

FINANCE COMMITTEE MINUTES
January 07, 2013
City Hall – 1st Floor Conference Room #111 - West

Finance Chairperson Scott McMeans called the meeting to order at 6:25 PM

Present: Alderpersons Scott McMeans, James Brey, Christopher Able & Eric Sitkiewitz

Absent: Collin Braunel

Also Present: Assistant Finance Director/Treasurer Tony Scherer, Deputy Director of Public Works and Deputy City Engineer Greg Minikel, Buildings & Grounds, Transit, and Recreation Manager Jim Muenzenmeyer, Deputy Fire Chief Todd Blaser and HTR Reporter Charlie Mathews.

Approval of Minutes

Motion by Alderperson Sitkiewitz, second by Alderperson Able to approve the minutes of the November 26th and December 17th, 2012, Finance Committee Meetings. Motion passed unanimously (4-0).

Public Input

No public input was presented.

Rahr West Lighting Project

Alderman McMeans invited the Buildings & Grounds/Transit/Recreation Manager Jim Muenzenmeyer to the table. Jim presented his request for \$1,700 from undesignated capital to be combined with an estimated \$3,400 electrical savings and a \$2,100 Focus on Energy rebate in order to replace the current lighting system at the Rahr-West Art Museum with an efficient Light Emitting Diode (LED) bulb system. The building's lighting was not previously changed out due to the adverse effect ultraviolet emitting fluorescent lighting can have on sensitive art work. Alderman McMeans commented that the City should see a sizable reduction to the Museum's electrical expenses in future budgets.

Motion by Alderperson Able, second by Alderperson Brey to allocate the money from the undesignated reserves of the Capital Projects – Building Fund in an amount not to exceed \$1,700 for the Rahr-West lighting upgrade project. Motion passed unanimously (4-0).

South 18th & Flambeau Remediation

For the next item on the agenda Alderman McMeans had Deputy Director of Public Works and Deputy City Engineer Greg Minikel join the Committee and present his request. Minikel summarized and explained the information which his department had previously provided to the Committee. He stated that the Wisconsin Department of

Safety & Professional Services (DSPS) changed their strategy in how they wanted the City to go about the remediation of this site. Instead of the 3-year process previously outlined, the new plan called for increased testing/monitoring and the placement of two additional wells. Due to the timing of this mandate the department had not been able to include the request for funding in the 2013 budget. Therefore the department is requesting an additional \$15,000 from capital reserves to implement this project. Minikel stated that it is the City's and DSPS's hope to provide site closure to this area by the end of 2013.

Motion by Alderperson Able, second by Alderperson Sitkiewitz to allocate the money from the undesignated reserves of the Capital Projects – Streets Fund in an amount not to exceed \$15,000 for the environmental remediation of the South 18th & Flambeau site. Motion passed unanimously (4-0).

Non-Lapsing & Capital Project Policies & Procedures

Alderperson McMeans opened up the discussion of the policies and procedures for governing non-lapsing and capital project funds. Alderperson Brey stated that he wasn't originally in support of the capital project process but has found the method to have some good qualities and as long as the Finance Committee and Council have the final decision, he was fine with the practice. Alderman Sitkiewitz praised the process, again stating that the process produced some very positive outcomes with a "cleaner" picture of the projects and their priorities. He also had the same concern as Alderman Brey in that the Finance Committee should be kept informed throughout the process. Alderman McMeans echoed the previous comments, reiterating the need to keep the Finance Committee informed. Assistant Finance Director/Treasurer Tony Scherer added that he was looking for some clarification on terminology and the timetable. Alder McMeans added that part of the timetable should include the point at which the decision on how much to borrow is determined. Alderman Brey added that the Finance Committee and Council would continue to determine and set the final project list and amount just prior to the time of financing.

The Committee then discussed the non-lapsing funds. The Committee discussed the need for a resolution and how they would determine whether or not an article qualified as a non-lapsing item. They also discussed determining limitations on fund balances. The Committee agreed that a resolution would insure the integrity of the funds in a manner that would prohibit future Council bodies from circumventing the process in order to use (raid) the funds.

Annual PILOT Payments from the Yacht Club Agreement

The last item on the agenda was a discussion regarding the annual Payments In Lieu Of Taxes (PILOT) from the Yacht Club organization agreement. Alderman McMeans summarized the issue stating that there have been conversations regarding the possibility of placing the payments, or a portion of them, in a special fund to prepare for the City's future obligations. The Committee then discussed the payments and annual increments. **Alderman McMeans and Sitkiewitz requested that the Finance Department look into the revenue stream and future property values to formulate a strategy for the use of the funds.** Alderman Able agreed that all or a portion of the annual payments should be protected so that future Councils are not placed with the burden of funding the terms of the agreement. No formal action was taken.

Next Meeting Date

The Committee discussed January 21, 2013 for the next Finance Committee Meeting. Chairman McMeans expressed that he would like to bring forth a number of items for discussion and/or completion in 2013. He mentioned financial policy updates and the customer service window in the Clerk's Office as viable items. McMeans stated that he would get a list out to the Committee for their review and additional suggestions.

Motion by Alderperson Brey, second by Alderperson Able to adjourn. Motion carried unanimously. Chairman McMeans declared the meeting adjourned at 6:51 PM.

Respectfully Submitted,

Alderman Scott McMeans
By: Anthony Scherer
Assistant Finance Director

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