



MINUTES OF A REGULAR SCHEDULED MEETING OF THE **FINANCE COMMITTEE** HELD ON **TUESDAY, FEBRUARY 20, 2018**, AT 6:15 P.M. IN THE NORTH CONFERENCE ROOM OF CITY HALL, 2000 NORTH CALHOUN ROAD, BROOKFIELD, WISCONSIN.

ALDERMAN SCOTT BERG PRESIDING

MEMBERS PRESENT: Alderman Scott Berg, Alderman Dan Sutton, Alderman Bob Reddin, Alderman Ron Balzer, Alderman Mark Nelson, Alderman Jerry Mellone and Alderman Lisa Mellone (arrived at 6:24 p.m.).

MEMBERS EXCUSED / NOT PRESENT: None.

OTHERS PRESENT: Director of Finance Robert Scott, Director of Public Works Tom Grisa, Alderman Chris Blackburn and Alderman Bill Carnell (arrived at 6:46 p.m.).

1. Alderman Scott Berg noted a quorum was present and called the Finance Committee meeting to order at 6:16 p.m.
2. Announcements:
 - a. The next regularly scheduled Finance Committee meeting will be held March 6, 2018.
- 3a. Minutes of the February 6, 2018 Regular Finance Committee Meeting:

Motion by Alderman Bob Reddin, seconded by Alderman Ron Balzer, to approve the minutes of the February 6, 2018 Regular Finance Committee meeting. Motion carried 6-0.

Council Action Items

- 4a. Vouchers exceeding \$50,000 requiring immediate action.

Motion by Alderman Mark Nelson, seconded by Alderman Bob Reddin, to approve vouchers exceeding \$50,000 requiring immediate action. Motion carried 6-0.

(Item 4b taken out of order and considered after item 5a)

- 4c. Claim of excessive assessment from LLJ Hostmark MILW Ventures LLC., tax key number 1141-998-002 (2017 assessment – Sheraton Hotel property at 375 S. Moorland Road).

Motion by Alderman Dan Sutton, seconded by Alderman Jerry Mellone, to deny the claim of excessive assessment from LLJ Hostmark MILW Ventures LLC., tax key number 1141-998-002 (2017 assessment – Sheraton Hotel property at 375 S. Moorland Road). Motion carried 6-0.

- 4d. Resolution approving NASPO Political Subdivision Addendum with U.S. Bank N.A. for procurement card services commencing June 1, 2018.

Motion by Alderman Bob Reddin, seconded by Alderman Ron Balzer, to approve the resolution approving NASPO Political Subdivision Addendum with U.S. Bank N.A. for procurement card services commencing June 1, 2018. Motion carried 6-0.

- 4e. Request of the Wastewater Utility to purchase up to \$70,000 worth of aluminum sulfate from Alexander Chemical Corporation.

Motion by Alderman Bob Reddin, seconded by Alderman Jerry Mellone, to approve the request of the Wastewater Utility to purchase up to \$70,000 worth of aluminum sulfate from Alexander Chemical Corporation. Motion carried 7-0.

Finance Committee Only Items

- 5a. Legislative referral from Alderman Jerry Mellone regarding use of hotel room tax dollars.

Alderman Jerry Mellone distributed an information sheet regarding the room tax law from the Wisconsin Department of Revenue, and explained that the purpose of his referral was to attempt to utilize room tax dollars for other purposes supporting tourism promotion and development in lieu of providing additional funds to the convention and visitor's bureau for advertising or other uses. He highlighted certain of his ideas contained in the referral (written copy of the referral available in the Finance department offices). Following clarification from staff as to how the 2015 changes in the room tax law will affect the City, including a reduction of over \$300,000 in funds presently allocated for general City purposes and/or economic development by 2021 (which will be required to be shifted to payment to the designated tourism entity - Visit Brookfield), the Committee raised concerns that the proposals offered by Alderman Mellone, if adopted by the City, would serve to further reduce the monies available for the City budget. While not opining about the relative merits of any of the ideas, the consensus of the Committee was to encourage Alderman Mellone to again approach Visit Brookfield to consider his proposed uses of the room tax proceeds for tourism promotion noting that the Committee would not be opposed to such efforts if funded by Visit Brookfield.

- 4b. Consider claim of Eddie and Susan Heffron, 4290 N. 133rd Street, Brookfield, WI.

Motion by Alderman Bob Reddin, seconded by Alderman Ron Balzer, to deny the claim of Eddie and Susan Heffron, 4290 N. 133rd Street, Brookfield, WI. Motion carried 7-0.

- 5b. Proposed revisions to 2018 capital budget and 2018-22 capital improvement plan.

Finance Director Scott presented a summary of the staff report regarding revisions to the 2018 capital budget and 2018-22 capital improvement plan (copy of written report available for review in the Finance department offices). He noted that the changes result from updated information regarding proposed 2018 projects and review of funding sources, including funds made available from unspent prior year projects (primarily bond proceeds). Items of note included (a) the addition of funds to the Library for foundation repair costs in advance of the carpet replacement project; (b) change in funding source for 2018 stormwater projects, utilizing monies from prior year stormwater projects funded via tax levy; (c) inclusion of additional funding for the North Avenue bike path to replace monies borrowed in 2017 which had to be shifted to other path projects; (d) increase in funding of the Patrick Drive extension project for expected DNR wetland credit acquisition costs; and (e) change in funding source

for wastewater treatment plant costs to sewer reserves from borrowing. Director Scott noted that the proposed changes reduce the anticipated borrowing from \$5,685,000 to \$5,150,000.

Motion by Alderman Mark Nelson, seconded by Alderman Lisa Mellone, to approve the proposed revisions to the 2018 capital budget and 2018-22 capital improvement plan and to direct staff to prepare initial resolutions to authorize the issuance of bonds as required by law. Motion carried 7-0.

5c. Preliminary 2017 general fund financial results.

Finance Director Scott presented a summary of the staff report regarding the preliminary 2017 general fund financial results, noting that the estimated surplus on a budgetary basis was approximately \$245,000 (copy of written report available in the Finance department offices). He noted that the projected negative variance in the public safety function (resulting primarily from unanticipated terminal leave payments to police and fire employees who retired in 2017) would require a budget transfer to comply with state law. He also noted options available for the Committee to transfer a portion of the surplus to other segregated funds/purposes as has been done in years past. The Committee discussed various options, and Alderman Sutton noted that the Health Insurance fund again had a deficit in 2017.

Motion by Alderman Dan Sutton, seconded by Alderman Bob Reddin, to direct staff to prepare the necessary legislation to transfer \$200,000 of the estimated 2017 general fund surplus to the Health Insurance fund. Motion carried 7-0.

6. Adjournment.

Motion by Alderman Dan Sutton, seconded by Alderman Jerry Mellone, to adjourn the Finance Committee meeting. Motion carried 7-0. Meeting adjourned at 7:12 p.m.

Minutes respectfully submitted by Robert Scott, Director of Finance.