

FINANCE COMMITTEE

Date and Time: Tuesday, July 28, 2020 @ 5:15 pm., Council Chambers

Members Present Rasmussen, Martens, Herbst, Watson, and Ryan (*WebEx*)

Others Present: Groat, Rosenberg, Kremer, Bliven, Kujawa, Splinter

Jon Trautman, Clifton Larson LLC and Phil Cosson, Ehlers & Associates, via WebEx.

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 Chairperson, Lisa Rasmussen.

Minutes of the previous meeting(s). (7/14/20)

Motion by-Herbst, second by Martens to approve the minutes of the previous meeting on 7/14/20. *Ryan indicated she would abstain from voting.* Motion carried 4-0-1.

Discussion and possible action 2019 audit presentation Clifton Larsen LLC

Jon Trautman from Clifton Larson, reviewed the audit letter provided to the City which summarized the audit findings and the opinion issued on the financial statements. MaryAnne Groat noted that all of the audit information was not in the committee packet online, as it would be too large, but the hard copy book was provided to the committee members at the last meeting. *The presentation can be viewed on YouTube via the following link:*
<https://www.youtube.com/watch?v=IEWRX3obYcA>

Trautman also reviewed the 2019 Comprehensive Annual Financial Report (CAFR). (*Available on the city's website:* <https://www.ci.wausau.wi.us/Portals/0/Departments/Finance/Documents/2019CAFRWebFinal.pdf>)

Trautman concluded the City of Wausau received a high rating of excellence in its audit.
Report placed on file.

Discussion and possible action regarding budget modification Police Department

Rasmussen stated this if to correct a budget error. Groat explained departments input their budgets into an application with an Excel spreadsheet and can make changes to it until a specific point in time. They typically do two years at a time with a plan for the following year. She indicated she thinks she transferred 2020 budget to the Mayor's Executive Budget before they were done with the account. She stated the Police Department intended to spend \$150,000 and they have \$150,000 of expenses that they have line itemed but their budget only says \$108,000. She proposed taking \$43,000 out of the CSO wages for staffing events that were canceled and move it into the capital budget.

Motion to approve by Herbst, second by Watson to approve the budget modification for Police Department. Motion carried 5-0.

Discussion and possible action regarding resolution providing for the sale of approximately \$5,445,000

General Obligation Promissory Notes, Series 2020D

Groat explained the debt issuance for 2020 was set into motion when we adopted the budget in November 2019. The Capital Budget and Tax Increment Budgets were all approved in 2019 and the financing sources were established. She reviewed the debt plan in detail. The promissory note is a 10 year issue with level principal and interest payments; and refinancing of an already existing debt with level principal and interest payments over 15 years. She stated these issues will not increase or create an impact to the levy. The debt outstanding will decrease by a small amount this year; in 2020 approximately \$17 million of debt will be retired, but will be adding \$15 million, so the net reduction in outstanding debt for GO and the Anticipation debt would be \$1,900,000.

Phil Cosson, Ehlers & Associates, discussed the timing of selling the notes and taking advantage of very low interest rates. He stated the city has retained the AA3 rating from Moody's.

Motion by Martens, second by Herbst to approve the GO Promissory Notes, Series 2020D. Motion carried 4-1 (*Ryan was the dissenting vote*)

Discussion and possible action regarding resolution providing for the sale of \$6,740,000 Taxable General Obligation Refunding Bonds, Series 2020E

Motion by Martens, second by Herbst, Motion to approve the GO Refunding Bonds, Series 2020E. Motion carried 4-1. *(Ryan was the dissenting vote)*

Discussion and possible action regarding June 2020 General Fund financial statement

Groat reported the City's revenues and expenses reports look good at this point. She noted there is a continuing lag in licenses due to the restaurant and bar establishments struggling with reopening and bartenders not working. The narrative can be accessed: <https://www.ci.wausau.wi.us/Portals/0/Departments/Finance/Documents/June2020GF.pdf> Report placed on file.

Discussion and possible action regarding special event fee refunds due to COVID cancellations

Rasmussen stated the city charges for the processing of special event permits, however, most events were cancelled for 2020.

Motion by Watson, second by Herbst to approve special event fee refunds. Motion carried 5-0.

Adjourn

Motion by Watson, Second by Herbst to adjourn. Motion carried unanimously. Meeting adjourned at 6:08 p.m.