

FINANCE COMMITTEE

Date and Time: Tuesday, March 9, 2021 @ 5:15 pm., Council Chambers

Members Present: *In Person*: Lisa Rasmussen, Michael Martens, and Dawn Herbst; *By WebEx*: Sarah Watson, and Deb Ryan - (*Entered late*)

Others Present: Maryanne Groat, Ben Bliven, Anne Jacobson, Eric Lindman, Katie Rosenberg, Mary Goede, Emily Ley, Mark Hanson, Rick Rubow, Tammy Stratz, Tracey Kujawa, Bob Barteck, Jamie Polley, Toni Vanderboom

In accordance with Chapter 19, Wisc. Statutes, notice of this meeting was posted and sent to the Daily Herald in the proper manner. The meeting was called to order by Chair, Lisa Rasmussen.

Minutes of the previous meeting(s). (2/23/2021)

Motion by Herbst, second by Martens to approve the minutes of the 2/23/2021 meeting. Motion carried 4-0.

Discussion and possible action regarding claim on excessive assessment – 2305 Sherman Street, LLC (2305 Sherman Street)

Rick Rubow, City Assessor, explained the Board of Review (BOR) did not hear any of the four cases before them tonight. The BOR did not hear this particular case because the Objection Form was not complete in its entirety; they did not provide the Basis of Opinion of Value; did not state any acquisition prices; did not list any improvements that were done, nor the dates, times and costs of the improvements. Rubow stated the BOR has the obligation and the authority to deny or accept any objections that are filed. It is a quasi-judicial body made up of citizens of Wausau and the recommendation is to deny the claim.

Motion by Martens, second by Herbst to approve the claim for excessive assessment (2305 Sherman Street). Motion failed 0-4.

Discussion and possible action regarding claim on excessive assessment – Boston, Inc. (1817 Stewart Avenue)

Rubow indicated the following are the three buildings at Furniture & Appliance Mart. (*Deb Ryan entered the meeting.*) He stated the BOR did not hear the objection due to the fact that Agent Authorization was signed for the City of Madison, not the City of Wausau, and on that basis alone they could deny hearing the case; but also in addition, all three property objection forms were not signed by the agent or the property owner. Rubow noted that the income & expense request he made to them by letter last year was not provided to him.

Motion by Martens, second by Watson to approve the claim for excessive assessment (1817 Stewart Avenue). Motion failed 0-5.

Discussion and possible action regarding claim on excessive assessment – Boston, Inc. (1818 Stewart Avenue)

Motion by Martens, second by Herbst to approve the claim. Motion failed 0-5.

Discussion and possible action regarding claim on excessive assessment – Boston, Inc. (1820 Stewart Avenue)

Motion by Herbst, second by Martens to approve the claim. Motion failed 0-5.

Discussion and possible action on approving the 2021 Community Development Block Grant Program Allocation

Deb Ryan questioned if block grant funds were used in the past for playground replacement. Tammy Stratz confirmed they have for the last two years; the first year was Oak Island Park and this coming year with Marathon Park. Stratz noted the funds go more towards the handicapped accessibility, fall protection, and extra playground equipment that meets the ADA, as well as being in an income-qualifying neighborhood.

Motion by Ryan, second by Martens to approve the 2021 CDBG Program allocation. Motion carried 5-0.

Discussion and possible action on First Amendment to Ground Lease with Resurrection Parish – Diocese of La Crosse

Rasmussen stated there has been some re-working of the agreement through the CISM and ED Committees on what we refer to as the church block on 2nd Street regarding parking and green space. It basically changes the agreement to mirror what is actually taking place on the site.

Motion by Watson, second by Ryan to approve the amendment to the ground lease. Motion carried 5-0.

Discussion and possible action regarding preliminary December General Fund Financial Report

Groat reviewed the preliminary December report. She noted a profit of approximately \$761,000 for the year, with a few outstanding transactions yet. (Narrative is in the committee packet online or can be viewed at [Wausau City Council Finance Committee Meeting - 3/9/21 - YouTube](#))

Discussion and possible action regarding purchase for replacement of ladder truck related budget modification and funding source

Rasmussen stated there is a need to replace the city's older ladder truck and had originally they planned to make the purchase next year, however, an opportunity has arisen to purchase it sooner.

Deputy Chief Bob Barteck presented an in depth PowerPoint on the ladder truck replacement: (Presentation is in the committee packet online or can be viewed at [Wausau City Council Finance Committee Meeting - 3/9/21 - YouTube](#))

Maryanne Groat pointed out the financial policy states when something is going to be ordered it needs to be budgeted at the time of order with a financial means to pay for it. Since there is a long delivery period on the ladder truck, it needs to go to Council for a budget modification to purchase it. She indicated the financial pressure that the two pumpers placed on the reserves in the Motor Pool to replace other pieces of rolling stock, and the fact that while the Fire Department is contributing \$250,000 to \$300,000 a year to the Motor Pool Fund, those annual fees are not sufficient to build up reserves to pay for these kinds of things. She stated the committee needs to consider financing the purchase through long term debt. An aerial can last 20-25 years and the borrowing is typically on a 10 year period, so there is a quick turn around on the retirement of the debt. Interest rates are extremely low currently, so on \$1 million it would be approximately \$10,000 per year for interest, which is equivalent or could be less than the cost we would pay for maintenance on the old vehicle. The debt retirement could be paid out of the Motor Pool over the next 10 years as a way as a way to build the Motor Pool a small amount each year. Groat commented she felt it was a prudent decision to issue debt for something like this because of its longevity and the need.

Rasmussen stated we are on an aggressive path to retiring debt and if this debt can be retired through the Motor Pool versus levy we can acquire the truck and not have taxpayer impact on the mill rate.

Mark Hanson spoke to the committee regarding the cost of repairs on their truck and recommended funding the new truck now, noting it won't be delivered until next year.

Deb Ryan stated for a million dollar purchase she would like to see a bidding process done and/or that they see if they can work with other close communities, such as Weston. She also questioned why they were considering local companies within the state.

Rasmussen stated a number of years ago the Council authorized them to participate in the Houston/Galveston Area Cooperative Purchasing Program that dials down the cost by purchasing through economies of scale. She noted there was also an issue with proprietary parts with the local company Pierce in Oshkosh.

Hanson stated their 2012 aerial truck is a Pierce truck and they ran into problems with getting proprietary parts for the truck that were Pierce specific, making it so they could only be obtained through them. It cost a lot of down time and money trying to get the proper parts. The majority of the parts with the Sutphen truck can be locally sourced. He also confirmed they have taken part in the HGAC Purchasing Consortium where the bidding has already been done by these companies and their prices published.

Deputy Barteck explained a committee consisting of Mark Hanson, the DPW master emergency vehicle technician, firefighters, engineers, and officers from the Fire Department met to determine the best truck for the City of Wausau. He spoke about all the manufacturers they looked at and visited.

Motion by Ryan, second by Herbst to approve the purchase for replacement of ladder truck and related budget modification and funding source. Motion carried 5-0.

Discussion and possible action regarding modifications to the Class B liquor license and related recommendations regarding waiver or suspension of Municipal Code 3.06.010 Payment of taxes, claims, forfeitures, judgements prior to issuance of license or permit or considering financial hardships pursuant to 3.06.010(c)

Rasmussen explained the city has an ordinance that states that if an applicant for a license owes money to the city the license is put on hold by the Clerk's Office until the debt is paid in full. There is also a waiver provision that can be requested of Public Health & Safety Committee due to extraordinary financial hardship. Due to the pandemic however, many businesses/individuals may have a hard time paying their debts and without the license they can't operate/work to pay their bills.

Groat suggested the committee also consider discounting the Class B licenses fees again this year. Grocery stores and gas stations hold Class A licenses, but did not experience the shut downs and loss of business that the Class B establishments did. She stated they could reduce Class B license fees again at 50% as they did last year, or reduce to the minimum fee allowed by the state, which is \$100. The Class B Beer & Liquor License is \$600 annually, so at a 50% discount they would pay \$300 or at the state minimum, they would pay \$100.

Groat pointed out the last Covid Relief the city received did not include loss of revenue as an eligible expense for a government unit, but the newly authorized Covid funding will cover loss of revenue.

Martens questioned if they waived the hold on licenses for unpaid debt, would they still have to pay the debt. Rasmussen confirmed they would still owe the debt and any accrued interest, it just would not hold up the issuance of the license.

Motion by Martens, second by Herbst to reduce the Class B license fees to the state minimum; and suspend 3.06.010 of the Municipal Code for financial hardship for the 2021-2022 license year. Motion carried 5-0.

Communications

Maryanne Groat introduced the new Assistant Finance Director, Emily Ley

Adjourn

Motion by Herbst, second by Martens to adjourn the meeting. Motion carried unanimously. Meeting adjourned at 6:25 pm.