

City of Sheboygan  
2019-07-15

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CITY OF SHEBOYGAN

FINANCE AND PERSONNEL COMMITTEE

JULY 15, 2019

Vice Chair Bohren called me the meeting to order at 5: 17 p.m. The Pledge of Allegiance followed.

COMMITTEE MEMBERS PRESENT: Vice-Chair Jim Bohren, Alderpersons Trey Mitchell, Markus Savaglio and Todd Wolf

COMMITTEE MEMBERS EXCUSED: Chair Mary Lynne Donohue

STAFF / OFFICIALS PRESENT: Mayor Mike Vandersteen, City Attorney Chuck Adams, City Administrator Darrell Hofland, Fire Chief Eric Montellano, Finance Director Marty Halverson, Director of Planning and Development Chad Pelishek, Assistant to the City Administrator Carrie Arenz

PUBLIC PRESENT: Carol Wirth, President - Wisconsin Public Finance Professionals

MINUTES

Motion by Alderperson Wolf, seconded by Alderperson Savaglio to approve the minutes of June 17, 2019. Motion carried.

ITEMS FOR DISCUSSION AND POSSIBLE ACTION

3.1 RO 39 - 19 - 20 / MAY 17, 2019 / DOC

3.2: City Administrator submitting a request on behalf of the Sheboygan County Economic Development Corporation requesting use of one of the City days for 2019 ; Wednesday, November 13, 2019 Annual Meeting to be held at the Blue Harbor Convention Center.

Motion by Alderperson Wolf, seconded by Alderperson Savaglio to recommend the Common Council receive the R.O. and adopt the recommendation. Motion carried.

Alderperson Mitchell arrived at 5: 21 p.m.

3.2 RES 42 - 19 - 20 / JUNE 17, 2019 / DOC

4.1: Resolution awarding the sale of \$6,655,000 General Obligation Corporate Purpose Bonds, Series 2019 A.

Wisconsin Public Finance Professionals President Carol Wirth presented information regarding the sale of General Obligation (G.O.) Bonds initiated today. The issue was resized to accommodate \$119,000 of premium, which will reduce the amount of Debt Service by this same amount. This issue has a call feature the city can utilize if necessary. The review of the city's Investors Service credit rating in advance of the bond sale was discussed. The scorecard trends outlined by Moody's indicates the city's financial status is tracking in an upward direction. The proceeds from this bond sale must be expended on the items referenced within a 24 -month period.

Motion by Alderperson Wolf, seconded by Alderperson Savaglio to recommend the Common Council adopt the resolution as amended with the material provided today by Wisconsin Public Finance Professionals. Motion carried.

3.3 RES 43 - 19 - 20 / JUNE 17, 2019 / DOC

4.2: Resolution awarding the sale of \$4,225,000 General Obligation Community Development Bonds, Series 2019 B.

Ms. Wirth presented details regarding the sale of the General Obligation Community Development Bonds in support of the Tax Incremental District (TID) Capital Project Funds specified. Mayor Vandersteen noted Sheboygan County Economic Development Council's report today indicating Sheboygan has experienced a 40 percent appreciation in property values from 2012 through 2017.

Motion by Alderperson Wolf, seconded by Alderperson Savaglio to recommend the Common Council adopt the resolution as amended with the material provided today by Wisconsin Public Finance Professionals. Motion carried.

3.4 RES 44 - 19 - 20 / JUNE 17, 2019 / DOC

4.3: Resolution awarding the sale of \$3,315,000 Taxable General Obligation Refunding Bonds, Series 2019 C.

Ms. Wirth presented information regarding this bond sale relative to these taxable refunding bonds. The sale achieved an overall premium savings of \$300,000. The savings achieved reduced the interest amount by \$357,000.

Motion by Alderperson Wolf, seconded by Alderperson Savaglio to recommend the Common Council adopt the resolution as amended with the material provided today by Wisconsin Public Finance Professionals. Motion carried.

3.5 DIRECT REFERRAL: RES 51 - 19 - 20 / JULY 15, 2019: Resolution authorizing the appropriate City Officials to execute three (3) engagement letters with Quarles & Brady LLP to serve as bond counsel for the City of Sheboygan.

Finance Director Halverson provided an update on the engagement letters. In an effort to follow best-practice, the letters are being reviewed by the Committee.

Motion by Alderperson Wolf, seconded by Alderperson Savaglio to recommend the Common Council adopt the resolution. Motion carried.

3.6 DIRECT REFERRAL: RES 52 - 19 - 20 / JULY 15, 2019: Resolution authorizing the appropriate City Officials to enter into an agreement for the installation and commissioning of a new heating, ventilating and air conditioning (HVAC) controls system for the Mead Public Library.

Director Halverson provided details on this 2019 Capital Improvements Program (CIP) project. The project spans several years, completing one level of upgrade to the Mead Public Library facility HVAC system per year over the next four years. Alderperson Bohren inquired on the possibility of cost savings realized by completing the entire project in one year. Attorney Adams and Director Halverson confirmed the scope of the project needed to span several years to fit the funding requirements of the CIP.

Motion by Alderperson Wolf, seconded by Alderperson Savaglio to recommend the Common Council adopt the resolution. Motion carried.

#### ITEMS FOR DISCUSSION ONLY

4.1 Finance and Human Resources Department: Operational and departmental structure study.

Director Halverson presented information regarding the review of bids and providers relative to the upcoming study. CLA was selected resulting from the fact a dedicated team with 20 years of experience will be provided to support the project.

#### ADJOURN

Motion by Alderperson Wolf, seconded by Alderperson Savaglio to adjourn at 5:51 p.m. Motion carried.