MINUTES OF THE FINANCE COMMITTEE

TUESDAY, SEPTEMBER 27, 2022, 4:30 PM
Virtual Meeting. Public may join via Zoom.
Immediately following Personnel.

A. ZOOM MEETING INFORMATION.

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

B. ROLL CALL.

1. Members: Ald. Brian Johnson, Ald. Jesse Brunette, Ald. Bill Galvin & Ald. Jim Hutchison.

Present: Brian Johnson, Jesse Brunette, Jim Hutchison
Excused: Bill Galvin

Also present: Ald. Jennifer Grant, City Attorney Joanne Bungert, Finance Director Diana Ellenbecker, Assistant Finance Director Pam Manley and others.

C. APPROVAL OF THE AGENDA.

Moved by Ald. Jesse Brunette, seconded by Ald. Jim Hutchison to approve.
Motion Passed.
Yes- Brian Johnson, Jesse Brunette, Jim Hutchison

D. APPROVAL OF MINUTES.

1. Approval of the Finance Committee minutes from the September 13, 2022 meeting.

Moved by Ald. Jesse Brunette, seconded by Ald. Jim Hutchison to approve.
Motion Passed.
Yes- Brian Johnson, Jesse Brunette, Jim Hutchison

E. REGULAR BUSINESS.

1. For consideration with possible action to accept the EMS Flex grant for a total of $72,990.00.

Moved by Ald. Jesse Brunette, seconded by Ald. Jim Hutchison to approve.
Motion Passed.
Yes- Brian Johnson, Jesse Brunette, Jim Hutchison

2. For consideration with possible action the purchase of four (4) Stryker Power Load Systems for a total of $97,800.00.

Moved by Ald. Jesse Brunette, seconded by Ald. Jim Hutchison to approve.
Motion Passed.
Yes- Brian Johnson, Jesse Brunette, Jim Hutchison

3. For consideration with possible action to accept the Federal Assistance Program (FAP) ARPA grant for a total of $24,390.33.

Moved by Ald. Jim Hutchison, seconded by Ald. Jesse Brunette to approve.
Motion Passed.
Yes- Brian Johnson, Jesse Brunette, Jim Hutchison

4. For consideration with possible action to accept the Hospital Emergency Readiness Coalition grant for a total of $24,582.00.

Moved by Ald. Jesse Brunette, seconded by Ald. Jim Hutchison to approve.
Motion Passed.
Yes- Brian Johnson, Jesse Brunette, Jim Hutchison

5. For consideration with possible actions the purchase of a new K9 dog and handler training for a total of $18,500.

Moved by Ald. Jesse Brunette, seconded by Ald. Jim Hutchison to approve.
Motion Passed.
Yes- Brian Johnson, Jesse Brunette, Jim Hutchison

6. For consideration and possible action on the 2023-2027 Capital Improvement Plan (CIP).

Moved by Ald. Jim Hutchison, seconded by Ald. Jesse Brunette to hold until the next meeting.
Motion Passed.
Yes- Brian Johnson, Jesse Brunette, Jim Hutchison

7. Report of the Claims Committee.

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

Moved by Ald. Jim Hutchison, seconded by Ald. Jesse Brunette to approve.
Motion Passed.
Yes- Brian Johnson, Jesse Brunette, Jim Hutchison

8. For consideration and possible action on resolution authorizing 2022 transfer of $27,000 from contingency for legal expenses related to Georgia Pacific tax appeal.

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

Moved by Ald. Jesse Brunette, seconded by Ald. Jim Hutchison to enter closed session at 5:06pm. Motion Passed.
Ald. Jesse Brunette read the closed session language.
Yes- Brian Johnson, Jesse Brunette, Jim Hutchison

Moved by Ald. Jesse Brunette, seconded by Ald. Jim Hutchison to return to regular session at 5:18pm. Motion Passed.

Moved by Ald. Jim Hutchison, seconded by Ald. Jesse Brunette to approve.
Motion Passed.
Yes- Brian Johnson, Jesse Brunette, Jim Hutchison

9. For consideration with possible action the resolution authorizing a budget amendment for Fire Overtime reimbursement of $1,143.84 for unbudgeted community events.

Moved by Ald. Jim Hutchison, seconded by Ald. Jesse Brunette to approve.
Motion Passed.
Yes- Brian Johnson, Jesse Brunette, Jim Hutchison

10. For consideration and possible action on resolution authorizing 2022 transfer of $50,000 from contingency for postage expense.

Moved by Ald. Jim Hutchison, seconded by None to approve.
Motion Failed.

F. INFORMATIONAL.

1. 2022 Contingency Account: $184,297.00; unobligated is $84,297.00.

2. The next Finance Committee meeting will be held on Tuesday, October 11, 2022 at 4:30 PM.

G. ADJOURNMENT.

Moved by Ald. Jesse Brunette, seconded by Ald. Jim Hutchison to adjourn.
Motion Passed.
Yes- Brian Johnson, Jesse Brunette, Jim Hutchison

H. VERBATIM MINUTES.

- All right, we'll call the order. Call to order meeting of the Finance Committee, 4:49 p.m. Alders Johnson, Brunette, and Hutchison are present. Entertain a motion to approve the agenda.

- [Jesse] So moved.

- Second.

- We have a motion by Brunette, a second by Hutchison. Any discussion? Seeing none, those in favor say aye.

- [Jim and Jesse] Aye.

- Opposed, motion carries. Item D, approval of minutes. The September 13th, 2022, meeting.

- Move to approve.

- Second.

- We have a motion by Brunette, a second by Hutchison. Any discussion? Seeing none, all those in favor say aye.

- [Jim and Jesse] Aye. Opposed, motion carries. Item E, regular business. Number one for consideration with possible action to accept the EMS Flex Grant for a total of $72,990. Any discussion?

- Motion to approve.

- Second.

- We have a motion by Brunette, second by Hutchison. All those in favor say aye.

- [Jim and Jesse] Aye.

- Opposed, motion carries. Item two for consideration with possible action, the purchase of four Stryker Power Load Systems for a total of $97,800.00. Any discussion?

- Move to approve.

- Second.

- All right, we have a motion by Brunette, second by Hutchison. All those in favor say aye.

- [Jim and Jesse] Aye.

- Opposed, motion carries. Item three for consideration possible action to accept the Federal Assistance Program FAP ARPA grant for a total of $24,390.33. Discussion.

- Move to approve.

- Second.

- We have a motion by Hutchison, a second by Brunette. All those in favor say aye.

- [Jim and Jesse] Aye.

- Opposed, motion carries. For consideration with possible action to accept the Hospital Emergency Readiness Coalition grant for a total of $24,582.00. Discussion.

- Move to approve.

- Second.

- We have a motion by Brunette, second by Hutchison. All those in favor say aye.

- [Jim and Jesse] Aye.

- Opposed, motion carries. Item five, for consideration with possible action the purchase of a new K9 dog and handler training for a total of $18,500. Discussion.

- Move to approve.

- Second.

- Man, I just love takin' in money. Although this one's a purchase. But we have, again, a motion by Brunette, second by Hutchison. Any discussion? Seeing none, all those in favor say aye.

- [Jim and Jesse] Aye.

- Opposed, motion carries. Item six for consideration, possible action on 23, 27, Capital Improvement Plan, CIP. I did have a conversation earlier today with Director Ellenbecker and Assistant Director Manly. We just kinda talked about maybe the best way to approach this, and what we decided on is that we would stay a little bit broader, more strategic tonight, looking at the plan as a whole, and then we would split up, inviting department heads over the next two finance committee meetings, so how that order evolves, I'll defer to staff on, but it's a lot to bite off in one meeting. And so we thought, hey, again, high level tonight, and then this way you're not making all the department heads sit through some very long meetings. And so, again, we'll do probably, I mean roughly split it in half, I guess. Half department heads at the next finance meeting, the other half the following Finance Committee meeting. So looking at members of the Finance Committee, are you guys okay with that process?

- Yes.

- Yeah.

- Okay, so with that, maybe I would just open up discussion on this. Director Ellenbecker, if you wanna provide some opening commentary.

- Yeah, again, thank you, Alder Johnson. We did talk and he did ask the question, and it is a little bit of different timing than we've done in the past. This was our plan for the last couple years to start bringing our CA Capital Improvement Plan together with your budget, so that you know what the needs are. If it's in the Capital Improvement Plan, can we find a way to put it in our operating budget, if possible, that we would prefer that, especially if it's an operating type of expense. And so we are trying to bring this through at the same time as the operating budget. Last year we tried, it ended up being December, January before we started talking about CIP. So we are on the track again and trying to bring 'em together roughly the same time. So this is kind of new, so we can kinda work through it together. Other municipalities tend to bring in their Capital Improvement Plan with their budget. So we would have really two meetings. We'll kinda go through all the line items. In the past, we historically have kind of focused in on more the next year's budget, the 2023 column. But we really should be looking at all. The report itself is probably a little shocking, 'cause it shows you all the expenses that are, all the needs that the city has. We have actually been working with the departments to say if it's really not $5,000, or if it truly says the word annual, we're trying to get them in their operating, we really try to get them back in. We're trying to put them into the operating budget, but expense may be there, but there might be some other funding sources. So that really, you have to kinda look to the last page for the funding source, but kinda wanted to just let you know those are the needs. What happens if there's something in that CIP that we feel that is really important, it should be maybe operational, that gives us time to try to find a way if it can get back into the operational budget. So that's why we're trying to bring 'em through at the same time. If and when that happens, the budget comes around, we only can take certain items or really nothing, whatever, however we move forward, we could still approve the operating budget, knowing that everything else that's left on that list, there's a chance after that is probably going to be the basis for the 2023 bonding.

- So, Director Ellenbecker, in the past, our financial advisors have kind of given us a target that makes sense to hit. So that way we are paying off more than we are accruing. Do we have that number?

- I'm just looking it up. It is something under eight million again. And that's part of the reason for many, many years we kept... it's been level at about $8 million of principle for general levy borrowing. And part of that is, over the years, there were many years we didn't borrow more than we were paying off. And then anytime we would borrow more than that, in the last couple years, now we have borrowed more than we are paid off, our financial advisors, they would basically backend the principles to try to keep our debt flat. So over the last couple years, we have intentionally tried to shorten up some things that we maybe were bonding for 20 years but only had a 12-year useful life, I had been bringing it back into the 10 year. There is direction from the Finance Committee this past year for the 2022 borrowing is that if it had a useful life of five years or something shorter, we did shorten up the window in which we are borrowing. So you are going to see in the 2023 budget and future years you are going to see that the debt, that levy that's needed for debt is going to go up compared to the last couple years. Because again, our financial advisors in the past have been leveling it off for us. But so for, again, for this year... I apologize, It's something under eight million. I think it's like 7.8 million.

- I think that gets us close enough for this discussion. So that's the general levy supported. So that means, and correct me if I'm wrong, but the borrowing that is supported by other funding sources is exempt from that discussion. So we are looking at, when I'm looking at this subtotal of general levy borrowing right now we are at just 25 and a half million, roughly, and we gotta get that down to eight. Is that right?

- That would be the expenses. And actually if you would go to the very last page, well of the book, of the CIP, and I don't have that page available, but I think the bonding request would, general levy request is backing off any revenue sources that we have, including wheel tax, anything that we have grant related, any other funding source. I think it's about a $19 million request. Not much better, but it is somewhat better than the 25 that you're seeing.

- Okay, so am I looking at the Subtotal General Levy Major Capital Projects?

- I apologize, let me see if I can get to the right page here. On the top page it should say Funding Source, but I will get there in a minute.

- Either way, and I think the point is that we're, we gotta more than cut this in half to adhere to that advice from our financial advisor. So, I think that's gonna be one of the difficult decisions that we're gonna have as a body. We have made, as Director Ellenbecker alluded to, some decisions in recent years to say, hey look, if we're gonna borrow for a police car and a police car has a three-year life, we're gonna take out a three-year note, and we're not gonna bond that for 10 years. And of course when you do that, that means your repayment goes up, and then it requires more levy spending to do that, which has a direct impact on your mill rate. And the reason I wanna bring that up is because, as you know, we're going through revaluations right now, and we are bound by a fund state policy called Expenditure Restraint, which does not allow you to exceed over a certain percentage year over year the amount that you're spending. And so by doing the revaluations right now, it will inherently drop your mill rate, which will give us a little bit more flexibility as it relates to expenditure restraint. And as a council, we are going to have to debate and discuss that. But when I look at some of these needs, I think we're gonna have to go through some of this and decide what's truly a need versus a want, and then make some decisions about our willingness to absorb some of these expenses into our operating budget versus bonding. Because we do have a unique opportunity in front of us this year to sort of make some of those decisions, if the full council so chooses. So, I just at least want us to be thinking about that in that context. Doesn't mean we have to do that, but I think it's important that we're having this discussion that we understand what our options are, so that we can make informed decisions.

- Alder Johnson, again, I just kinda wanna talk about that $8 million, and that was when our financial advisors recommended that, and that was for the goal, if you did not want your levy, the amount of money of your levy that's going toward debt to go up, that's why you would have to keep it at eight million, knowing that it'll keep your mill rate flat on the debt side as if you, again, not borrow more than you want to pay off. So that is where the $8 million has come from. The page number, in case you wanna jump to that on our packet, is 729. There is a page called Funding Sources, and that will tell you if there's any other funding sources that we have identified at this point, whether special assessments or another partner putting in some money or operating budget or state aid or TIF, we are able to come up with some other funding sources. But then the net is going to be general levy borrowing. So, it doesn't say which items. We can tell you behind the scenes in the system of which items relate to those. But again, the request was about 25 million, and you can see we have about $5 million of other funding that could reduce the general levy borrowing again. And then on the very bottom on the page of this page, it actually tells you... The bottom of page 729, it'll tell you that right now it rolls up. If we were to prove everything on this page, would be 19 million.

- Diana, would you be able to, and I understand you may not have this number today, but I think it would be very helpful for us for the next meeting, part of doing the five-year Capital Improvement Plan, we made the decision to start doing this, is so that we can more accurately forecast into the future what's gonna happen when you're not only retiring debt, but what happens when you're closing TIDs. Obviously, what our needs are, all of our capital needs are, for five years. And so we... I mean when I'm looking at this, $108 million over the next five years for general levy borrowing, I understand what you're saying, we have $8 million this year, but I think what would be really helpful for us is understanding what does that number look like every year for the next five years.

- Okay, yes.

- Because we can make decisions to forgo half of this. And again, it's the needs versus wants, and we're gonna have to have those debates, but if you're just forgoing maintenance from one year to the next, it doesn't go away. And so now 24 just accrue by $10 million, and then you're gonna make that decision again and forgo another 20 million into the next year. And I wanna have my brain wrapped around what our limits are for the next five years.

- I certainly have the amount that has already been borrowed and bonded, and we know what the payment schedule is. Of course anything we would borrow, let's say, in 2023, we would probably start paying principal in '25, '26, and '27. So we'll make some kinda assumptions when we-

- And it doesn't have to be accurate. I don't want you to spend a ton of time on it, but if we can get, let's say, within a million dollars, I think it's just very, very helpful for us to understand what is the five year sort of debt capacity look like for us relative to the volume of requests? Any other questions?

- Nope.

- Wow, we're gonna make this one easy tonight, I guess, huh?

- Is there a motion required on this?

- I would just hold it to the next meeting.

- So move.

- Second.

- Okay, we have a motion by Hutchison, a second by Brunette. Any further discussion? Seeing none, all those in favor say aye.

- [Jim and Jesse] Aye.

- Opposed, motion carries. Report of the Claims Committee. Any questions? Anything we need to go into closed session for here, folks?

- No.

- I'll entertain a motion to approve.

- So move.

- Second.

- Have a motion by Hutchison, a second by Brunette. All those in favor say aye.

- [Jim and Jesse] Aye.

- Opposed, motion carries. Item eight for consideration, possible action on resolution authorizing 2022 transfer $27,000 from contingency for legal expenses related to Georgia Pacific tax appeal. Committee, we did get an email from Attorney Bungert. I don't wanna presume that you've had an opportunity to see it, but do you feel we need to go into closed session? Or do you feel... Attorney Bungert, do you feel we need to go into closed session?

- General request, no. However, if there are detailed questions as to kind of the breakdown of the request for the litigation expenses, then I would suggest going into closed session.

- Defer to any committee members if you wanna do that.

- I think it would be a good idea to do that.

- Wanna make that motion, Alder Brunette?

- Yes, sir. Motion to go into closed session.

- I'll second.

- We got a motion by Brunette, a second by Hutchison. Alder Brunette, would you mind reading the language?

- You bet. Council, first of all, the agenda item for consideration and possible action of resolution authorizing 2022 transfer of 27,000 from contingency for legal expenses related to Georgia Pacific tax appeal. Now the legal language I'll struggle on, so I'll do my best. The council may convene in closed session pursuant to section 19.851g Wisconsin Statutes for the purpose of conferring with legal counsel for the governmental body was rendering oral or written advice concerning strategy to be adopted by the body with respect to litigation, in which it is or is likely to become involved. The council may thereafter reconvene in open session pursuant to section 19.852 Wisconsin Statutes to report the results of the closed session and consider the balance of the agenda.

- All right, any further discussion? If not, all those in favor say aye..

- Aye.

- Aye.

- Opposed, motion carries. We are in closed session. Just entertain a motion to return to... Oh, let's let everybody get on here.

- Okay, we're back.

- Okay, just entertain a motion to return to regular business open session.

- So moved.

- Second.

- Was there a motion? Sorry, Brunette was it?

- Yeah.

- Okay. Motion by Brunette, second by Hutchison. All those in favor say aye.

- [Jim and Jesse] Aye.

- Opposed, motion carries. Committee, what's your pleasure?

- Move to approve.

- Yeah, I mean, yeah that would be my...

- I'll second.

- So we have a motion to basically authorize $27,000 from contingency for legal expenses related to Georgia Pacific tax appeal. So it's a motion by Hutchison. Alder Brunette, second?

- Yep.

- Yep. Any further discussion? Seeing none. All those in favor say aye.

- [Jim and Jesse] Aye.

- Opposed, motion carries. Item number nine for consideration with possible action the resolution authorizing a budget amendment for Fire Overtime reimbursement of $1,143.84 for unbudgeted community events.

- We talked about this last month. I know this is kind of a small dollar moment, but it is really on a regular basis. We are just trying to bring through timely any budget amendments that would affect our current year's budget. So this is something that was on budget on the revenue side and the expense side. So we need to put both sides in so that when you are looking at, let's say, the fire department's expenses, and they're up another $1,100, it's gonna look like they're over budget until we do this budget amendment. Then they look like, again, and then there's justification on why that their expenses are up.

- So Director Ellenbecker, can... At least I re-watched the video last time, and I don't recall seeing this talked about, but is there a reason why we have to do these budget amendments? I mean, be impossible for us to predict what events are gonna be proposed and which ones would require fire service. I mean, anytime we have an event that was not predicted, we have to come back with a budget amendment?

- Well these are, that's part of the reason why we have a budget amendment, because these are unbudgeted, unplanned events. So, obviously three years ago we were doing a lot more events. '20 and '21 we did a lot less events. So if you started thinking that you were gonna have one to $200,000 worth of expenses for all these overtime, for all these events, you would budget 200,000. But then you also, there's a 100% reimbursement. So then you would put the revenue and the expense side together. At this point, again, we're not sure which events we run. This is a budget amendment because it's not included in your budget to show that, why your expenses are over what you were budgeted, and they are driven by these unbudgeted events. State statute says if you have any budget amendment of this type, they would have to be taken through your council. Last year, at the end of the year, we took some of these event items through, we were just trying to be more timely, our auditors brought it to our attention. We weren't being very timely on our budget amendments. So, we are just starting to bring them through more on a monthly basis.

- So why do we have to do a, I guess, an amendment at all? Why can't we just say, hey, this is what we budgeted, and give an explanation why it's over or under. I mean is it because of the way it affects expenditure restraint or is there another reason?

- Well, two things. One, only expenditure restraint is driven off of your budget. So, one, you wouldn't wanna put $200,000 worth expenses and $200,000 worth of revenue, and then the programs don't run, 'cause now your expenses are higher than they need to be, and now you potentially are capped by the expenditure restraint. So that's one reason why you wouldn't wanna put this item in. And then second, when you are looking at your budget comparisons year over year, this is a small one, it's only $1,100, but I think some years they could have as well as much as up to a hundred or $200,000 that mostly is driven through overtime. So if you're looking at their budget, let's say, fires a bad example this year, 'cause their numbers are up. But if they have a million dollar budget, if you have a million dollar budget and all of a sudden next year they have 1.2 million, they might wanna start using that as your base, or you're trying to explain why they had $2 million worth of actuals, and yet they only budgeted a million, it's really to show... It really wants to show you, again, these weren't budgeted, and it explains why they number is higher than what they had budgeted for. I don't know if that helps any. Pam just made a comment to me. She said state, "State statute requires you "to be within your budget by function, "and of course function in this case "would be public safety. "And then that is how we publish our public notice." So if we don't include 'em in your budget, then you have to do a state budget amendment. Include 'em in a budget and they don't happen, you're gonna look favorable to your budget. However, you may have now used up some expenditure restraint that you didn't need to use up.

- So do we do the opposite? What I mean by that is I think police is usually required for events as well. So Arch Street decides to move to a different city, do we come back with a budget amendment reducing the amount?

- Police does theirs slightly different than the fire department. Fire department just doesn't budget for any of the miscellaneous. Police, instead of doing this, they budget about $100,000 for any possible miscellaneous events that they have. If and when they would ever go over that $100,000 then they would have to come back and do budget amendments. They just looked at historically how many they've done, how much they'd bill back and so they make it a little easier on themselves, and they, like I said, put about roughly $100,000 for special events. Again, that's eating up expenditure restraint capacity, and if they don't end up running like in '20 or '21, they didn't run $100,000 worth of events, so they ran favorable, both on the revenue and on the expense side because of that. Truly as I'm saying, I mean we really, they are not handled in the same way. So we could make a recommendation to handle 'em both the same way. One, we could put a certain amount in the budget for both of them or we could have 'em both in or out of the budget.

- Okay, so just I guess as it relates to the item before us, committee? Entertain a motion to approve.

- So move.

- We have a motion by Elder Hutchison.

- I'll second.

- Second by Brunette. Any further discussion? Seeing none, all those in favor say aye.

- [Jim and Jesse] Aye.

- Opposed, motion carries. Item 10 for consideration, possible action on a resolution authorizing 2022 transfer of $50,000 from contingency for postage expense.

- Hello, so I know this is a large expense, and so I just wanna help walk it through. I tried to give you some detail in the report page, but just to start off. The budget for this for 2022 was $80,000. Two years ago when we had two elections we hit $121,000. In 2018 when we had, again four elections, I apologize, four elections we hit almost $90,000. So for some reason we understated and under budgeted the 2022 postage. Mostly that's driven by elections. And then there's a couple other reasons why we are running short this year. Again 2020, over $56,000 worth of postage was covered by an election grant. So we ended up moving the actuals out of the postage account and moved it to election, post election grants. Part of the reason why the person who was budgeting for this account didn't take that into consideration for actual. So that was two years ago when we had four elections, 56,000 got moved out. So they didn't notice that when they were projecting this account. Since in the last less than a year, we've had two more postage increases. So if you're having mailing the same amount, you had a August '21 increase and you've had a July '22 postage increase. So if you're sending the same amount, the cost has gone up. And then the third item, which is a big item, is the revaluation. As you know, we just sent out 33,000 letters, and in, again, an oversight, there was no postage budgeted for the revaluation letters. We went trying to find the best source. We ended up using internal postage to mail this out. It took $16,658 to mail all the letters. If we were trying to look at different services to help mail these letters. We had estimates. It would've been about 22 or 24,000 if we would've sent them out to a local print shop. So we did 'em ourselves. So, again, our postage, our request was for 80,000. Two years ago when we had four elections, it was at 121,000. Two years before that it was about 90,000. We only budgeted 80,000 this year. So we under budgeted two elections, and we also under budgeted the revaluation cost of, and it came out to be 16.6. This 80,000 plus the 50 would bring us at about 130,000. And if you would back off the reval, that would put this really this postage on a, compared to other years at about 113,000, and two years ago we were at 121,000. So that is the reason why we have this large contingency request. There really was an under budget in the postage for 2022 budget.

- So Diana, I get the, okay we've got more absentee ballots to mail than we expected. I get there's still kind of a market shift in that. I can understand, okay, we messed up in that we missed the revaluation letters. But property tax bills, those go out every single year. How do we miss that one?

- We didn't miss that. I was just trying to tell you those are the total, the large billings that go out every year. Every year we pay the properties tax billing. So I guess if you go through and you add up what we've already spent, we have spent about $90,000, and plus we have to make sure our postage meter has some money on it constantly. So we have to prefill it. So to date we are at about 120,000 that we've already spent. These are just some of your large ones that are gonna come up to show you where, how we've already spent almost $90,000, plus we have an extra 20 or 30,000 that is, well right now I think we have a balance of about 12,000 on the postage meter. Plus this doesn't taken in consideration any UPS small mailings, any other packaging. All of our certified mail now is coming through our postage account. We have a new piece of equipment, so certified can be done on an electronic, through electronic software instead of these green... Green forms that have to used to have to be handwritten out, we are able to do certified. That's coming through here instead of a couple dollars in each department. So there's a small sort of shift there, but you're just not seeing those. This is just to show you the full up to of about $90,000 that have been spent mostly on some sidewalk billing. Our tax bill and then are reval. Already 90,000 spent plus some balance sitting on our postage meter and then some small mailings, we are up to already 120,000 of expense. And we do not have... We have a few more expenses yet to come through plus get to the end of this year.

- Okay, committee, you have questions? Alder Brunette.

- Yeah, thank you for that explanation, Director Ellenbecker. Obviously 2020 we had many absentee ballots go out, I think with the pandemic. This year, technically, depending on who you listen to, we're out of the pandemic, I mean, what has the effect been on for absentee ballot requests?

- I don't know the numbers for 2022, but I know in the, I mean in 2020, but the numbers, the numbers are included in here for election one, which would've been in spring of 2022 looks like there were 2200 ballots that went out for the April election. About 6,100 ballots went out for the August election. They had, it looks like just over 6,000 ballots went out, and then for this election we're up to 6,000 as of the date we pulled these numbers with an expectation of additional maybe 8,000. So we're expecting about 15,000 in total going out for this election. So there is some projecting on here for the remainder of the absentees. So that is lower than it was in 2020. But we also had a election grant that covered us. $55,900 was transferred out of postage, and it moved into the election grant in 2020. What's different in this year is, because of, there were so many changes in election polling locations that there were a lot of postcards sent out that drove up some additional costs this year. But that's why we tried to detail it out, showing you the ballot costs and the postage for each one of the elections. To date, again, we're estimating about $56,000 this year for the elections in 2022.

- All right, because are absentee ballots still being mailed out?

- Yes.

- How long-

- We are expecting... I'm sorry, we are expecting about estimated, when I pulled this together Thursday or Friday last week, we expected about another 8,900 to go out.

- Okay. When's the last day that they can be mailed out legally?

- I do not have that answer in front of me. It's gotta be a couple days before the end of absentees turned in. I don't have that answer. I can try to look up real quick.

- So I'm gonna ask a question, and just please, just understand I'm not trying to be offensive or insulting when I say this question, but I just need to state it, 'cause of all the controversy that, whether we deserved it or not, around the last elections, but when we're sending out absentee ballots, those are only being sent out after a person went through the proper process to request it?

- Again, I'm not the expert. From what I understand, though, you have some people that are on the continuous... I forget the term, but where they will continue every single time get their reoccurring, they get their election, they get their absentees, and then every other one is only based on, is only on yes, based on the request. Again, part of the reason we, because if you look every election, there's two postages on every absentee. The one that goes, out, and then you have to have the return. And since then, from a year ago, we've had two mailing increases in postage also. So that has a slight increase on it also. But yes, it is only based on requests fully. They have to meet all of the criteria to get their absentee mailed out to them, correct.

- And I'm not an election expert either, obviously, but I remember following and listening to some of the criticisms that happened in different states where some states and some clerks were sending out absentee ballots to basically everyone on a voting list. And I just wanna make sure... And again, I don't know how to ask that without accusing our staff of doing something completely improper. But I just, I wanna make sure that that's, for the public's sake, that that's not what's happening here. Cause you know, we'll get the questions.

- Yeah, Alder Brunette, could I maybe make a suggestion on that front? Because I do seem to recall that early on we might have been potentially misinforming, and I don't think it was intentional, but we were telling people to sign up, that they were indefinitely confined, even if they weren't. And so that, if I recall correctly, that could potentially mean that someone's being put on that list where they will always be sent an absentee ballot, and if we made an error in that regard with how we're advising people, and the court came through and said, nope, nope, that's incorrect. Or the Wisconsin Elections Commission did. To me just seems like another topic that potentially should be addressed separately. And there could be some meat done that topic. And I don't know that it's gonna affect what we have to do today, but I do think it's something that's worth exploring and understanding.

- Yeah, and then my only other question was, obviously we budgeted 200,000 for contingency, and we've kinda hit that in a couple different things including an item just an agenda item ago. Is there anywhere that those funds could be taken from, Director Ellenbecker, and some of your finance or the clerk's budget?

- Really the clerk's budget is, the only thing you have salaries and then you have a few, a couple thousand dollars for office supplies and couple thousand for training and travel. And that would be a clerk's department in elections. There is really no extra budget that would be in there. I could double check, but that there's no way that we would be able to cover that. Everybody... The majority of the departments are running right about right at budget, right about the 75% budget. But I can certainly look by time next meeting comes around where I could do a follow-up, There isn't any way I could cover the postage for the re-evals, and the election budget would not be able to cover the additional election costs. This has typically been handled through just the document center, their budget. So the clerk's office would not have budgeted for this item. And I realize you're seeing if there's any other line item that they're underspent that they would be able, if they could uncover a portion of that. But I do not believe, based on what we looked at last week, that there is that kind of capacity to cover the majority of this request.

- Okay, thank you.

- I get, Pam actually did some research, and she said absentee ballots online and by mail, mail the request must be in the office of the clerk no later than 5 p.m. on the fifth day preceding an election. So they have up to the fifth day prior to the election to still request an absentee. So you would hope by then, fourth day before the election we would still be mailing them out. So, we would have up until really early November to still be continuing to send out election absentee ballots.

- Thank you.

- Do we have any update in terms of where the parks department is at with the funding that we reserved for them?

- I checked in about a week or two ago, and at that point they were getting, still continuing to get some quotes, and they were still finalizing some of the expenses. So at this point I did not have much of an update. I did remind them that we need or want to have that done before the end of the year, as the projects are still expected to happen this fall so that we can finalize those expenses and then we also have to submit it to our insurance company to determine what they will reimburse less a deductible. There still definitely is an expectation that we are going to be getting a portion of that 100,000 back that we have allocated, but I do not have a better update at this point.

- Yeah, and the reason I'm asking, of course, is if we do approve this contingency transfer, I mean we're almost outta contingency at that point, and we've got another three months to go. So, I suspect, Alder Brunette, that's kinda what you were hinting at, and I think it's a good hint. Where else can you pull this from? Because my fear is if we have another immediate need that comes before us, I don't know where we're gonna go. And of course I would expect staff would be creative with figuring that out, but it just doesn't feel good transferring for what could have potentially been predictable postage needs, but it's the reality that we're lookin' at right now.

- Yeah, we went from 100, and we couldn't predict the storm damage, obviously, but we budgeted 100,000 to 200,000. We doubled it this last budget year, and we have three months left of the year, and we might pretty much exhaust almost everything. So yeah, it's a concern.

- Committee, what would you like to do? I dunno that we really have a choice.

- I'll move to-

- Well-

- Oh, go ahead.

- Go ahead, no, no, go ahead.

- I was gonna move to approve and then get it to council.

- Alder Brunette?

- I don't... I don't feel comfortable taking from contingency, so I won't second that motion.

- Well, Dr. Ellenbecker, I mean if we don't pull this from contingency, I mean, it's not like any of these expenses are optional. What would you do?

- When it comes to the end of the year, because election is considered under admin, as a function and because of the way you submit your budget, that is under the admin section, the whole admin department would need to come in under budget. If it does not come in under budget, we will be coming to you to get you a budget amendment, and because we are over budget, we have to find a place to pull that money from, and then that would probably be from fund balance. But at this point since in a budget, we assume we do put a $200,000 contingency, I think your first best would be to take it from contingency before you would pull it from a fund balance. But again, we have, if and when... Admin in total would have to be under this $50,000 before we could... Again, at this point I do not anticipate all of admin will be under 50,000. That would mean a lot of vacancies or some underspent dollars, and we are three quarter of the way through. I am not sure how we would be able to come up with $50,000 under the budget. And again, it has to be by function per state statute because of the way we publish our budget on notification in the fall time period.

- Yeah, again, I feel like we're caught between a rock and a hard place, because I don't know what else you do, but at the same time I just don't feel good about this. So here's, I don't know that I wanna second it either, but I'm willing to look into this before the council meeting. And so I'm just gonna say that the motion fails right now for lack of a second, and then it'll just get forwarded onto council with no recommendation. And then what I would suggest, Director Ellenbecker, is that maybe you and I connect before then to talk about what some other possible options might be.

- Yeah, that is certainly an option. Yes, we can look at this, again. Let it sit for another month or two, and then we could come back and look at what our total, what the total expenditure looks like it would be, and we could look at to see where admin is going to come in.

- Okay. With that item F, informational. Number one, which of course we just talked about, but the 2022 Contingency Account, 184,297. Unobligated, 84,297. And this committee tonight did advance a recommendation to use 27,000 for legal expenses. Item two, the next Finance Committee meeting will be held on Tuesday, October 11th, 2022, at 4:30 p.m. And then Director Ellenbecker will advise us who the staff are gonna be at that one to talk about the first, I guess, half of our Capital Improvement Plan.

- Correct, we would probably go by departments, not necessarily the first 300 pages. It'd probably be by departments, would take both the major, the equipment... I mean all three major equipment and fleet for those departments. So the department heads would only have to attend one meeting.

- Okay. Entertain a motion to adjourn.

- So moved.

- Second.

- We have a motion by Brunette, second by Hutchison. All is in favor, say aye.

- [Jim and Jesse] Aye.

- Opposed, motion carries. So you all soon.

- Okay.