



Finance Committee Meeting Minutes of February 25, 2020

ABSTRACT/SYNOPSIS OF THE ESSENTIAL ELEMENTS OF THE OFFICIAL ACTIONS OF THE FINANCE COMMITTEE OF THE CITY OF WHITEWATER, WALWORTH AND JEFFERSON COUNTIES, WISCONSIN.

1. Call to Order and Roll Call - Lynn Binnie called the meeting to order at 5:30 pm. Present at the meeting were Committee Members Lynn Binnie, Patrick Singer and McKinley Palmer. Also present, Councilmember Jim Allen, City Manager Cameron Clapper, Finance Director Steve Hatton, Human Resources Manager Judy Atkinson, and Police Deputy Chief Dan Meyer.
2. Review and Approval of Committee Minutes from December 10, 2019 and January 28, 2020
Singer made a motion to approve minutes of December 10, 2019 and January 28, 2020 with a second by Palmer. The motion was passed by unanimous voice vote.
Ayes: Binnie, Singer, Palmer
Noes: None
Abstained: None
Absent: None
3. Hearing of Citizen Comments – None
4. Staff Updates
 - 4.a. Financial Update – Preliminary Year-End
Finance Director Hatton reviewed the financial reports included in the packet for the 2019 period. Highlights include:
 - General Fund: an estimated surplus of \$507,000. This is due in roughly equal parts to receiving more revenue and spending less than budgeted.
 - 230 – Solid Waste – Over budget by \$12,000 – due to unbudgeted increase in recycling rates
 - 247 – Aquatic and Fitness Center: deficit of ~\$10,000 (an improvement of 80,000 vs. 2019). This is higher than displayed in the packet due to late arrival of December utility billing.
 - 248 – Park & Recreation Special Revenue Fund: deficit of \$15,700 due in part to inability to offer gymnastics programming while flooring in school facilities normally used was being replaced.
 - 440 – TID 4: Surplus of \$931,000 helping to build fund balance in order to retire district prior to 2027. As of 12/31/2019, there is \$4,035,000 in TID debt that remains to be repaid.Singer asked when the Audit is expected to be complete. Hatton stated staff was working towards a May close-out of the Audit. This would be an improvement from 2017 and 2018, which were presented in July.
 - 4.b. 2019 Ride Share Program Update
Hatton provided an overview of the Ride Share program. Highlights include;
 - Improved ridership in 4th quarter of 2019, helping to reverse a declining trend

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- Smaller budget deficit of \$25,900 vs. Amended 2019 budget which anticipated a \$41,400 Loss.
- Fund balance will decline from \$72,900 to \$47,000 as currently budgeted. This is before the next agenda item, which proposes to allocate a portion of the 2019 General Fund surplus to offset the 2019 deficit. If approved, the fund balance would remain unchanged at ~\$72,900

5. Discussion/Direction on the Following:

5.a. Possible Action Re: Economic Development Director Salary

The city is currently recruiting for an Economic Development Director. Discussions at the Community Development Authority have requested a review of the salary band being offered to ensure we attract a broad pool of qualified candidates. Jim Allen asked whether the salary range should be omitted from the recruitment posting in favor of salary commensurate with qualifications. Clapper clarified that the current wage range posted was also used for 2020 budgeting intended to attract a range of qualified candidates from Specialist through the low-end of the Director range. The 2020 Budget would fall short of funding a higher-level Director candidate. Staff committed to maintain efforts in filling the position with a qualified candidate as soon as possible to support our local business climate. No action formal taken.

5.b. 2019 Budget Amendment #3

Hatton reviewed the memo included in the meeting material highlighting three areas for amendment within the 2019 Budget and associated transfers.

- Return of unused portion of 2019 operating transfer from the General Fund.
- Return of an unused portion of 2019 operating transfer from the General Fund.
- Transfer a portion of the 2019 General Fund surplus to other municipal sinking funds.

There was discussion on what effect these transfers would have on the City's policy goal of maintaining an unassigned fund balance equal to 20% of annual general fund expenditures and transfers (excluding debt service). In the past two years, the City has made progress on this goal achieving 18.7% in 2018. After the proposed transfers, we estimate that we would reach an unassigned General Fund balance of 21.7% - exceeding our policy goal.

Singer made a motion to recommend to council adoption of the 2019 Budget Amendment #3 with a second by Palmer. The motion was passed by unanimous voice vote.

Ayes: Binnie, Singer, Palmer

Noes: None

Abstained: None

Absent: None

5.c. 2020 Water CIP Amendment – Valve Turner, Vacuum

Clapper reviewed the material supplied to amend the Water Utility CIP to utilize savings on budgeted CIP items to purchase additional equipment in 2019. The Water utility staff have been able to realize \$61,000 in savings

Palmer made a motion to recommend to council approval of purchase of Valve Turner/Vacuum with a second by Singer. The motion was passed by unanimous voice vote.

Ayes: Binnie, Singer, Palmer

Noes: None

Abstained: None

Absent: None

5.d. Police Department CHP (COPS Hiring Program) Grant Application

Police department is seeking approval to apply for a Grant program that would fund an additional officer at 75% of cost for three years. They city would be responsible for 25% of the cost during this three-year time frame as well as being obligated to maintain the additional officer for a fourth year. The fourth year would be fully funded by the City. Deputy Chief Meyer outlined the pattern of Police calls for service in Whitewater compared to other communities. Whitewater has a significantly higher demand for police service due to the local demographics, namely the portion of the local population between ages 18 and 24 years. This population segment generates a significantly higher volume of calls for Police service. He also highlighted the grant award is targeting specific types of Policing, including school-based policing. If approved, the Police Department would submit the application with the intent of adding an additional School Resource Officer (SRO). Jim Allen, attending as member of the public, inquired about the availability of additional detail on calls for service in Whitewater vs. other communities. With the Finance Committee recommendation, this request will be brought to the Common Council in March 3rd. Motion to recommend approval to submit grant application made by Palmer, second by Singer.

Ayes: Binnie, Singer, Palmer

Noes: None

Abstained: None

Absent: None

6. Future Agenda Items: 2019 Audit, 2020 CIP financing, TID status and planning for future
7. Discussion of Next Meeting Date – Due to spring break and planned travel, the March meeting will be cancelled in favor of a regularly scheduled meeting on April 28, 2020.
8. Adjournment – Singer moved to adjourn with a second from Palmer. The finance committee members unanimously voted to adjourn.

Ayes: Binnie, Singer, Palmer

Noes: None

Abstained: None

Absent: None

The finance committee adjourned at 7:04 pm.

Respectfully submitted,

Steve Hatton

Finance Director