



## MINUTES OF AN OFFICIAL MEETING:

Regular / Special Meeting: Finance Committee

Date and Time: Tuesday, June 1, 2021 at 7:00 pm

Location: City Hall, 2000 N Calhoun Rd, Parks and Recreation Activity Room

Members Present: Alderman Scott Berg, Alderman Mike Hallquist, Alderman Mike Jurken, Alderman Jerry Mellone, Alderman Bob Reddin, Alderman Dave Christianson (via phone) and Alderman Kathryn Wilson

Members Excused: None

Others Present: Director of Finance and Administration Robert Scott, Assistant Fire Chief David Mason, Alderman Chris Blackburn and Carol Wirth – Wisconsin Public Finance Professionals

### 1. Roll Call

Alderman Scott Berg noted a quorum was present and called the Finance Committee meeting to order at 7:01 pm.

### 2. Announcements

The next regularly scheduled meeting will be held on Tuesday, June 15, 2021.

### 3. Minutes of the May 4, 2021 regular Finance Committee meeting.

***Motion by Alderman Jerry Mellone, second by Alderman Mike Jurken to approve the minutes of the May 4, 2021 regular Finance Committee meeting. Motion carried 7-0.***

### 4. Unfinished Business

a) None.

### 5. New Business

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

***Motion by Alderman Mike Hallquist, second by Alderman Mike Jurken to approve vouchers exceeding \$50,000 requiring immediate action. Motion carried 7-0.***

b) Resolution authorizing the issuance and awarding the sale of \$9,165,000 General Obligation Corporate Purpose Bonds; providing the form of the bonds; and levying a tax in connection therewith.

The City's municipal advisor, Carol Wirth from Wisconsin Public Finance Professionals, presented a summary of the results of the sale of the \$9,165,000 in general obligation bonds (copy of written report available for review in the Finance department offices). Ms. Wirth noted that five bids were received and the winning bidder was the syndicate led by Piper Sandler & Co., at a true net interest rate of 1.5644%, reflecting continuing low interest rates in the current municipal bond market and a comparable result to the 2020 bond sale. Ms. Wirth also presented highlights of the Moody's Investors Service credit report on the bond issue reflecting the continuance of the City's Aa1 bond rating, highlighting certain aspects of the report about the City's strong financial position and debt management, as well as the stable outlook for the City's long-term credit rating noted by Moody's.

***Motion by Alderman Bob Reddin, second by Alderman Jerry Mellone to approve the resolution authorizing the issuance and awarding the sale of \$9,165,000 General Obligation Corporate Purpose Bonds; providing the form of the bonds; and levying a tax in connection therewith. Motion carried 7-0.***

- c) Resolution authorizing the issuance and awarding the sale of \$3,070,000\*\* Taxable General Obligation Refunding Bonds; providing the form of the bonds; and levying a tax in connection therewith (\*\* Dollar amount is preliminary and subject to change at the meeting).

Ms. Wirth then presented a summary of the results of the sale of the \$3,065,000 in taxable general obligation refunding bonds (copy of written report available for review in the Finance department offices). Ms. Wirth noted that six bids were received and the winning bidder was also Piper Sandler & Co., at a true net interest rate of 2.1301%. The proceeds from this bond issue will be used to refund the 2018 bond anticipation notes issued to fund site preparation and design costs for the Brookfield Conference Center. The preliminary amount of the bond issue of \$3,070,000 was downsized to \$3,065,000 based on the bid of the underwriter.

***Motion by Alderman Mike Jurken, second by Alderman Mike Hallquist to approve the resolution authorizing the issuance and awarding the sale of \$3,065,000 Taxable General Obligation Refunding Bonds; providing the form of the bonds; and levying a tax in connection therewith. Motion carried 7-0.***

- d) Finance Committee only item – disposition of excess sum received from escrow established for closed Tax Incremental Finance district no. 3.

Director of Finance and Administration Scott presented the staff report regarding this item (copy of written report available for review in the Finance department offices), noting that funds set aside in an escrow upon closing of Tax Incremental Finance (TIF) district no. 3 for contractual obligations under development agreements were not fully expended on said obligations, and after distribution of the pro-rata portions to the other taxing jurisdictions, the City portion totaling \$62,000 remains available. The staff recommendation is to deposit those monies into the TIF No. 4 debt service account for use in making future debt service payments and offsetting the need for general tax levy subsidy of said debt payments.

***Motion by Alderman Bob Reddin, second by Alderman Scott Berg to affirm the staff recommendation. Motion carried 7-0.***

- e) Finance Committee only item – review of City financial policies regarding capital improvement budget and debt.

***Motion by Alderman Mike Hallquist, second by Alderman Mike Jurken to approve the changes to the City financial policies regarding capital improvement budget and debt, and to direct staff to prepare a resolution for Common Council approval of same. Motion carried 7-0.***

- f) Finance Committee only item – review of American Rescue Plan Act (ARPA) funding provisions and possible uses of ARPA monies.

Director Scott presented the staff report regarding this item (copy of written report available for review in the Finance department offices), noting that the City is scheduled to receive approximately \$4.1 million in ARPA funding, with ½ in 2021 and the remainder in 2022. Although interim guidance has been provided by the US Treasury, there are numerous outstanding questions and items that will require examination and further analysis. The City will have the ability to expend the funds through 2024, under four broad categories of eligible expenditures: addressing COVID-19 or negative economic impacts; premium pay for eligible workers; funding government services to the extent of lost revenue; and water, sewer and broadband infrastructure. Of particular note is the prohibition on using the ARPA funds for rebuilding reserves or for debt payments. Questions ensued from the aldermen regarding various elements of the ARPA provisions and potential uses of the funds. Staff expects that the ARPA funding will be a 2022 and future budget issue, and that further analysis will be performed to inform the Committee's discussions at meetings later this year.

g) Finance Committee only item – proposed 2022 budget development parameters.

***Due to the length of the preceding agenda items, it was moved by Alderman Jerry Mellone, second by Alderman Mike Hallquist, to postpone discussion of the 2022 budget parameters to the June 15 Committee meeting. Motion carried 7-0.***

6. Adjournment

***Motion by Alderman Jerry Mellone, second by Alderman Mike Hallquist to adjourn the meeting at 7:53 pm. Motion carried 7-0.***

Respectfully Submitted:

Robert Scott

Director of Finance and Administration