FINANCE COMMITTEE
Date and Time: Tuesday, May 11, 2021 @ 5:15 pm., Council Chambers
Members Present: Lisa Rasmussen, Michael Martens, Dawn Herbst, Sarah Watson, and Deb Ryan
Others Present: Maryanne Groat, Anne Jacobson, Ben Bliven, Brad Lenz, Katie Rosenberg, Sean Fitzgerald, Jamie Polley, Leslie Kremer, Philip Cosson, Wesley Yuds, Carol Langbehn

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). (4/27/2021)
Deb Ryan stated that she had made comments at the 4/27/21 meeting about how implementing charges for garbage services differently than is done now would impact senior citizens on a fixed income, particularly in her area. Ryan stated that she would like these statements added to the minutes before they are approved. Chair Lisa Rasmussen requested more detail to the minutes relative to Ryan's comments. Minutes will be brought back for approval at the next meeting.

Discussion and possible action regarding status of COVID loan and ground lease deferments
MaryAnne Groat discussed that, due to the pandemic, the Community Development Department brought forward the deferment of loans and the option to defer ground leases until the end of June, 2021. The City currently only has 2 ground leases. There wasn't clear discussion on what the expectation would be for people to get caught up so the assumption on mortgages was that the amortization schedule would just be extended out to capture those deferred payments. Groat stated that the ground leases are a bit different because there is not an interest component associated with the lease and deferred lease payments so we have to determine what the expectation will be for the two lessees to get caught up. Groat provided some examples of what other communities are doing.

Rasmussen stated that she would like more information on the length of time that the two lessee businesses were unable to operate due to the pandemic, which resulted in zero income to them. Rasmussen suggested consideration to waive the lease payments that would have been due during the month(s) when these businesses were physically closed as neither the City nor the lessee business derived any benefit during the closure. Rasmussen stated that the City may be able to recover its losses of lease income under the rescue funding, so this may be a way to further help businesses recovering from pandemic losses.

Groat stated that she could reach out to the two lessees and request them to provide a narrative on the hardship they may have experienced during the pandemic, along with their proposal for getting caught up on the lease payments. Groat will bring the information back to this Committee for further discussion on this item.

Discussion and possible action on report and recommendation of CCITC Director Klein on comparing iPad verses laptop usage for Council members
Rasmussen stated that the cost comparison, performed by Gerry Klein, of issuing and maintaining laptop equipment verses iPad equipment shows a substantial increase in cost if we go with a laptop. Rasmussen stated that the Council has used iPads for quite some time, the devices are easy to use and there haven't been any issues with the devices. Deb Ryan discussed some issues she has encountered with connecting the iPad to a larger screen/monitor.

Michael Martens stated that this item is on the agenda because it was referred to the Finance Committee by the Rules Review Committee. Martens explained that some Council members prefer laptops, however, because the decision on the equipment/platform to use is a financial consideration for the City and not a rule to be made, Rules Review Committee determined this issue should be taken up by the Finance Committee

The consensus from the Committee is to stay with iPads. Rasmussen stated that we do not need to vote on this item since it is not an actionable item. CCIT will be notified that we will continue with iPads.

Discussion and possible action regarding 2021 debt issuance schedule and plan
MaryAnne Groat discussed the City's 2021 debt issuance schedule and plan and the recommended refinancing strategies that would be beneficial for the City on some debt. Phil Cosson from Ehlers explained that the Council could approve a Parameter Sale for bonds and notes which would benefit the City by allowing some flexibility in the sale date in case the market has some movement. Michael Martens questioned if his understanding is correct that the Parameter Sale would allow the City to establish its parameters and expectations prior to the sale and make it

unnecessary for the Council to ratify post sale. Phil Cosson confirmed that is correct. Groat stated that the Resolution that would be presented for approval to the Council at its May 25th meeting would state the maximum amount the City is authorized to borrow and the threshold on the interest rate the City would authorize, and the June sale would take place within those parameters.

Questions from the Committee on types of City debt and differences in rules for funding options were discussed. Please view the meeting for specific details.

Motion by Herbst, second by Martens to recommend to Council that it approve a Parameter Sale for the 2021debt issuance, at its May 25th meeting. Motion carried 4-1. Ryan was the dissenting vote.

Discussion and possible action regarding investment of ARP funds

Groat discussed that the government is still working on the parameters for use of this ARP funding. The federal government has provided some preliminary guidelines for what the funds may be used for but caution has been given that municipalities should not rush to spend the funds until there is more guidance on what other sources of funding may be available for specific funding needs. Groat discussed that Ehlers is a reputable financial advisor that could assist the City in determining how to use these ARP funds to its best advantage and advise how we should invest the funds while decisions are made.

Motion by Herbst, second by Watson to approve Engagement Letter between City and Ehlers to help manage these ARP funds. Motion carries 4-1. Ryan was dissenting vote.

Discussion regarding implementation of a garbage and recycling special charge

This is a continuance of discussion from the last meeting as Groat was requested to do some analysis. Groat provided some financial information on moving garage services off the tax rate and implementing a special charge for the services. Groat discussed there would be some decisions to be made in setting the fee if we went this way, such as what would all be included in the garbage service and whether residents would be required to have the service.

Based upon Groat's memo and research, Rasmussen discussed that moving the garbage and recycling special charge off of the tax rate would result in a $0.48 reduction in the mill rate for all residents and also provides fairness in charges being assessed for the garbage service. Groat added that a home value of $194,000 is the breakeven point, which means that homes valued higher than that will see a reduction in garbage and recycling fees if the City were to move these fees off the tax rate.

Rasmussen stated that we do not need to act on this item as this is informational discussion at this point.

Discussion and possible action regarding pet license late fees.

Deferred to next meeting of the Finance Committee.

Discussion and possible action on Metro Ride Funding Request/Budget Modification

Greg Seubert stated that the funding request is solely a shift of money that is already in the Metro Ride budget and will be used for a couple of capital projects.

Motion by Watson, second by Martens to approve the funding request/budge modification for Metro Ride. Motion carries 5-0.

Discussion and possible action regarding budget modification in the Fire Department budget

Groat discussed that the request is to use proceeds from excess equipment sales to purchase other equipment. Motion by Ryan, second by Herbst to approve the budget modification. Motion carries 5-0.

Discussion and possible action regarding February 2021 General Fund Financial Statements

Deferred to next meeting of the Finance Committee.

Adjourn

Motion by Watson, second by Martens to adjourn the meeting. Motion carried 5-0. Meeting adjourned at 6:29 p.m.