



MINUTES OF THE FINANCE COMMITTEE

TUESDAY, MARCH 8, 2022, 4:30 PM
Virtual Meeting. Public may join via Zoom.
Immediately following Personnel.
AMENDED

A. ZOOM MEETING INFORMATION.

I. This item contains Zoom information, instructions, and a link to the Virtual Comment Form.

B. ROLL CALL.

I. Members: Ald. Barbara Dorff, Ald. Veronica Corpus-Dax, Ald. Bill Galvin & Ald. Brian Johnson.

Present: Veronica Corpus-Dax, Bill Galvin, Barbara Dorff, Brian Johnson

Also present: Ald. Lynn Gerlach, IT Director Hronek, Police Chief Chris Davis, Police Commander Paul Ebel, City Attorney Joanne Bungert, Chief of Operations Joe Faulds, Finance Director Diana Ellenbecker, Assistant Finance Director Pam Manley and others.

C. APPROVAL OF THE AGENDA.

Moved by Ald. Veronica Corpus-Dax, seconded by Ald. Bill Galvin to approve.

Motion Passed.

Yes- Barbara Dorff, Bill Galvin, Veronica Corpus-Dax, Brian Johnson

D. APPROVAL OF MINUTES.

I. Approval of the Finance Committee minutes from the February 8, 2022 meeting.

Moved by Ald. Veronica Corpus-Dax, seconded by Ald. Brian Johnson to approve.

Motion Passed.

Yes- Barbara Dorff, Bill Galvin, Veronica Corpus-Dax, Brian Johnson

E. REGULAR BUSINESS.

1. For consideration with possible action the approval of American Rescue Plan Act (ARPA) allocation within the Capital Needs and Organization Priorities category for \$29,440.83.

Moved by Ald. Brian Johnson, seconded by Ald. Veronica Corpus-Dax to approve.

Motion Passed.

Yes- Barbara Dorff, Bill Galvin, Veronica Corpus-Dax, Brian Johnson

2. For consideration with possible action the use of a budget surplus carryover or an American Rescue Plan Act (ARPA) allocation within the Capital Needs and Organization Priorities category for a total of \$400,000.00 to be used for one-time pandemic pay to City General Employees and City employees who are members of Bargaining Units (Police, Fire, and Transit).

The Committee may convene in closed session pursuant to § 19.85(1)(e), Wis. Stats., for purposes of deliberating or negotiating public employee contracts for competitive or bargaining reasons. The Committee may thereafter reconvene in open session pursuant to § 19.85(2), Wis. Stats., to report the results of the closed session and consider the balance of the agenda.

Moved by Ald. Bill Galvin, seconded by Ald. Brian Johnson to enter closed session at 4:51pm.

Ald. Bill Galvin read the closed session language. Motion Passed.

Yes- Barbara Dorff, Bill Galvin, Veronica Corpus-Dax, Brian Johnson

Moved by Ald. Veronica Corpus-Dax, seconded by Ald. Brian Johnson to return to regular session at 5:51pm.

Motion Passed.

Yes- Barbara Dorff, Bill Galvin, Veronica Corpus-Dax, Brian Johnson

Moved by Ald. Veronica Corpus-Dax, seconded by Ald. Bill Galvin to approve staff's recommendation to approve up to \$432,000 of budget surplus funds to be used as a one time payment as COVID-19 pay for general levy employees, up to \$97,000 ARPA funds to be used for non-levy employees, and City staff to proceed as directed in close session.

Motion Passed.

Yes- Barbara Dorff, Bill Galvin, Veronica Corpus-Dax, Brian Johnson

3. Discussion and possible action on the award of the City wide Vehicle Towing & Storage Services Agreement with Crosby Heavy Duty Wrecker Service, bid summary attached.

Moved by Ald. Bill Galvin, seconded by Ald. Brian Johnson to approve.

Motion Passed.

Yes- Barbara Dorff, Bill Galvin, Veronica Corpus-Dax, Brian Johnson

4. Discussion and possible action on the award of the Law Enforcement Surveillance Trailer to Industrial Video & Control Co. LLC for \$34,301.20.

Moved by Ald. Bill Galvin, seconded by Ald. Brian Johnson to approve.

Motion Passed.

Yes- Barbara Dorff, Bill Galvin, Veronica Corpus-Dax, Brian Johnson

5. For consideration and possible action of approving the purchase of National Integrated Ballistic Information Network (NIBIN) equipment for \$188,358.00.

Moved by Ald. Brian Johnson, seconded by Ald. Bill Galvin to approve.

Motion Passed.

Yes- Barbara Dorff, Bill Galvin, Veronica Corpus-Dax, Brian Johnson

6. For consideration and possible action of approving the purchase of Forensic Recovery of Evidence Devices (FRED) for a total of \$32,698.00 plus shipping.

Moved by Ald. Bill Galvin, seconded by Ald. Barbara Dorff to approve.

Motion Passed.

Yes- Barbara Dorff, Bill Galvin, Veronica Corpus-Dax, Brian Johnson

7. For consideration and possible action on a 2021 budget amendment resolution for \$66,207.25 to record unbudgeted Wisconsin Historical Society grant received in 2021 for the Historic Intensive Resources survey.

Moved by Ald. Brian Johnson, seconded by Ald. Bill Galvin to approve.

Motion Passed.

Yes- Barbara Dorff, Bill Galvin, Veronica Corpus-Dax, Brian Johnson

8. For consideration and possible action on a 2021 budget amendment resolution for \$10,217.21 to record unbudgeted cost paid to local hospitals for blood draws by the police and reimbursed through collections at Municipal Court.

Moved by Ald. Bill Galvin, seconded by Ald. Veronica Corpus-Dax to approve.

Motion Passed.

Yes- Barbara Dorff, Bill Galvin, Veronica Corpus-Dax, Brian Johnson

9. For consideration and possible action on a 2021 budget amendment resolution for \$30,510.24 to record unbudgeted overtime for various community events and reimbursed.

Moved by Ald. Bill Galvin, seconded by Ald. Veronica Corpus-Dax to approve.

Motion Passed.

Yes- Barbara Dorff, Bill Galvin, Veronica Corpus-Dax, Brian Johnson

10. For consideration and possible action on a 2022 budget amendment and 2021 carry-over resolution for \$150,000.00 of the Oneida Cooperative agreement unbudgeted revenue to be used for repairs on the existing armored vehicle approved by Council on 2/16/2022.

Moved by Ald. Veronica Corpus-Dax, seconded by Ald. Bill Galvin to approve.

Motion Passed.

Yes- Barbara Dorff, Bill Galvin, Veronica Corpus-Dax, Brian Johnson

11. For consideration and possible action on a 2022 budget amendment and 2021 carry-over resolution for \$52,161.77 of fund balance to replace street light fixtures.

Moved by Ald. Bill Galvin, seconded by Ald. Veronica Corpus-Dax to approve.

Motion Passed.

Yes- Barbara Dorff, Bill Galvin, Veronica Corpus-Dax, Brian Johnson

12. For consideration and possible action on a 2022 budget amendment and 2021 carry-over resolution for \$3,639.62 of fund balance to be used for office furniture ordered in 2021 but will be delivered and installed in 2022.

Moved by Ald. Barbara Dorff, seconded by Ald. Bill Galvin to approve.

Motion Passed.

Yes- Barbara Dorff, Bill Galvin, Veronica Corpus-Dax, Brian Johnson

13. A request by Ald. Johnson to the Finance Committee which states: "For consideration and possible action to create a financial policy that no bond or note may exceed the useful life of an asset without the super-majority vote of council."

Moved by Ald. Brian Johnson, seconded by Ald. Veronica Corpus-Dax to refer to staff.

Motion Passed.

Yes- Barbara Dorff, Bill Galvin, Veronica Corpus-Dax, Brian Johnson

F. REPORT OF THE AD HOC FACILITIES COMMITTEE (FEBRUARY 21, 2022).

Moved by Ald. Brian Johnson, seconded by Ald. Bill Galvin to suspend the rules to take up items 1-7 with one roll call vote.

Motion Passed.

Yes- Barbara Dorff, Bill Galvin, Veronica Corpus-Dax, Brian Johnson

Moved by Ald. Bill Galvin, seconded by Ald. Veronica Corpus-Dax to approve items 1-7.

Motion Passed.

Yes- Barbara Dorff, Bill Galvin, Veronica Corpus-Dax, Brian Johnson

1. To approve Brian Johnson as Chair.

2. To approve Paul Martzke as Vice Chair.

3. To receive and place on file a Communication by Ald. Johnson approved by Common Council on 6-1-2021 which states: "To approve the creation of an ad-hoc committee to assess the feasibility and necessity of a unified municipal building to include city hall, police, fire and municipal court and for the Committee to include appointees as selected by the Mayor with a least two city council members, a Mayors office representative, 4-5 community members and appropriate City department heads and to report out to Finance Committee".

4. To receive and place on file an overview of the Berners Schober 2015 evaluation of City-owned facilities by Director of Public Works.

5. To receive and place on file an overview of the current status of City Hall by Parks Director.

6. To receive and place on file an overview of the Bray Architects presentations.

7. To dedicate funds to update the studies related to the City Hall, Police, Fire and Municipal Court buildings as well as review the operational costs of these buildings using the remaining 2018 bonded money for Public Safety building analysis of \$34,361.60.

G. INFORMATIONAL.

1. 2021 Contingency Account: \$104,650.00

2022 Contingency Account: \$200,000.00

2. The next Finance Committee meeting will be held on Tuesday, April 12, 2022 at 4:30 PM.

H. ADJOURNMENT.

Moved by Ald. Veronica Corpus-Dax, seconded by Ald. Bill Galvin to adjourn.

Motion Passed.

Yes- Barbara Dorff, Bill Galvin, Veronica Corpus-Dax, Brian Johnson

I. VERBATIM MINUTES.

- Committee meeting, it's March 8th, right? March 8th.
- Yes.
- Onto to order and roll call. Alder Corpus-Dax?
- Present.
- Alder Galvin?
- Yep.
- Alder Johnson?
- Here.
- And Alder Dorff is here. Approval of the agenda. I'll entertain a motion to approve the agenda.
- So moved.
- Second.
- Moved by Alder Corpus-Dax Seconded by Alder Galvin. Any discussion? Seeing none. All those in favor say aye?
- Aye.
- Aye.
- Aye oppose nay. Motion carries. Approval of the minutes.
- So moved.
- Second.
- Moved by Alder Corpus-Dax. Seconded by Alder Johnson. Discussion? All those in favor say aye.

- Aye

- Aye

- Aye.

- Carries, we are on to regular business. For consideration with possible action, the approval of American Rescue Plan Act, ARPA, Allocation within the capital needs in organization priorities category for \$29,440 and I clicked it open and some cents, but I clicked into the packet so I don't know how much. So, the only, the question I have about this, is this one room or is this three rooms? Before we even start talking about it.

- No, it's a three committee rooms, 610, 207, 310, and then three other conference rooms, different equipment.

- Wow.

- In the conference rooms and the committee rooms. Committee rooms would almost act exactly like they previously did pre-pandemic using the touch panel and above floor mic. We just had to add some extra equipment to make the Zoom meeting audio quality a lot better. I think we we've all experienced the quality of Closed Session meetings in 207 and it's not adequate. This upgrade will produce favorable results.

- Great. Committee, are there any questions?

- Great investment. Move to approve.

- Okay that motion to approve by Alder Johnson. Second by Alder Corpus-Dax. All those in favor, say aye.

- Aye.

- Aye.

- Aye opposed nay. Motion carries. Great. Next item. Okay for consideration with possible action on the use of a budget surplus carryover or an American Rescue Act allocation in the capital needs and organization priorities category for a total of \$400,000 to be used for one time Pandemic Pay to city general employees and city employees, who are members of bargaining units, police, fire, and transit. So do we have an attorney here or Chief Joe, do you think we need to go into Closed Session? Can we talk about this? What do you think we should do?

- Yeah, I think it can be presented generally in the sense of, and we also have State Attorney Bungert here too.

- Okay.

- Yeah, we can talk about it generally, but yes we should go in Closed Session to talk about bargaining with those groups that are mentioned.

- Oh, the bargaining unit parts?

- So the,

- Okay.

- Want me to start or?

- Okay, I'm sorry, but the other part. So both together, or we can talk about one part in Open and one part has to go into Closed?
- My assumption is we can introduce the item, then go into Closed Session and then come back and talk about it all together.
- Okay. So introduce the item please.
- Sure I can go ahead.
- Okay.
- And just mainly with the stipend, the recommendations that we pay a lump sum of \$500 to employees, and this would be all general employees. And the reason for that is for the essential work that they put in through the pandemic. It's been difficult for everyone. And obviously we had a 1% increase for cost of living increase in October. So hopefully this \$500 helps kind of close the gap with that as well. So then when it comes to the bargaining groups and I'm talking about police, fire, and transit, I like to go into Closed Session to talk about that. And then the other portion of it then maybe I can turn over to Director Ellenbecker with the use of funds, either the budget surplus or the ARPA funds all be used.
- Okay. So you're saying we shouldn't do, should we do that now or go into Close Session and do that?
- We can go to Closed Session.
- Okay.
- That's fine.
- Alright, I'll entertain a motion to go into Closed Session. Whoever says it has to read their words.
- Awful.
- Oh, alright. Let's go in Closed Session.
- Motion by Alder Galvin, seconded by Alder Johnson. Would you please read the words, Alder Galvin, before we vote?
- The committee may convene in Closed Session pursuant to state statute for purposes of delivering or negotiating public employee contracts for competitive or bargaining reasons. The committee may thereafter reconvene in Open Session pursuant to state statute to report the results of the Closed Session and consider the balance of the agenda.
- All those in favor of going into Closed Sessions say, aye.
- Aye.
- Oppose nay, motion carries unanimously. We will go into close sessions, so well, sit back and wait.
- [Diana] And then Pam, give me, let me know when you're ready to roll.
- We're all set.

- Right, I'll entertain a motion to go back into Open Session.
- Moved.
- Second.
- Moved by Alder Corpus-Dax, seconded by Alder Johnson. Discussion? See none. All those in favor say aye.
- Aye.
- Aye.
- Oppose, nay. Okay we're back in Open Session. Chief Faulds, would you like to speak?
- Sure, the staff has a recommendation to approve up to \$432,000 of Budget Surplus funds to be used a one time payment as COVID-19 pay for general levy employees, \$97,000 of ARPA funds to be used for non-levy employees, and city staff to proceed as directed in Closed Session.
- Would anyone like to make that motion? So moved by Alder Corpus-Dax.
- Second.
- Second by Alder Galvin. Discussion? Seeing none. All those in favor say, aye.
- Aye.
- Aye.
- Aye. Opposed? Was that a unanimous vote?
- Yes.
- Okay. Unanimous. Okay, great. We are on the next one discussion and possible action on the award of citywide vehicle towing and storage services agreement with Crosby's Heavy Duty Wrecker Service. Bid summary attached. Does anyone on the committee have any questions about this one?
- Motion to approve.
- Second.
- Motion to approve by Alder Galvin. Second by Alder Johnson. Discussion? Seeing none. All those in favor, say, aye.
- Aye.
- Aye oppose nay. Motion carries. Discussion of possible action on the award of the Wallace trailer to Industrial Video and Control LLC for \$34,301.20. Any questions?
- Just one.
- Alder Galvin.
- Is there any kind of a alarm or warning system on this, should this trailer be attacked or damaged in any way?

- That's a really good question. I'll have to go back and look at the specifications because I know this one has cameras that can be monitored in real time. And then we can actually talk to people that we see on the cameras, like a giant ring doorbell.
- Sure.
- Almost, but I don't remember seeing anything about an alarm. But I can just email the specs to you.
- Yeah. My decision's made on this. For some reason it popped in my head. I'm not sure why.
- Okay. Any other questions?
- Motion to approve.
- Motion approve by Alder Galvin.
- I'll second.
- Second by Alder Johnson. Okay. Discussion? Seeing none. All those in favor say, aye.
- Aye.
- Aye oppose nay? Motion carries. Next, for consideration and possible action of approving the purchase of National Integrated Ballistic information Network equipment for \$188,258. Do we talk about this? We've talked about this before, right?
- Yes this was the gunfire, the brass shell casings.
- Alder Dorff can I just make a comment? I think the question has come up internally. What happens is you have approved these to move forward with these programs under the ARPA. You've approved ARPA dollars to move forward with these projects, just like the trailer, the surveillance trailer, but you guys approved up to \$40,000, but because it goes over our \$25,000 purchasing threshold, they go out, they do quotes, they do bids. And in this case, we're basically reporting back out what they actually ended up buying and using. And so this is the same thing.
- Okay, okay.
- There was a recommendation to move forward with and getting a contract with this NIBIN. And so again, if for some reason council wants to handle these differently, 'cause we've approved ARPA dollar. So in the past, it doesn't really matter what funding source it is that you get permission to move forward with it. But even a budget item, you have permission to spend the dollars, but if it's over \$25,000 or a threshold.
- You come to finance. Got it.
- So that's why some of these you're seeing twice. You approve the funding. Now they went out, actually purchased it or want to purchase it, they went for the quote, and so I just wanna kinda let you know, that's why you're seeing it again.
- Okay.
- If you guys wanna see it differently let us know, but it's kinda,

- Thank you.
- It's following our purchasing procedures.
- And we kind of already talked about this already, so that's good. Okay I'll entertain a motion.
- Moved.
- So moved by Alder Johnson.
- Second.
- Second by Alder Galvin. Discussion? Seeing none. All those in favor say, aye.
- Aye.
- Oppose nay. Motion carries. For consideration and possible action of approving the purchase of forensic recovery of evidence devices for a total of \$32,698. Same kind of situation. Any questions?
- Just real quick. What does this do? It's two stations. I couldn't find anything that kind of really gave me an idea of what it does.
- I'm sorry. Chief Davis just got popped back in. Chief Davis they're you asking about the FRED computers that you guys are, we budgeted for them. And so now they have gone out, they've gone got a quote on it. And so Alder Galvin is just asking what these pieces of equipment would do for you?
- Yeah I'll ask Commander Ebel to speak to that. He's prepared to talk about that.
- All right, Alder Galvin, if you remember correctly, this is the machines that we use for processing telephones, computers, and other digital forensics equipment.
- Oh, I get it. Yep, now I remember. Alright yes. Enough said. Thank you.
- Wanna make a motion?
- Yep, motion to approve.
- Motion to approve by Alder Galvin.
- I'll second it. Second, by Alder Dorff. All those in favor say, aye.
- Aye.
- Aye oppose nay. Motion carries. Alright, for consideration and possible action on a 2021 budget amendment resolution for \$66,207.25 should record unbudgeted Wisconsin Historical Society grant received in 2021 for the Historic Intensive Resources survey.
- What is that?
- Good, discussion? All those in favor?
- Aye.

- Aye.

- Oppose nay? Motion carries. Could bring a few possible action on 2020 budget amendment resolution for \$10,217.21 to record unbudgeted cost paid to local hospitals for blood draws by the police and reimbursed through the collections at Municipal court.

- Just a real quick question.

- Yeah. Okay, yeah Alder Galvin.

- Sorry. I just, normally we budget for this. Did we have an awful lot of blood draws that we weren't planning on or?

- No and actually we are going to change this process. Again this item and the last one, What happens is, we don't budget for 'em 'cause we don't know how many there's going to be. Or just like the grant, we didn't know we were gonna get it. And if we don't just budget amendment, we have revenues are higher than budgeted, but our expenses are higher. So then all of a sudden on the expense side, it might look like we have gone over budget. This item in particular, we have on annual, on average, we go anywhere from \$8,000 to 12 or \$13,000 on blood draws. We do not budget for this item, it ends up being an item that, 'cause these are the ones that we incur the expense, and then we get, we are able to get recoup the dollars on 'em. So, historically that we've been doing these behind the scenes and we just haven't done a budget amendment. We are gonna recommend that the police departments start budgeting for them because there's now a history. It's 8,000 to 12,000 annually. They should budget for it, then we don't have to do a budget amendment on these.

- Okay, thank you.

- Okay. Motion.

- Motion approved.

- Motion by Alder Galvin. Seconded by Alder Corpus-Dax. Any discussion? Seeing none. All those in favor say, aye.

- Aye.

- Oppose nay? Motion carries. For consideration and possible action on a 2022 budget amendment resolution for \$30,510.24 to record unbudgeted overtime for various community events and reimbursed. This is money that's been reimbursed, right?

- Correct. These are special events that the police have billed back for that they don't budget for and again, so they recover the money. So in this case it would increase their revenue, increase their expenses on the budget side, so they don't look like they're over. I think there was a list of some of the items that, they have events that they have gotten to actually, it doesn't say the events, but it is really just to do the accounting for these events that they charge back for. This is, and in any case, when the fire is doing a special event, they always use overtime. So it's really gonna be fire overtime reimbursements.

- Okay. Motion or questions?

- Approved.

- Motion to approve by Alder Galvin.

- Second.

- Second by Alder Corpus-Dax. Discussion? Seeing none. All in those in favor say, aye.

- Aye.

- Aye oppose nay. Motion carries. For consideration and possible action on the 2022 budget amendment and 2021 carryover resolution for \$150,000 of the United Cooperative Agreement on budget revenue to be used for repairs on existing armored vehicle, approved by Counsel on 2/16/22. We already approved it by Counsel.

- I just wanna tell you why there's two actions. One of course, there's money isn't sitting in 2021 unspent. And so we need to carry it over. And then the budget amendment will now allow \$150,000 more of expenses and more revenues, so that when police in 2022 now spends \$150,000 they don't look like they're spending \$150,000 more than budgeted on equipment repairs. So it carries the money over and gives them more money to spend in 2022. And then again, they don't look like they're unfavorable to budget is what these two accounting transaction.

- Makes sense, okay.

- Motion to approve.

- Motion to approve by Alder Corpus-Dax.

- I'll second that with a question for the Chief. Have you reached out to see if they're gonna give up their fair share?

- Yeah. I talked to the Sheriff and the next step will be, once we get the estimate, which we checked today and the company tells us is gonna take a few more weeks to get the actual estimate. Then he and I get to go visit with his commission and try to convince them to pay as interested in the county paying for half of that.

- All right. And I'm sure this will make Alder Burnett happy with the, where the funds are coming from. So I'll second that.

- All right. All those in favor? I don't know who motioned it. Alder Corpus-Dax. Oh, was it Alder Corpus-Dax? Okay seconded by Galvin.

- Alright, Motion carries. Alright, now for consideration and possible action in the 2022 budget amendment in 2021 care of a resolution for \$52,161.77 of fund balance to replace streetlight fixtures.

- Motion approved.

- Motion approved by Alder Galvin.

- Second.

- Seconded by Alder Corpus-Dax. Discussion? Seeing none. All those in favor say, aye.

- Aye

- Oppose nay? Motion carries. For consideration and possible action a 2022 budget amendment and 2021 carryover resolution for \$3,639.62, a fund balance to be used for office furniture are ordered in 2021, but will be delivered and installed in 2022. And we're balancing the budget again, right?

- Yep.

- Second.

- Seconded by Alder Galvin. Discussion. Seeing none, all those in favor, say aye.

- Aye

- Oppose nay? Motion carries. Then here we go. A request by Alder Johnson, to the finance committee, which states: for consideration and possible action to create a financial policy that no bond or note may exceed the useful life of an asset without the super majority vote of council. Alder Johnson.

- Yeah I just, I submitted this request because, and I think I've heard talk of this in the past, but it was maybe a little bit more apparent at our last meeting where we were basically taking out 10 year notes on three year squad cars and I think Director Ellenbecker, I think at that meeting, you had mentioned that that was kind of the standard note term for a purchase like that. So, maybe let's just start by, if you could give us a broad overview of kind of, what the city's general practice is in terms of determining what the note length is relative to the asset.

- Yep and again, I didn't answer your question, but I did attach our current debt policy and within it it just, it kind of goes through on page two, it just talks about General Obligation Bonds typically are taken out for 20 years. That's for infrastructure, it has to be for projects, and then anything else, like a promissory note or a note is taken out, and it's not limited to projects, it could be equipment. It could be taken out for other items they're limited at 10 years. So that is the max that the city, can take out for 10 years and couple places on page two and then there's another section on page five of the debt policy. It just says the useful life shall be longer than the debt issue for the purchase. So that already says that in our document. And so more than once I have gone back out, like we have been over the number of years and I'm not sure when it started that police car started being bonded for, or really bonded. When I say bonded, we took out some debt for it. We actually take a note out, so it only maxes on, up to 10 years. And, when I verified with the bond council, they said the way you have to spend it down, you have to spend so much, you're supposed to spend at least 10% within six months, 50% after 12 months, 75, you know, there's a whole, this is how you have to spend it down. And then the useful life, the useful life, what they're saying is on average, if you were paying back your debt over the first three years, you have probably paid back enough debt that covers those police cars. Then if we're paying, let's say a fire truck, that's 12 years and that's like \$900,000, and the squad cars are only 400. Again, if you're really paying back the portion that cover those squad cars, bond council has always agreed that, if you take out 10 years, you really are potentially, you're paying off the ones with the shortest life of life, useful life first and so you're not breaking the rules of our policy. So, that is how it's been explained before. The City of Green Bay, typically, because it just doesn't historically in most, we've taken out notes for 10 years. Most of the equipment we buy are ours, and items that we buy, have it on average up to, you know, 10 years, if you can take out for any length. But of course, as we have to put more and more into debt, you know, we ended up needing more time to pay it off. I mean, if we decide to take all these items, out only for three years, obviously, the amount to pay back is just higher. So, there was a time when we started putting fire police cars and some other equipment into debt. We needed more time to pay it off. So they were using a 10 year note. So, we've been historically, since I've been in my role historically, we've been using the 10 year in most cases, but we have the option of doing it one year. But, I guess, if you're gonna start to kinda to pay off something or in three years, that goes back to, you should try to get it back in your operating budget so that you're paying it on an annual basis. 'Cause you're, you know, you don't, if you're not going to stretch it out for a longer period of time. Obviously, the goal would be to try to get it back into your operating budget. I hope that helps explain.

- A little bit. To me, it just seems like a race to the basement, right? Where you're always gonna end up with assets that you're making payments on that are no longer in use, I mean, so ultimately what I'm trying to do is get away from this Aaron Rogers' style contract, you know, where you've gotta make payments long after he's gone and retired. I just don't think that's a healthy fiscal policy. So I guess, what is our strategy for getting out of that rabbit hole?

- Alder Galvin, maybe you can speak to that. I would think that it's something that we've been talking about. How are we supposed to get out of the rabbit hole that we've dug ourselves into?

- And this is the problem when you have unfunded portions of your budget, when you start making cuts that, and this was done, I mean, at one time the PD was actually, they were replacing the entire fleet every year, and then they stopped doing that, and then it was half the fleet, then it was a third of the fleet, and now it's 25% of the fleet, and in some cases with some types of cars, just even more. And then it was written out of the budget and it became a bonding issue and once they did that, to me, it would've probably saved some hard quotes about taxes and levies in that, but at the same time, it took all our future generations and painted them into a corner that's gonna be very very difficult to get out of. If Aaron Rogers wanted to give us his \$200 million, that'd probably save us. But, and like Director has actually said, you know, there are, and I just mentioned two options at that last come also meeting. But the other, the only other thing we can do is to try and spread our tax base out and get more people moving in and more city businesses. But at the rate we're going, that's not happening overnight. You know, we got a lot of things happening with the, you know, the full yards and everything else. But again, we're looking, I'd say five, 10 years down the road till we, you know, can even start thinking about this. As Director Grenier said, they used to have a savings account to offset a lot of their costs that they're now bonding for. So this is what happens, and I don't think, the public understands this, that when they're complaining about their taxes, they're complaining about the levy, they don't want taxes us to go up, what we've been doing is not raising taxes, but finding a different way to pay for the things that the city needs, that they're demanding, that they never realized how we were going about spending their money and getting these things. And now, we're almost like a house that, you know, it's like when you have these people who bought houses that ended up being the loan was worth more than the house and they can't get out of it, and that's how I feel. I feel it's gonna be very difficult for us to get out of it and get back to where we are actually budgeting for squad cars, budgeting for infrastructure issues. I'm not a financial, not even close to being a financial genius, so I'm not sure how we're gonna do it, but that's always been my wish is that we do stop it and that we figure out a way to do it.

- And I know that if we would just suddenly stop it, we, I would want Diana maybe to make, to make just like little example, because you can't go from 10 years to three years and not have an impact. The impact would be you are paying a whole lot more now year by year by year. And that impacts the general budget that we have, because part of our budget is debt service, right? And so then if our debt service, the way we have it right now is a hundred thousand, but now wait, we gotta pay it off in three years. Oh, okay. Now our debt service is 300,000. I mean, maybe that that's not exactly right, but it will just go exponentially outta control, and then we have to, I think if we do it little by little where we're trying to put cards back, little by little into the budget, we need to do it like that. But isn't the other part of it, whenever you get a different kind of bond, don't you have to pay money? I mean, there's like these charges, isn't that why we try to kind of get the same bonds, so we pay less of the upfront charges. You explained that one time, I know.

- Yes. Yes. So for every type of issuance that we have, there's issuance fees. And there's like a minimum of, you know, certain, some of our vendors, of our bonding company, I mean our yeah, Bond company or our Financial Advisor and Moody's, they all have a fee for every one of our issuance. So their issuances are somewhere from 12 to 15, sometimes \$20,000 depends on how loud, large it is. So if for some reason we were to take out, let's say \$500,000 for three years, and then we still had some other equipment, we decided to take out some more at 10,000, for 10 years. and that was on two and a half million. we're just going to increase our issuance cost a bit. So we've usually tried to consolidate it to 20 years and then a 10 year. But again, we have the option at any point, we could decide, like you said, do three years, do it five years. We could try shortening it. I kind of wanna jump back into the question that Alder Johnson asked earlier, how were we going to do this? Or how would we to get it back into the operating budget? And I just, I do wanna say that over the last several years, we have put things back into the operating budget. We started leasing, we are now putting some, at least equipment back into the budget. We've put some things like building maintenance that we started bonding for, that's going back into the budget. We have put, there was some software maintenance that got put back in the budget. We have, there's been other corrections that we have

done. We used to overstate revenues like land sales. There has been changes. We have made, put some things back in. I know it's not substantial, you're not noticing it, but every single year we do find something to put back into the budget. As we are, now have started taking middle rate increases, we have put a few more things back in. So it really, it is getting in back in the operating budget. And then you could, stop taking out, and borrowing for those items.

- So I appreciate the point Alder Dorff made, right? Like if from a cashflow perspective, it impacts you if you start taking out shorter notes, but eventually if you keep that same practice in place, it's going to catch up to you. And not only are you gonna have to pay for cars that you have, but you're gonna have to pay for cars you don't have. And, that's not sustainable either. So, you have to find a way to reverse course on that. So we've talked about the cars as sort of one example, are there other items that maybe just isn't immediately transparent to me or the committee with which we do this practice?

- What Dianna just said, those items that we had been doing it with, but now have gotten back into the operating budget. That whole list of things was bonded for, now, it's back in the operating budget, just like we're gonna grab cars each year, put them back in the operating budget, but not all of them at once and not try to pay for all of them within three years. I don't think, we have to look with, the consequences. We need data. We would have to have the staff study this and present to us here, guys, if this is what you do, this is what you can't do anymore. 'Cause there's not gonna be enough money for it, but your cars will be pined off in three years. What are the unintended consequences?

- Alder Johnson. Were you supposed to discuss 2022 bonding that we're moving forward with?

- Yes.

- Okay. So, I got my first preliminary list from our bond council, which this should be coming back on April 9th to the finance committee. So out of the 19 million, we were in 18 million, we were borrowing about 3.7, 3.8, recommended to be a 10 year note. In that included is about a half a million for police squads, which we know is under 10 years. We have several radios for both police and fire. And again, I could definitely ask the question on what kind of useful life that those radios are expected to have. I know there was concerns about the officer helmets, which I think, I under, if I remember someone said that's about a five year useful life from the helmet. Then we have two roughs. That's about 240,000 that would have a, should have a useful life of 240. I mean, 240 should have a useful life of 10 years. Then we have a deck mower, a skidster, we have a snow plow, a snowblower, we have a walk-in freezer. We have an ambulance, some fire trucks. We have refuge garbage trucks, which we have, a really, about a eight year useful life, then they go into reserve. So cut around the eight, 10 year. We have our front loader, a dump truck, a sidewalk tractor. And then we also have one more dump the body, for a dump truck. So those are the items that would make up the 3.8. I would think three quarters of them, are at least have a useful life of around 10 years or more based on what we put in our fixed assets. What we've been told in the past. Because of the squad cars and the helmets, you know, that comes up to \$600,000 under the 3.8. And so that's, I think historically, the rest of the items kind of brings the average up. Doesn't mean we can't, every year we could kind of go to nine years or eight years or we, we could start bringing that number down. Ultimately, as we do that, we could try to start building things, more things into our operating budget, the item that has the more shortest life span, which is probably the squad cars.

- So I think where I'm at right now is I would like to see some financial analysis on this. I don't think we need to, Alder Dorff and I talked about this earlier. Like I'm not looking for specific action today, but I think it forth well inform decisions. I totally agree with Alder Dorff, we gotta have numbers. We gotta be able to look at something. And so, you know, maybe what I would suggest on this particular motion is a hold or even a refer to staff for that financial analysis so that we can determine how this might potentially impact our cash flow in future years. So that, that,

- And it doesn't have to come back right away. You can give 'em a.

- No, no.
- Some time. When you, as soon as you can.
- No, there's no fire on this. So, I mean, we're not taking this issue up for another year, so.
- I'd like to refer to staff, go ahead.
- What I was gonna say is either way, I am going to be bringing on our next meeting April 12th, if we decide not to have the one later in March, but April 12th, that is the, when you're gonna see the initial resolutions for the 2022 bonding. So we can still take action for this 2022. I'm going to bring you the initial resolutions that is gonna say we are going to do 15 million of 20 year bonds. And right now we're looking at 3.8 million, that is right now, unless we give a additional direction to our bond code. So they're gonna come back at a 10 year note. So, I.
- I don't think we're anywhere near ready to be jumping into a decision at the next meeting. I'm changing what we already, we did 'cause we haven't analyzed it yet. Alder Johnson, what do you think?
- Well, when do those payments start? Is that next budget or is that this budget?
- This budget.
- Because of the timing, I would say it's gonna be 2023 because all principles are due on April 1st of every year, and then we do pay, an interest payment on October 1st. So whatever we bond in 2022 here because of the timing and when we get it, there will be no principle payment, the largest portion, there will be a small interest payment so that the interest payment, 1/12, 10th of it will affect this year. I always anticipate that I try to budget some estimate, some projected amount, of how much the new bonding interest is going to be. So it will, it would've have or could affect this year's budget. I'm, there is, I'm just saying, I see what you're saying, Alder Dorff, it wouldn't make life a lot easier. 'Cause if all of my bond council was going to be pulling all the information together now for the initial resolution, whether it's a 10 year or a something less than that.
- Yeah, we have not decided to do this yet. What we've decided to do is investigate what would happen if we did do this. So Diana, please don't go off and do all that work on something that we are already, we're driving that way right now. We're not gonna turn around, but I really think that Alder Johnson has a good point that for the future, which we could talk about in our '23 budget, what can we pull back into the budget then? But we need to understand the real impact, and I don't think that there's enough time to understand the real impact, figuring out committees are gonna change and everything by that next meeting.
- And I think taking a look though at, even this bond cycle, that could be part of the information process.
- Okay. That could be part of the process.
- So, if you've got, and forgive me Diana, 'cause I don't remember the exact numbers, but if you're pulling out three point something million, on a 10 year note and as Diana explained to us, not everything in there would make sense on a shorter note, right? You've got roofs and other things. So I appreciate a 10 year note on that. That makes sense. But I'd be curious again, if we had we more tangible numbers to split that out, what does that look like? If you took squad cars, helmet, radios, for example, and put that on a three or a five year note, what does that look like? And I would think that would be an easy enough calculation to do. I'm not saying we have to take action on it this year.
- Right.
- But it makes sense to maybe look at it from an informational perspective this year.

- Yeah. That's a great idea. Because then it would say, oh look, and then here's how much, we couldn't do now because this is what our payments are going to be. So here's what we'd have to take this much million out or whatever it would be. We'd have to take some out. If our payments are going out, we gotta take some out, you know, in order to meet the budget. So I like that idea.

- Yeah, I certainly think that would be, it would actually use our fellows, our financial advisor and have them, they're the ones who are gonna run all the numbers for this bonding cycle. I could ask them to run a scenario, what if we would have taken, like you said, radios, helmets and squad cars, maybe a million out of the 3.8, and we would've done that as three year maybe versus, and the rest at 10 year. Interest rates are gonna be lower for a three and your interest in general, so we'll be less, but however, we'll pay a little more issuance costs, but at least we could see the difference and compare how much more would that have cost, how much more in interest will that cost in the next three years? Because now we decide to shorten up a portion of that borrowing.

- The principal would be more, the principal interest, the payment would be higher if you're going from 10 year to three, right?

- The payment, yes. For those portion, the payment, of course, it's only divided by three instead of 10 years.

- Exactly. And that's where I see the impact. Okay.

- But overall, the interest will, would be lower for those items.

- Right.

- But correct.

- But the payment.

- Yes.

- Okay. All right.

- So I do understand, what the hold up is. So if you, I don't know if you want to hold it or if you want to refer it to staff to bring back.

- Let's refer it. Yeah. Refer it then bring it back when you've got it ready.

- All right. Motion to refer to staff by Alder Johnson.

- Second.

- Second by Alder Corpus-Dax. More discussion? Seeing none. All those in favor say aye.

- Aye.

- Oppose nay? Motion carries. Now, this is where Alder Johnson is going to shine here. Ad hoc facilities committee: item one, to approve Alder, we're just, it's kind of a like, are we talking about this? Are we approving the whole report? What are we doing?

- I can explain what the attorney has told us. I can, the attorney has said, it's just like a finance committee reporting out to council. And we have to put the full packet in, in this case, it's a ad hoc committee, a sub

committee of finance. You are now reporting out the whole packet back to finance. So that is what the attorney told us or recommended that we do. So this is really a report out. So you could kinda like you do at council, you could look at the whole thing and say, you know, we decide to take 'em all and approve one motion or you could-

- Okay, we'll figure something out. Okay, I.

- Yeah. I'll make that motion to suspend the rules and take up items one through seven with one vote, one roll call vote.

- Second.

- Oh, I like you Brian.

- I do too. I like you. All right, sometimes. Okay. All those in favor? Say aye.

- Aye

- Oppose nay? All right. Thank you, Alder Johnson. We're up to informational contingency from 2021 is 104,000.

- Wait, wait, wait, wait.

- Sorry. Oh.

- You need one, you need to do one more vote. So you suspended the rules.

- Oh, we suspended the rules. Okay.

- So you have to do a vote to approve.

- You're right. We just suspended the rules. Okay. Who wants to move to approve.

- Motion to approve.

- Second.

- Items one through seven. Okay. And motion. Okay. Discussion? Seeing none. All those in favor say aye.

- Aye.

- Aye, oppose nay. Motion carries now. Now, okay. Contingency account for 2021, \$104,650 and for 2022, \$200,000. We've talked about not having it that next finance committee already because it is such a large delay until the middle of April for the, so we're gonna, we're going to cancel the next finance committee.

- Oh darn it.

- We have another week. We'll have a good finance committee meeting, but it'll be closer to when council's gonna meet.

- I just hope the next council's even longer, then.

- It won't.

- I'm okay with that. That's totally fine.
- So we would all have to get mashed together. Two meetings would've to get mashed together into council.
- So we might as well just do it in one meeting.
- It's all right.
- And just bring it to council. See.
- April 12th would be the next meeting then.
- April 12th. Okay. Any other comments? Motion to adjourn, I'll let you take the motion adjourn. Let's let Alder Corpus-Dax have the honor.
- Motion to adjourn.
- Second.
- By Alder Corpus-Dax.
- It's been a pleasure, everyone.
- Take care.
- It's been a pleasure working with you here. Second by Alder Galvin. All those in favor, say aye.
- Aye.
- Oppose, nay. Motion carries. Bye.
- Bye.
- Bye, bye.