

City of Sheboygan  
2020-09-14

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CITY OF SHEBOYGAN

FINANCE AND PERSONNEL COMMITTEE

SEPTEMBER 14, 2020

Chair Mary Lynne Donohue called the meeting to order at 5: 00 p.m. The Pledge of Allegiance followed.

COMMITTEE MEMBERS PRESENT: Chair Mary Lynne Donohue (remote), Vice Chair Jim Bohren (remote), Alderpersons Trey Mitchell (remote), Markus Savaglio (remote)

COMMITTEE MEMBERS EXCUSED: Alderperson Roberta Filicky-Peneski

STAFF/OFFICIALS PRESENT: , City Attorney Chuck Adams (remote), City Administrator Todd Wolf, Finance Director/Treasurer Marty Halverson, Director of Human Resources and Labor Relations Vicky Schneider, Assistant City Attorney Thomas Cameron (remote), Assistant to the City Administrator Carrie Arenz, Deputy Finance Director Tara Duwe, Accountant II Laurie Suhrke

PUBLIC PRESENT: Bryan Grunwald CPA, CliftonLarsonAllen

MINUTES: Motion by Alderperson Savaglio, seconded by Alderperson Mitchell to approve the minutes of August 24, 2020. Motion carried.

#### ITEMS FOR DISCUSSION AND POSSIBLE ACTION

3.1 DIRECT REFERRAL: RO 67 - 20 - 21 / SEPTEMBER 14, 2020: Submitting the Comprehensive Annual Financial Report of the City of Sheboygan for the year ended December 31, 2019, prepared by CLA.

Finance Director Marty Halverson introduced Bryan Grunwald CPA, CliftonLarsonAllen to the committee.

Bryan Grunwald CPA explained the audit of the 2019 City of Sheboygan financials was conducted by CliftonLarsonAllen LLP (CLA). The City received an unmodified opinion on the basic financial statements. There was no indication of noncompliance for federal and state financial assistance, but does have three repeat control deficiencies reported. These are similar to the same findings in 2018. The findings are being worked on in the corrective action plan that was initiated by the 2019 operational assessment.

Motion by Alderperson Bohren, seconded by Alderperson Savaglio to recommend the Common Council receive and file R.O. No. 67 - 20 - 21 submitting the Annual Financial Report for the year ended December 31, 2019.

3.2 RES 81 - 20 - 21 / SEPTEMBER 8, 2020 / DOC

4.5: RESOLUTION PROVIDING FOR THE SALE OF APPROXIMATELY \$11,190,000 TAXABLE GENERAL OBLIGATION REFUNDING BONDS, SERIES 2020 D.

Director Halverson explained the information regarding the sale of the General Obligations Refunding Bonds. This would be an advanced refunding. This is taxable refunding, because there are more than 90 days from the June 2021 call date. With the refunding and capitalized interest, the borrowing would be \$4.35 million. The borrowing would be for twenty years. The true interest rate of would be approximately

1.93 percent subject to change depending on the market.

City Administrator Todd Wolf discussed the city is utilizing the Ehlers recommendations. Moody s is very positive with changing a NAN to a GO and the Moody s rating will be reaffirmed at an Aa 2 Bond Rating since the City just went through the rating less than a year ago. There will be interest savings on going from a NAN to a GO.

Motion by Alderperson Bohren, seconded by Alderperson Mitchell to recommend the Common Council adopt the resolution. Motion carried.

Before action was taken, motion by Alderperson Bohren, seconded by Alderperson Savaglio to amend the resolution on the floor to reflect the amount of \$11,435,000 as stated in the IFC. Motion carried.

Motion by Alderperson Bohren, seconded by Alderperson Savaglio to adopt the resolution as amended.

Motion carried.

3.3 RO 64 - 20 - 21 / SEPTEMBER 8, 2020 / DOC

3.8: Submitting for your information the Revised 2021 Budget Schedule which contains revisions to the original 2021 Budget Schedule submitted as R. O. No. 6 - 20 - 21.

City Administrator Todd Wolf discussed the change in the 2021 Budget Schedule.

Motion by Alderperson Mitchell, seconded by Alderperson Savaglio to recommend the Common Council receive and file the document. Motion carried

3.4 RO 65 - 20 - 21 / SEPTEMBER 8, 2020 / DOC

3.9: Submitting a claim from Brian Wunsch for alleged damages to his vehicle when the tire hit a sharp edge of a large pothole. City Attorney Chuck Adams

explained this claim has been resolved under the authority given by Council and this document provides the required report back to this committee.

Motion by Alderperson Savaglio, seconded by Alderperson Mitchell to recommend the Common Council receive and file the document. Motion carried.

3.5 RES 80 - 20 - 21 / SEPTEMBER 8, 2020 / DOC

4.4: A RESOLUTION authorizing the appropriate City Officials to execute a Hold Harmless Agreement with Eighth Street Investments, LLC regarding the use of the former Wisconsin Bank & Trust building at 604 North 8 th Street as a polling place.

Administrator Wolf explained that due to the status of the Senior Center s not be available for a polling place in the upcoming Presidential election, the city contacted Eighth Street Investments, LLC regarding the use of the former Wisconsin Bank and Trust building for a polling place.

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

3.6 RC 312 - 19 - 20 / APRIL 8, 2020 / DOC

6.22: Your committee to whom was referred R. O. No. 92 - 19 - 20 by City Clerk submitting a notice of claim from American Family Insurance for alleged damages to their insured (Mollie R. Leffin) vehicle when it was struck by a City of Sheboygan vehicle; recommends referring to the Finance and Personnel Committee of the 2020 - 2021 Council. City Attorney Chuck Adams explained this claim has been resolved under the authority by Council and this document provides the required report back to this committee.

Motion by Alderperson Savaglio, seconded by Alderperson Mitchell to recommend the Common Council receive and file the document. Motion carried.

3.7 RC 319 - 19 - 20 / APRIL 8, 2020 / DOC

6.29: Your committee to whom was referred R. C. No. 281 - 17 - 18 by Finance and Personnel Committee and R. C. No. 413 - 16 - 17 by Finance and R. O. No. 161 - 16 - 17 by City Clerk submitting a Notice of Injury and Notice of Claim for damages of Kurt Klessig; recommends referring to the Finance and Personnel Committee of the 2020 - 2021 Council. City Attorney Chuck Adams explained this claim has been resolved under the authority given by Council and this document provides the required report back to this committee.

Motion by Alderperson Mitchell, seconded by Alderperson Bohren to recommend the Common Council receive and file the document. Motion carried.

3.8 RC 320 - 19 - 20 / APRIL 8, 2020 / DOC

6.30: Your committee to whom was referred R. C. No. 282 - 17 - 18 by Finance and Personnel Committee and R. C. No. 414 - 16 - 17 by Finance and R. O. No. 162 - 16 - 17 by City Clerk submitting a Notice of Injury and Notice of Claim for damages of Mary Heitzmann; recommends referring to the Finance and

Personnel Committee of the 2020 - 2021 Council. City Attorney Chuck Adams explained this claim has been resolved under the authority given by Council and this document provides the required report back to this committee.

Motion by Alderperson Mitchell, seconded by Alderperson Bohren to recommend the Common Council receive and file the document. Motion carried.

4.1 MOTION TO CONVENE IN CLOSED SESSION under the exception provided in Sec. 19.85 (1)(g) of the Wisconsin Statutes for the purpose of conferring with legal counsel for the governmental body who is rendering oral or written advice concerning strategy to be adopted by the body with respect to litigation in which it is or is likely to become involved; to wit: Accurate Repairs, LLC vs. City of Sheboygan (18 CV 671).

Motion by Alderperson Bohren, seconded by Alderperson Mitchell to convene in closed session. Motion carried. (All Ayes).

Reconvene into open session.

Motion by Alderperson Mithchell, seconded by Alderperson Savaglio to reconvene in open session.

Motion carried. (All Ayes).

5.1 Possible action regarding Accurate Repairs, LLC v. City of Sheboygan (18 CV 671) Motion by Alderperson Bohren, seconded by Alderperson Savaglio to authorize payment of \$91,627.38 in settlement of Accurate Repairs, LLC. Motion carried.

DATE OF NEXT MEETING: Monday, September 28, 2020 at 5: 00 p.m. ADJOURN Motion by Alderperson Mitchell, seconded Alderperson Savaglio to adjourn at 5: 59 èp.m. Motion carried.