusual?

- To just get one bid.

- I'm gonna defer to Chief Litton.

- [David] Yeah I will tell you that, so this, the bidder, the successful bidder here and Life Line ambulance they've been the successful low bid, most qualified bid on the last four ambulances.

- So it would just be an offer.

- [David] Yeah kind of. Rick Jensen did reach out to the other vendor that was interested and they basically told Rick that they couldn't beat that. They could not meet their price.

- Okay.

- [David] So then they did not bother to bid. We've been very, very happy with this line of ambulances over the last four builds and it's in line with what we're seeing anywhere from a three to 5% build to order increase every year, everything fire apparatus, fire, ambulances and so forth, so it's right in line with those offers.

- Where's Jefferson out of?

- [David] Iowa, uh, Jefferson's out of Wisconsin, but Life Line's out of Iowa. So Jefferson's the vendor here in Wisconsin.

- Okay.

- [David] They actually are built in Iowa.

- The dealership whatever, got that.

- Okay, any other questions on the ambulance? I'll entertain a motion.

- I'll make a motion that we accept the bid.

- All right, motion by Alder Lefebve. Second by Alder Galvin. All those in favor?

- [All] Aye.

- Opposed? Motion carries. All right, request by Alder Galvin for the Police Department to work with IT to set a system on the City's request for service icon for citizens to report problems, and request service. Don't see, are the police here?

- Actually our IT Administrator is going to be speaking to that.

- Okay.

- [Mike] The Chief will be here a little bit late. He had a work--

- You're here, that's right. You're police.

- [Mike] He'll be along. I just have a small handout we just prepared before the meeting. But Alder Galvin met with Commander Warych and they agreed to put the following request types on the City's website as you can see in the drop down list. And the record request and the fill out for a police report is just gonna go directly to the police website and fill out the forms that are online there. So basically we kinda put all this information in one place. And then the fingerprinting request is just gonna be information on the off sellers and what information that'll bring to the Police Department and--

- Instead of calling the police?

- No.

- No.

- No what this is, is I'm sitting in my living room and this guy on a lawn mower say, go by everyday almost like clockwork. And you know you can't always guarantee there's gonna be an officer there, but I can get a description of the vehicle, maybe I know where it's coming from or I can get a license plate number. So instead of putting in a call for service, that, due to triage, may wait three hours and the officer spends his time getting there and goes, oh okay, I said all this information, guy takes it and as part of his duty he'll stop by that house, have a talk with the owner and get it squared away that way. They still get the call for service and there's gonna be information to the effect that just like when you call and this is an emergency or if you need immediate police response, call the number.

- And you should.

- But this is something that, you know, sometimes those calls can sit there and wait, wait and wait and it doesn't need an even that day response. We have CPs, we have traffic enforcement officers, drug enforcement officers. They can get this information. Drug enforcement officers can contact you at a later date, you know, get better information, 'cause a lot of these things don't just happen like boom, you know, like clockwork. And so I was looking for something that, something that annoys people, that it's just not worth calling the police right now, but maybe the cops could look into it when they have the time. And so, just another way of, like school bus violations. You're not gonna have an officer respond right away. You call it in, they get ahold of you, they get the information, they go after the violator, and they handle it at a later time and date.

- So with the drop down, you'd go to the records request or do you like say log vehicle, would you--

- Okay, so you would click on log vehicle, screen shows up. It wants your information, like your email, that kind of stuff. Describe what is going on, vehicle description and that kind of stuff. Do you wanna be contacted or you just want this to be the end of it from your participation? So you can request that officer get back to you. Yeah I talked to the guy, he's gonna get it fixed. Or I talked to the guy and they get a ticket. Or I talked to the guy, you got the wrong plate, it's the wrong, so these kind of things to help them out. And so some people wanna know that something's done. Some people, they don't care, they just want the officer to look into it. So it's just like if you go to any of these and I thought this was so neat that we had that request for service icon on our computer for our people on the website. So you have the same thing for inspection, sanitation, sidewalk, all that kind of stuff. If you ever take a look at it, it's very neat.

- Oh yeah.

- And I've been trying to educate my constituents to use that instead of calling me, not that I don't want the calls, but by the time they call me and then I call, more time to response.

- Right.

- I can click, okay so where would the school bus complaint go under these?

- [Mike] Um, it would be traffic. There should be a--

- And we show everything on here? We don't--

- [Mike] School bus complaint?

- Yeah, like he just made up, he just said that.

- [Mike] Well we would just add it to the list if you feel like you needed one.

- No I'm not saying that we do. I'm just saying it can't be an all-inclusive list right? I mean, I wouldn't--

- [Mike] You're not gonna get everything.

- No you're not. But you brought that up, is that--

- [Bill] It's something like traffic and then a traffic icon, like traffic problem, something like that, traffic violation.

- [Mike] We have a traffic icon, we can add it to that.

- [Bill] Yeah, exactly.

- And do other cities have something like that?

- [Mike] Sure.

- Oh they do!

- [Mike] Normal thing. Out west they call it a three-on-one service. We just call it a request for service. Some people call it complaint tracking, other than sales.

- And how does the Police department feel about it?

- [Mike] I really wasn't involved in--

- [Bill] Kevin seemed okay with it.

- Kevin seemed okay with that?

- [Bill] I mean he wasn't against it.

- Okay.

- [Bill] And he just thought, because people already can call the department and sometimes they'll get shifted to the Traffic Lieutenant.

- Okay.

- [Bill] And leave a phone call message and then they get contacted back. And so this just puts it into that computer.

- So who is checking this?

- [Bill] Okay and that's something that the PD is setting up, so there will be one person responsible to check this on a daily basis. And if he's not there, like they're on vacation or sick, then there'll be a subordinate that will be checking on it.

- But it's not gonna be around the clock, it'll be--

- Once a day--

- Once a day.

- Someone comes in, punches in and sees what's there. That's why the nature of these calls, there's stuff that can wait a day or two.

- Not opposed, not an emergency.

- I got a question.

- Go ahead.

- You sure that all the bugs are out? Because I did a few months ago inspection, you can go on and report potholes. Well I did the one, and it sat and it sat there after I pushed the button, you know, to send in. It sat and it sat, sat there. So I put another one in, nothing happened. So I went down to inspections and said we can press, yeah but it doesn't work. It didn't send it in.

- Well maybe--

- So--

- [Mike] Depends on your Wi-Fi signal. There's a lot of variation in sending it.

- Yeah, yeah.

- [Mike] I dunno where you're at or whatever.

- Wi-Fi has a weird inspection tone.

- So how much does it cost? It's pretty, not--

- [Mike] Yeah, we program internally.

- You just program it.

- [Mike] Yes.

- And we have the--

- [Mike] And in regards to your messages. If somebody needs to, you know, you have to fill out the complaint and put a checkbox in to confirm that it is not an emergency, so you--

- Oh, oh to confirm.

- [Mike] Before you can even proceed.

- Oh I like that.

- And that's good, because you wanna make, we absolutely don't want someone thinking they're calling 911.

- Right!

- Right, yeah.

- And then a week later--

- Oh that is a really good idea.

- Okay, is this, now it doesn't say what action. Are we, do we need to take action on this?

- [Mike] We're just gonna continue, develop it and when we make it live, we'll let Alder-people know.

- Okay, receive or place on file.

- Yes.

- Okay.

- Motion to receive or place on file.

- By Alder Galvin. Second by Alder Lefebvre. All those in favor?

- [All] Aye.

- Opposed? Motion carries. All right, a resolution authorizing a 2019 transfer of $14,599.21 from contingency for expenses related to Oneida Trust matter.

- This is very similar to a transfer you saw about a month ago, so we've been working specifically with the Legal Department and as our paying bills that pertain to the Oneida Trust issue we are bringing it to you and asking for the contingency transfer. The last one was right around 20,000 dollars, so this is 14 so then we're up to about 35,000 that has been transferred in 2019 for the Oneida Trust matter.

- Okay, any questions? Entertain a motion for approval.

- So moved.

- By Alder Corpus-Dax.

- Second.

- Second by Alder Galvin. All those in favor?

- [Board Members] Aye.

- Opposed?

- Opposed.

- You're opposed?

- Yup.

- Okay.

- We're spending too much money.

- Do you want us to do the votes online then, or do you want--

- No, I think--

- [Pam] I got it.

- Okay, all right, motion carried. Update and discussion on the five-year Combined Capital Improvement Plan.

- Okay, I apologize, I did not, was not able to get an attachment into the packet, something I know that I needed to talk to the Mayor about and I did discuss that with him yesterday. So I gave you each a handout. I have a handout for the department heads if they are looking for it. Our last meeting we kinda looked at the expenses. I know we're gonna look at them again, but there were a lot of questions around funding. So this goal of this memo is long, but I am gonna try to run through it real quick.

- Do you have an extra one? We have a student in the audience.

- Yup.

- Is it all right for the student to have it?

- Yes.

- Student, you can come up and get one of these.

- I'll give one to the department heads then right away. That way they can follow along. Here's one for Commander Warych.

- [Man] Yeah I'll give this to him.

- So what the goal was and some of what, whatever our follow up from our August special meeting was, we knew funding was a critical piece. Some of the questions that came up are: What does a mill rate look like in five years? What are the levy limits? How do they come in play? What bonding is gonna get paid off? When do TIDs expire? How can we afford to pay for these expenses? Posing, that one year of TID increment, what's the impact? Should we max out our levy limit? And then there were a few other items about Plan B for A and police repairs. And there's also something about leasing equipment. So that is all trying to be handled in those documents. So again, how long? But I'm gonna try to rattle through it rather quickly and then as you have questions, please let me know. Quick part of it is just the 2020 budget. We know what our allowable levy limit is going to be. It's about 617,000 dollars. We do have an adjustment that we can take, it's adjustment E where we can do debt service for general obligation authorized prior to July of 2005. And we do have a capacity of nine million. So we can go really as high as we want if we have the appetite to take the mill rate out. The 617 was driven by net new construction of 1.136, plus we had a slight unused levy limit from the year before as 33,000. That's how we came up to the 617. Historically, I was asked historically where we were at and where do we think we'll be in a few years. As you can see and in the previous years, our net new construction's been right around 1%, 0.9, 0.9, 1.5, 0.98. This year it's 1.136. That's averaging around a 1%. So I just wanted to show the next couple years I still think our levy limit increase is still gonna be around 550, 600,000. Kind of a small amount and it's based on net new construction about 1%. What just increasing, 617,000 dollars, our mill rate would go up nine cents, or about 1% if we just stuck to the levy limit max without taking any adjustments. So again, I just wanted, someone asked where's our mill rate gonna look like in maybe five years and I just say our current mill rate is 916. We decided to just take levy limit impact over the next five, six years, we'd go up about nine cents a year. In five years we could be about 955 or 965. And then the other item I just wanted to mention about levy limits, if we ever wanted a large, large project like a public safety building we could go up for referendum, which would allow us to take us above the levy limits, but that would be through referendum.

- And that would be to fund the entire project?

- To fund, well it'd be to allow to take a larger mill rate increase than what levy limit would allow.

- 'Cause we'd have to bond it.

- We would still have to bond it, but then we'd bond and then you would say okay, now we can't, we're gonna have to go up, I dunno, some larger percentage than what the levy limit would allow.

- To pay off that bond limit 20 or 30 years.

- Correct, it would have to be probably two things that go together, you get a bond and you'd have to get a referendum approved to go up.

- Yeah.

- So that would be kind of the impact. That is currently what our levy limit would allow and what--

- And that nine cents would be nine cents per 1,000.

- Correct, per 1,000, so it'd make--

- And what did we do last year again? What was--

- We went up 16 cents or 1.5%.

- So we were at nine.

- We were at 902.

- 16 cents.

- We went up 14 cents I know, about 14 cents or 1 1/2%.

- But all we're about to go up is, oh, 0.09, that's--

- Correct, at this point.

- At this point.

- Yes.

- Okay, what will change that?

- Um, it assessment may change slightly or if our revenues or if we find some tweaks in our revenues, those all have favorable impacts on expenses.

- What did you say?

- Revenue and expenses.

- Oh that's correct and then the next item is Expenditure Restraint.

- Hold on.

- So there are a couple different factors. There's so many things that moved that nine cents around. But just straight across levy limits, that'd be nine cents if no revenues changed, nor assessment change.

- So that would bring us how much more money than we have right now, 616,000?

- Yup, our current levy limit right now is about 54 million, so it'd allow us, take us up about 600,000 and then 54 million.

- Okay.

- And then the other limit that the city is under is an Expenditure Restraint Program. And that is calculated by net new construction, same thing, the 1.136, so as our, and remember, the city of Green Bay, it has a six million dollar assessed value, so still to take a six million dollar number up 1% is still nice growth. It's still growth. Obviously, some of your smaller communities are experiencing much larger growth, which is allowing them to have much higher levy limits, capabilities. But we're still taking, we have a large number and we still move it up about 1% a year. Then they also take a CPI and they take that up 1.85, it's projected, we have one month left, but it's projected at 1.85 and then that calculation allows us to go up 2.15% over last years budgeted expenses. Last year's budgeted expenses were at 88 million. It would actually allow us to go up 2.2 million dollars on Expenditure Restraint.

- So what would that calculate out to?

- Okay, keep going.

- All right.

- You knew we were gonna ask.

- So if you would ever were to max out and go to 2.2 million dollars, currently we are getting about 1.6 or in this year we're projected at 1,572,000. So if we ever decided to blow the Expenditure Restraint and just go up four million dollars and stick with that, the following year you would lose about 1.6 million dollars that we're getting for the Expenditure Restraint. So you would have to make an intentional decision, like if you were doing a public safety building and did a referendum you would be able to take it up, but in the next year you would take a hit. So the next point says if you increase the EIP to 2.2 million dollars or increase up to the Expenditure Restraint, so if we decided to take expenditures of last year 88 million up to the two million to about 90 million, that is an increase of 36 cents on the mill rate or about 4%. We've had similar Expenditure Restraint between two and 3% every year, so if we use same similar assumptions our current rate is 916. By this budget period we could go up to 952 if you stayed at that and maximizing your Expenditure Restraint projected in five years, we could be looking at about a 10, maybe six rate, but that would allow us two million dollars every year to increase your expenditure and that would probably allow you to start putting in some of your capital and other needed items, but--

- So instead of bonding, I mean some of those things?

- Potentially.

- Because like the cars, those things that--

- Last year, we only took our expenses up about 300,000, 'cause that's what levy limit only allowed and then this year if we only do levy limit then we can only go up about 600,000 this year, um so--

- But we'll lose the Expenditure Restraint money if we go up.

- Only if we go over 2.2 million dollars.

- Only if we go over 2.2 million dollars.

- Correct, so those are your two limits you have to stay in.

- Okay.

- But again, so if we decide to max out your Expenditure Restraint, we do have adjustments we can use on the levy limit side that would allow us to go to the 2.2 and we can do that easily for five years and we would have enough of an adjustment on the levy limit side, but then do you have an appetite to take it up to 10.96 over the next five years? Those are some of your options. Then just other funding sources, of course, departments continue to look for grants that can help reduce the levy support. Question came up about debt service, when will they get paid off? When will we see a reduction? And the reason why your debt service on each budget continues to look about the same dollar amount is because our financial advisors ladders out our payments. So they try to make them even and then they'll back end them if they need to, but they try to keep our payments relatively flat. However, with us borrowing slightly more every year than we are paying off, we are actually gonna see increase in our debt service required every year if we stay at the current fund, um borrowing slight increase. So there's not gonna be any benefit on the debt service side over the next five years. My next paragraph is just saying, so relatively early, but our 2020 budget, when we look at the first draft, met with the Mayor yesterday, expenses are rolling in higher than your Expenditure Restraint will allow. So where now our expenditures have gone up more than 2.2 million dollars and so I'm not sure at this time we'd be able to include capital into this budget yet. But again, we are meeting with the Mayor Thursday and Friday to look through more numbers and so he has a better feel on what is making up the budget. So at this point, again, I don't have a lot more information for you. The next point was another question is: Well what can we do? And of course, how do we try to get equipment into our future budgets? One, increase mill rate, control operating expenses, which includes salaries, limit contract increases, reduction in services, we can start charging for some of our current services or you know, find other tools from the state.

- And so, I mean, we've reduced services already. Haven't we?

- Well we could, okay, you could get rid of the SROs.

- Why? The School District pays for the SROs.

- Well, but they still cost the city some money. You could get rid of the community police officers. You could, I mean any one of these--

- You could stop--

- I'm just, I'm picking on the police department because if you were to get rid of, okay, say you get rid of, because I know that, each officer's worth about 100,000 dollars. You have a unit called the Community Police Officers. There are about nine right there. That would save you about 900,000 dollars. Well that's the way, to me, you're gonna save money. The way we've done it in the past is we nitpick 10,000 here, 500 dollars there.

- So how are we going to serve our public through?

- Exactly, well--

- And that's--

- If you like, if you closed all the parks, for parks in the summer. I mean--

- Close all the parks.

- Or stop certain kind of pick up, brush pick up or--

- So then we have to just choose other tools from, I'll chose other tool from the state.

- Okay and those are the kind of where the Mayor said that he's reaching out, trying to find out if there's anything else available. Again, that's kinda like looking for grants. I mean if that potential comes around, we're certainly gonna take advantage of that.

- Oh yeah.

- Right.

- Yeah, okay.

- So then some of the other questions, they were asked: What's the impact of and when will the TIDs close? And as Director Vonck has expressed he had resolution approved to close down TID 17, seven and eight and nine and really and 12 and over the next couple years with a planned termination date of 2020 and for TID 17 and then seven eight and nine is the year later, because that is with the assumption that we would use the affordable housing on your estimated increased assessed value would be for each TID less than 279,000 for TID 17, 29 million for TID seven, 11 almost 12 million per TID eight, six or seven million for TID nine and then we were at about 81 million dollar increment in TID 12. What that means is once we close them, your estimated assessed value to the city general levy for 2022 would go up 48 million. What the clue or the formula or calculation for that is for every about six million dollars it increases a set value, your mill rate would go down about eight cents. So two years from now.

- It says one cent.

- One cent, I'm sorry. So then you take the 48 million, divide it by the six million. So for the TIDs at 17, seven, eight and nine, coming online to the general levy in 2022 will take your mill rate down eight cents. So whatever it's at minus eight just by having more assessed value.

- Or if you keep it the same--

- Then you can--

- More money to spend on--

- In that case your formula would be about half a million, about 500,000 dollars more expensive. You could put into your general expenses--

- 500,000.

- And everybody's mill rate or bill would roughly stay the same.

- Okay.

- And then the next line is including TID 12 the following year, all the 17, seven, eight, nine and 12 by 23 you would see an increase of 129 million dollars in assessed value which would actually after, be another 13 cents from the year before or a total of 21 cents by these five TIDs closing by 2023. Remembering that these are all TIDs are being closed early.

- Right.

- But there's also that package the Kevin has talked about whether or not we should take it for one more year and get the dollars from the housing. So these assumptions are assuming the housing, assumption is for the affordable housing. The only thing different is if for some reason we chose or approved not to move forward with affordable housing. This impact would come online one year earlier for general levy. So I know those were questions of whether or not it's a great thing to have extra housing dollars, but what impact does it have on the general levy. And this is what it would do if we closed them and didn't take the affordable housing package.

- So the affordable housing would take all of this you're saying?

- Um no, it would just delay this money coming through general levy. The increment would actually--

- For one year.

- For one year would go back into the city to be used for housing.

- And do we get some additional, we get some additional dollars because?

- Correct and I have the dollars. Kevin, Director Vonck, had put together a chart saying with affordable housing we get about 2.2 million that comes to, I'm sorry, 3.2 of that will come to affordable housing and the city would still give 1.69 or 1.7. So total, they would get 4.8 million, 4.9. If we choose not to do the affordable housing the city will get about 2.9 or really a reduction of about 1.5 million dollars in those years to use for affordable housing. So the city will, because what you're doing is you're allocating it back to the general or the taxing jurisdictions a year earlier. They'll get their piece a year earlier. But obviously then the city also gets a portion of that increment, or this increased assessed value on their levy also. So any questions on that? I know that was certainly a question on you know, something--

- You're gonna have to just really go over that when we have that joint...

- Right, this is really for information on the funding side. Next page just talks about there are two more TIDs that have mandatory term dates of 2025 and 2026 if we do the housing at the year later.

These are not TIDs that Dr. Vonck has suggested terminating at this point, but just in the wings in a couple of years from now we would also have some additional TIDs that are gonna close and they're both rather large ones also, that you would have nice impact on the general levy. You'd have to by 2026. Then there were two other follow up items that were on the August 21st meeting and that was kind of: What is plan B for the Police Department? They were asked if they don't get a public safety building and they have to wait a few more years, what would it take for them to get, what repairs are necessary for the current police building? I do have, I see the Chief is here. I also have their manager here to talk about the numbers that were pulled together. They came up with about 630,000 dollars, plus additional expense, additional items that they would want repaired over really the next five, 10, some of these could last 15 years. That would be a plan B if we would decide to stay in that building for a period longer and these would be the repairs they would need.

- When is this decision coming to Council? Does anybody know?

- Decision?

- About the whether we're deciding to give them a new building or build new building, Celestine?

- Well it'd be part of the Capital Improvement Plan to decide whether or not you wanna trade buildings in for the next couple of years and if we can afford a public safety building. I guess that would be Council's decision.

- Are we planning, is the Mayor's office putting together a Plan A, Plan B, Plan C?

- [Celestine] So, Celestine Jeffreys, Chief of Staff, for the camera. So right now we're making sure that PD has what they need in order to continue to occupy that building for awhile, but in order for us to plan a public safety building, we would need to really do some different kind of long-term planning in terms of our bonding, in terms of our borrowing. That is, so the Mayor's office, it's clear that PD cannot exist in that building come, this is 2019.

- Wait, these are things we have to do just to keep them in there until we get a building built, is that right?

- Yes.

- That's not what it seems like it's saying here. But this is different. I got that if we didn't build a building--

- Then we don't have to do this.

- Then we don't have to do this.

- No, but we are--

- We have to do--

- [Celestine] Right now to say, yup we can build a building in five years. We're not in that position right now.

- Okay.

- So we need to be able to keep them in their building.

- And so we need to come up with 630--

- [Celestine] For six years to make it safe.

- Thousand dollars, so 330,000 dollars to make it safe. Okay, so that's gotta be in the budget.

- Hopefully that was clear.

- Well it is not. It's not clear, no, but now it is.

- So this 630,000 dollars will be part of this years budget?

- No, none of these dollars will be built in. This was all part of our Capital Improvement Plan and the question was whether or not if they chose not to move to the public safety building and they needed to stay in a few more years, which correct, we have not, because really the public safety building did get pulled from our five-year Capital Improvement Plan, what's Plan B. These will now be added to the Capital Improvement Plan and then these new site is at 2020, 21, 22 and then these would have to be bonded for.

- Well again, as we sit here and we kinda, it seems to me we're kind of putzing around. I was on that committee and we were ready to pull the trigger and then I'm not sure really what happened, suddenly reality hit us as our budget goes, which is just kinda funny that we didn't see that coming down the road. You know, the whistle train, do you hear it coming, type thing. And all of a sudden the new PD's off the thing and I'm, we got a new Mayor, he's got a different way of looking at things than the old one so that's fine, but I'm really getting a tight feeling in my stomach about this Police Department and where we're going with it.

- The new building.

- Well if you look at the history of the Police Department, they were in the basement of an old City Hall, we moved into a grocery store. We finally got a new building, we ended up putting a second floor on, moving out Municipal Court, all this other stuff, back and forth. There's more wiring in that place because of all the renovations that have been made. If there was an earthquake it would probably be suspended by the wiring in it. One portion of it is sinking, you can't repair it. All the ceiling tiles on the second floor have water stains. The basement smells like sewer all the time.

- Yeah? Certainly--

- I mean there's just, there's so many things going. And I guess if we were to pull the trigger today, how long would it take to build a new PD?

- [Celestine] Well building it isn't the problem. It's funding it.

- Okay, say we pulled the trigger today and we say we're gonna bond for a new PD. How long would it take to build it? And get it bonded--

- We'd have to do a referendum wouldn't we? To get the money for it? Talk to the Director?

- [Celestine] We're talking really between 30 and 50 million dollars.

- Right, absolutely.

- [Celestine] We don't have that money sitting around.

- So here we sit. Are we gonna make 630,000 dollars part of our Capital Improvements or aren't we? I mean it's, the Police Department deserves an answer. The public deserves an answer on this and I'm certainly hoping by the time we hit budget time, we've got some solid information so we can start making some decisions. If we're gonna go to referendum it's too late this year. It'd have to be for next year.

- [Celestine] So I mean there are some, you know, I've been doing some research about what other communities have done in terms of their large capital projects like building a new building, not just for public safety, but also City Hall. There are some things that I think would be important to put up in terms of what may be the best practices for a public safety building and funding in some conversations I've had with other communities. It's a five to 10 year plan in order to get the capital together to build buildings.

- So in the meantime we can't have sewer gas leaking into the building.

- So we're going, so you're talking five to 10 years.

- [Celestine] Uh-hum.

- [Andrew] So it must be with building police buildings is that from the time they say okay you have the funding, it's generally about a four year process for them to do the site acquisition and do the ground and do all the architecture, planning and all that stuff and actually get the building built and take occupancy. My experience, having done it three or four different times, it's about a four year process.

- So we looked at sites--

- [Andrew] Once you have the money.

- [Celestine] Once you have the money.

- We looked at sites, we looked at sites. I thought we bought some sites?

- [Celestine] We did not purchase any.

- We did not purchase any sites. We spent a lot of time looking though.

- [Celestine] Yes.

- And they just kind of--

- I'll be honest, I'm not satisfied with five to 10 years. And for more reasons than this. There's evidence storage, there's an increased department. Our department is understaffed. It's getting to the point where we keep putting these things off. It's gonna cost us more in the long run, than it is spending the money up front. And I know we don't have chickens out there laying golden eggs, but we have to start making some serious decisions moving forward and to me, 10 years is not acceptable, certainly not acceptable at all. And I don't think it's fair and I don't think it’s right. And I'm hoping soon that staff can put something together so we can start having some, at least some considerations. Because how do we go from being ready to pull the trigger to well, no could be another five to 10 years? That mystifies me, how we go from one point to another point. If it's just the money, I understand that.

- So do we need this as a separate agenda item? To talk about some of those ways you'd discover?

- [Celestine] This also offered to be fair to the other departments, so there are capital needs of not quite that magnitude. That's probably your biggest one. There are capital needs in other departments.

- Oh yeah, the Fire Department definitely.

- [Celestine] And this building has needs as well.

- Definitely, yes.

- [Celestine] And not to mention we have some other buildings that, we have 20 some odd buildings I think, so there's a larger, there's a larger more ferocious dog in this hunt that we have to get our hands around so that we can understand exactly what our needs are and that is what we are working on right now.

- You're working on that? You'll bring that to what? This committee? Diana you're working on that.

- [Celestine] Diana's the finance person, but you know, with the Mayor's office, all the senior staff are taking a very close look at all the things that we know that we need to pull the trigger on and then what is the financing plan in order to get us there, because as Diana had described, we can't just say, okay, we're gonna spend 50 million dollars today.

- Well I guess when you say needs. Does that mean Director Grenier and Parks and all the other departments are having their input. I mean we need to be looking beyond five to 10 years. We need to be looking for Police Department that was built in 1969 and already it's obsolete. Now I imagine when they built it in 1969, I remember when I started there they thought it was still state of the art, okay. They weren't looking far enough down the road as to how big this city was gonna be and what the needs were gonna be and certainly there are some things we can't anticipate like evidence storage, that was nowhere on the radar back then. But DPW, Fire, Parks all these places, we need to be looking 100 years down, 50 years down the road, because it makes no sense to build a 50 million dollar building that's obsolete in 50 years.

- [Celestine] We agree.

- So I hope when we're looking at these needs that we're trying to consider as much information as possible as to what we need to have so that when we build it, it's something that's sustainable, very long term for the citizens of this city.

- [Celestine] And that takes a lot of planning Alder, I agree.

- And I understand, but again, I'm surprised. It seemed like we had it already and now it's all dust. And that's, it's, I dunno it confuses me--

- [Celestine] We'll figure that out.

- How we got there, but hopefully we can move forward with this thing.

- Okay, go back, Director?

- Um yup, one more item and then the other item was that the Chief, Fire Chief Litton was gonna be working with some vendors to discuss some leasing options for some future purchases. So he is working with them. He said he'd have some more information probably by mid-October to look at for future leasing options versus purchasing.

- And I see that the police cars being leased is off the list now, which I think is good idea. I mean we talked about that at one of the meetings and I remember we asked Peter Bork, but how in the world, those cars are pretty beat up. How do you lease a car? I don't see how--

- Well they roll them over every two years instead of five years. Or you're rolling them over every three years instead of five years. The cars aren't gonna be quite as beat. They'll have a lot more life left--

- But, but yes, but not leasing. I mean leasing, you pay per miles, you go over a certain number of miles--

- But that's a general civilian's lease. There might be a different kinda lease out there for, 'cause what about the Fire Department leasing vehicles?

- You know, but, like all right to me, patrol cars are out there on the road and they're always driving, they're always driving. And I know fire engines, where's Chief Litton?

- He bailed.

- He bailed? Well they go to fires right? I mean they're not driving around the grocery store maybe.

- Well they have inspectors that are out and about.

- I did that for his benefit. I was just joking.

- Thank you.

- But I think police cars get a lot more use than fire vehicles. It makes sense in fire vehicles. It's hard and so I'm just --

- [Andrew] We have, Ma'am we have purchased all the ones that we have. We just ordered some more, so you--

- We can still look at detective vehicles, leasing. And some of those other vehicles, supervisor, or not supervisor, but staff here, things like that.

- 'Cause we talked about that, it's not on here.

- That could be leased, because they're not driven like that.

- Right, right.

- [Celestine] Right.

- All right, anything else you want us to listen to?

- So this was a summary of the different funding options or the questions that everybody had on funding. Unfortunately, I'm not sure if we are going to be able to put equipment into the 2020 budget. We certainly had more information in two weeks after we spent more time with the Mayor. I wanted to see what the next steps are. We've looked at some of the expenses. Of course we could update them. We look at expenses. We can look at our funding options. At this point a lot of it I think is going to be we may need to take the larger mill rate increase just to get operating expenditures.

- I don't see how we ever can catch up then. How does it ever work? I mean, somehow it does. Like, yeah but then next year won't we have to take an increased mill rate just to cover operating expenditures? It feels like that.

- Well you do have to remember, your expenses are going up four to 6% every year with salary increases and benefit increases and we're allowed to go up 1% in the allowable limits unless you're willing to take, like maximize your Expenditure restraint and go up the 4%. Then you might be, well added so many years, you might start seeing, you might sort of catch up.

- Well that's an option I want to hear about, because--

- Yup and that's option number two.

- Option number two, all right.

- We talked about the Expenditure Restraint. Maybe you max out your Expenditure Restraint each year and that's where your current mill rate's at 916 and this years net Expenditure Restraint is 2.2 million. To maximize that you would be going up about 36 cents or about 4% on your mill rate increase. You continue to do that for four years you would be at about $10.96 mill rate, but you have now taken your expenditures, budget expenditures, of 88 million. Every year it's at 85, 86, 87, 88, we're taking it up barely a million. This would allow you to take it up twice or more than what, last year was even smaller than on the general fund side. You would be giving you more capacity.

- But then we lose that Expenditure restraint.

- No you will not lose that as long as you stay under the 2.2 million dollars. You can max it out to two million, 224 or 712 and you can max it up and use all of that and still continue to get your payment the following year.

- I gotta ask, why are we even considering 1%, only 1% at this point? Or is that just what we've done?

- That's like in the past, like in the past many years we've stayed within our levy limit and not have gone up to the Expenditure Restraint. There were some years we hadn't even maxed out our lobby limit. There's some years we haven't taken a mill rate increase at all. There were several years--

- Oh I know that, yeah.

- And last year we--

- And that really, that's why we're really in the hole now.

- If we went up that nine cents that she's talking, you'd be looking at 13.50 on 150,000 dollar house, $13.50. If you went up the max with the expenditure, you're looking at 54 dollars.

- 54 dollars.

- On a 150,000 dollar house.

- 54 dollars and then we would add enough or, we don't have to go all the way up, maybe, if we put--

- Right, you know, right now the expenses for 2020 are higher than the 2.2 million dollars. We would have to still try to get back down to the 2.2 million. But at least if we max it out, we wouldn't have to cut, like last year, the 4%. We wouldn't have to take such deep cuts as last year.

- So we'd still take some cuts?

- And we have to buy some equipment?

- Wait, wait, we would still be taking cuts if we maxed out the ERP?

- Based on what was presented for the very first 2020 budget.

- So only the department heads come and this is my--

- Can do an original request.

- This is what I'd really like to have.

- Yes.

- But would we get some equipment out of it? We wouldn't have to bond it.

- I don't believe in 2020 you are going to get equipment.

- Even if we go to 4%?

- Correct. 'Cause you're trying to dig yourself out of holes that have been, last year there were many departments that had to leave positions open and there's many departments that had half staffs and there were many--

- So that's how we even out so that the next time if we have to up again, then we'd have money, we'd have to bond, because we're not paying interest, we're not buying. So then you know, we're using it, the tax dollars more wisely, because we're not.

- You know, but again, between salary increases and WRS and health benefits, your expenses are going up four to 6%.

- I know, right. I wish we could keep, it's gonna be a council, but I don't know how we can still give service to this community and not have the mill rate go up.

- Well and this, I mean we've been fiscally conservative and we've made the mistake of taking 800,000 dollars out of our savings accounts the year before. We took that million dollars surplus stadium tax money the year before. And years before that we were very conservative about taking the maximum allowed.

- Right.

- And a good portion of the population loves that. But when it starts affecting, like when I get calls, it took a half hour for an officer to respond for an accident and things like that. You know, I mean, there's a balance. And I think that balance is gone. I think it's gotten to the point we're now 14 officers. We're down DPW personnel and equipment.

- The equipment, yes.

- The buildings, I mean, we're short everywhere. We don't hire staff as soon as we should because we can save on --

- Save on money, so than the work--

- It's a, to me that's a bad way to operate a business.

- I agree.

- You know, there's a department in this state in the Fox Valley that actually has a set-up so they can over-hire staff so when someone walks out the door, someone steps into their boots that same day. And so there's no interruption in service or anything else.

- So I think that this is going to be a controversial budget this year. Okay, I think that's probably what's gonna happen.

- Yeah.

- I really appreciate all the work you put into this. It makes it very clear, you know, what our, we have choices. So we have to decide what are those choices we're gonna make.

- And we're gonna have to really give it all to the public so they understand this. I think that we have not been telling them how bad it's, you know, how bad we are right now, the fix we're in. And everybody's gonna have to pay to fix it.

- Hailey would you write that down?

- [Hailey] Yeah.

- Diana is there a way and I know you're putting a lot of work into this and also a lot of work into finding the options available to us that we may not even use which is kind of frustrating. But is there a way as we prepare for this upcoming budget, that we can have information not only for us that makes it very simple, kinda like what you did here, but also it's something that we can give out to our constituents and we can do press releases and that kind of stuff, so people aren't able to, I mean, so people are able to understand this simply and that when you're putting that information out there it's easier for people to understand. When you start talking ERP, mill rate and all that stuff, you see people's eyes glaze over. And I know you live on this stuff, but--

- And it's fascinating when--

- You're a special group of people that like that kind of stuff. Personally, that's my opinion, but God bless you for being there.

- So--

- Again, there's no action on this item, a follow up of questions that were left open the last time we had talked about the Capital Improvement Plan. Next steps would be to really potentially at the next Finance Committee meeting, you know, really in the next two meetings, two meetings from now is actually our budget meeting, a joint personnel and finance meeting.

- We have gotta get I mentioned that last night, a protection policy. Everyone was like, what? In October, 'cause they're used to November. So it would be, could you please just do a mass email to all the Alders and tell them, three o'clock probably, right? Three o'clock, October 29th.

- Yeah, it's always been October, a joint personnel finance meeting. But the budget meeting has always been the first, going into the second week of November. But joint personnel has always been the last week of October.

- Of October, okay.

- My husband said--

- I believe you.

- The years I've been here.

- Okay, so please, just get out a little mass email out to the Alders.

- At 3:00 p.m.

- 3:00 p.m., okay, we're gonna do that 3:00 p.m. okay.

- I think we probably would receive and place on file all that information. This packet, this memo that I have included last minute, we will make sure it's attached to the council packet when it gets printed this week.

- All right, I will accept a motion to receive and place on file.

- Receive and place, motion to receive and place.

- Alder Galvin.

- Second.

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

- [All] Aye.

- Opposed? All right, motion carries. So we have report of the Finance Director.

- Actually I have nothing to report.

- Okay, you already did.

- Yeah.

- The stuff. The information on the contingency account is at 75367 minus--

- 15 and it will be, correct.

- And the next Finance Committee Meeting will be held on Tuesday, October 8th, 2019 at 4:30 p.m. Although probably personnel is first that day, right?

- It could be.

- I mean, do we go back and forth? Or usually Finance is first?

- We try to make the shortest agenda or who's got--

- Okay whoever's got in first.

- Grievances or kind of core session we kinda make it the best.

- We don't care, whatever you guys decide, but 4:30 p.m. October 8. And I will--

- Motion to adjourn.

- Motion to adjourn by Alder Galvin.

- Second.

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

- [All] Aye.

- Opposed, we are adjourned.