

**MINUTES
FINANCE COMMITTEE
WEDNESDAY, MAY 13, 2015
City Hall, Room 604**

MEMBERS: Alders Tom De Wane, Andy Nicholson, Tom Sladek and Guy Zima

OTHERS PRESENT: Alders Steuer, Nennig, Wery, Scannel, Moore, Wiezbiskie Dawn Foeller, Diana Ellenbecker, Steve Grenier, Dave Litton, Mike Hronek, Dawne Cramer, Tom Molitor, Rick Jensen, Cheryl Renier-Wigg and others

1. Roll Call. All present.
2. Approval of the Agenda.

Motion to approve by Ald. Tom De Wane; seconded by Ald. Tom Sladek.

3. Approval of the minutes of the Finance Committee meeting of April 29, 2015.

Motion to approve by Ald. Andy Nicholson; seconded by Ald. Tom Sladek.

4. Request by the Mayor to review and approve the 2015 bonding request and possible use of general fund surplus to fund capital improvement projects.

Finance Director Dawn Foeller referred to information contained in packet including requests made by individual departments, along with supporting detail for respective requests. Total department requests totaled \$17,092,560. Director Foeller suggested smaller items that may have a lesser dollar value and/or lesser than 20 year life expectancy could be funded through general fund surplus with the remainder of the requests being funded through bonding.

Suggested items to be funded through general fund would include the previously approved \$100,000 for Image Trend software and related hardware requested by Fire Department, \$30,000 for tornado siren, \$65,000 for a Monorail crane for DPW, \$20,000 for City Hall maintenance and \$400,000 for Neighborhood Enhancement.

Ald. Tom Sladek questioned if the items that Director Foeller listed above were not to be included in the bonding. Director Foeller confirmed that would be correct and further stated it was a recommendation based on the guidelines of the City Debt Policy with regard to bonding capital items with a shorter life span; the items listed were removed using that reasoning; along with the fact these are one time purchases which is another qualifier to use surplus funds. Director Foeller stated \$662,000 could be funded using 2014 general fund surplus vs. going out to bond. Director Foeller stated the general fund balance brought forward from 2014 was \$1.1M.

Ald. Guy Zima stated interest rates are at historic lows and therefore suggested that some of the general fund money be saved for other purposes during the course of the year and to preserve the ability and flexibility to do things with the budget.

Ald. Guy Zima questioned the requested \$400,000 Neighborhood Enhancement and

what that would be used for. Cheryl Renier-Wigg addressed the question and stated it would be for the Council to determine how the money is used, however past amounts have been used for acquisition, removal of property and conversion grants. Director Foeller stated dollars are also used for ongoing maintenance of properties currently owed by the City.

Ald. Guy Zima brought forward his concerns and recommendations on the amount of dollars and how to be used for Neighborhood Enhancement.

Motion made to discuss raising the amount for Neighborhood Enhancement to \$1M and for it to be bonded made by Ald. Guy Zima; seconded by Ald. Tom De Wane.

Discussion ensued on this issue. Cheryl Renier-Wigg stated she may have difficulty spending \$1M in a year's time as it takes time to acquire properties and furthermore takes time to negotiate purchase prices. Each Alder stated they would be able to provide their own lists of properties and encouraged the easy spending of \$1M for this purpose. Ald. Tom De Wane suggested that \$1M would not be enough and given the ideas for this purpose, he would like to see it raised to \$1.5M and reiterated the need in many of the Alder's districts.

Ald. Guy Zima made a recommendation to amend the motion to include needed staffing in order to spend the money allocated for this program; the Planning Department may need to hire an additional person to work on projects in order to get things done and use the money.

Ald. Tom De Wane recommends bonding \$1.5M for Neighborhood Enhancement and take up the hiring of staff under a separate communication which would be funded through the general fund.

Discussion continued on this issue. Ald. Tom Sladek brought up his concerns with regard to adding \$1.5M to the bonding issue with no further investigation. Ald. Guy Zima continued to share his concerns and need for neighborhood enhancement and dollars needed to complete projects. Ald. Joe Moore stated he believes this program really works, he has seen the positive effects; however he cautions inclusion of bonding for hiring of staff.

Motion made by Ald. Tom De Wane to raise amount for Neighborhood Enhancement to \$1.5M, and for it to be bonded; seconded by Ald. Guy Zima.

Vote taken on this issue; result 3:1 with Ald. Sladek voting no; motion carried.

Director Foeller brought to the Committee's attention to Ald. Joe Moore's proposal for use of general fund. Ald. Joe Moore discussed his points for use of excess funds. He proposes 50% be refunded back to taxpayers as applied surplus and refund 50% to the department heads that work diligently to save money.

Ald. Tom Sladek requested Director Foeller review once again the items that were recommended be funded through the general fund vs. being bonded. Director Foeller listed those items as the Image Trend software for the Fire Department, the tornado siren in the Red Smith area for \$30,000, Monorail crane for DPW for \$65,000, two squad cars for Police Department for \$47,560 and City Hall maintenance items for \$20,000. Director Foeller also cautioned the committee that using too much of the

surplus could bring the City below the recommended fund balance level that is in our general fund balance policy. Right now, we are on the low end of that range of 17% - 25% of the previous year's expenditures.

Ald. Mark Steuer brought up a need for money for project in his district which is the wall at Atkinson Park. The cost for this project is \$20,400.

Motion made to add \$20,400 to list of items to be funded through the use of general funds vs. bonding made by Ald. Tom De Wane; seconded by Ald. Tom Sladek.

Motion to approve amended 2015 bonding request and use of general fund surplus to fund capital improvement projects. Total bonding request would be \$17,930,000 and use of general fund surplus of \$282,960 made by Ald. Tom De Wane; seconded by Ald. Tom Sladek.

Vote taken; result 3:1 with Ald. Sladek voting no; motion carried.

5. Request by Ald. Chris Wery to fund the architect for Colburn Pool from the \$1.146 million in excess 2014 revenues. (Communication read \$2.4M; however, after funding the 2014 sick leave escrows and use of applied surplus in 2015, \$1.146M remained available).

Motion to receive and place on file this request made by Ald. Tom De Wane; seconded by Ald. Andy Nicholson.

6. Request by Ald. David Nennig to adopt a resolution opposing legislation which would end personal property taxes, as well as State payments for the computer tax exemption, unless alternative revenue sources are provided by the State without increasing property taxes for other classes of property.

Ald. David Nennig addressed the Committee on this item and discussed the article in the Green Bay Press Gazette and highlighted the significant impact this proposed change in the Governor's budget would make. Currently, 5% of the City's value comes from personal property tax in addition to roughly \$800,000 being received from the State for exempt computer aids. The elimination of both these programs would be very detrimental to the City and increase our tax rate unless there was an alternative revenue source from the State that would offset this loss. Ald. Nennig believes passing this resolution is important to voice our position as a City to the State.

Motion to approve the resolution made by Ald. Tom Sladek; seconded by Ald. Tom De Wane.

7. Report of the Purchasing Manager:
 - a. To award designation of Official Newspaper for the City to the Green Bay Press Gazette for the estimated annual amount of \$59,500.

Motion to approve award made by Ald. Tom De Wane; seconded by Ald. Andy Nicholson.

It is noted that Ald. Guy Zima abstained from rendering a vote on this issue.

8. Request by the IT Administrator to review and possibly approve the quote received for adding video capability in all City Hall conference rooms.

IT Administrator, Mike Hronek addressed the Committee. He stated the cost for each room would be \$11,000 and looked at completing four rooms (310, 400, 506, 604.) In addition, Room 207 would include its own separate recording system and a stationary camera and a microphone on that camera; that cost would be \$5,000.

It was asked about the use of the four rooms that were included in this project. Mike Hronek stated three out of the four rooms were used pretty heavily. The Committee proposed moving forward on this project, however, would eliminate Room 400 at this time.

Director Foeller pointed out that funding for this was not anticipated for this year and if it were to be completed this year, funds would need to come from contingency fund. Director Foeller stated the alternative to using contingency funds would be to use applied surplus funds, so as to keep contingency funds available should something arise during the year.

Motion to approve the addition of video capability in three City Hall rooms, as well as expand Room 207 capability with its own recording device using applied surplus funds totaling \$38,000 made by Ald. Tom De Wane; seconded by Ald. Andy Nicholson.

9. Report by the Finance Director.

There was no report given by the Finance Director.

Motion to receive and place on file by Ald. Tom De Wane; seconded by Ald. Tom Sladek.

Motion to adjourn meeting at 8:00 p.m. made by Ald. Tom De Wane; seconded by Ald. Tom Sladek.

2015 Contingency Fund
\$110,000

- 1) **THIS MEETING IS AUDIO TAPED:** THE AUDIO OF THIS MEETING & MINUTES ARE AVAILABLE ON LINE AT WWW.CI.GREEN-BAY.WI.US.
- 2) **ACCESSIBILITY:** Any person wishing to attend who, because of a disability, requires special accommodation should contact the City Safety Manager at 448-3125 at least 48 hours before the scheduled meeting time so that arrangements can be made.
- 3) **QUORUM:** Please take notice that it is possible that additional members of the Council may attend this committee meeting resulting in a majority or quorum of the Common Council. This may constitute a meeting of the Common Council for purposes of discussion and information gathering relative to this agenda.
- 4) **REPRESENTATION:** The party requesting the communication, or their representative, should be present at this meeting.