Finance Committee of the City of Stoughton
Tuesday, March 28, 2023 at 5:30 p.m.

The meeting was a hybrid meeting located in the City Council chambers of the Public Safety Building at 321 S. Fourth St as well as concurrently held via Zoom.

Committee members present: Brett Schumacher (Chair), Greg Jenson (Vice Chair), Leonard "Ozzie" Doom, Ben Heili (arrived 6:05 pm, remote), Lisa Reeves, Tim Swadley (Mayor, ex-officio) and David Thomas (arrived 5:44 p.m.)
Members absent: None
Guests present: Dave Ehlinger and Mark Fischer (Strand Associates)

1. **Call to order** – Schumacher called the meeting to order at 5:33 p.m.
2. **Roll call and verification of quorum** – A quorum was present.
3. **Certification and compliance with open meetings law** – Schumacher indicated that the meeting was properly noticed and posted.
4. **Public comment** – Callie LaPoint with Stoughton Visitor Services spoke regarding the topic of apportionment of room tax revenue.
5. **Communications** – Ehlinger indicated that DeWitt LLP Law Firm has completed the Stoughton Firefighters Pension Trust Agreement and the topic will be on the April 11, 2023 Finance Committee agenda.
6. **Reports**
    a. **Bank reconciliation 02-28-2023**
    b. **Cash summary by fund 02-28-2023**
    c. **Check reconciliation report 02-28-2023**
    d. **Journal entry report 02-28-2023**
    e. **Budget amendment report 02-28-2023**
    f. **Receipt register 02-28-2023**
    g. **Revenue / expenditure report – Finance Department 02-28-2023**
    h. **Revenue / expenditure report – Shared Ride Services 02-28-2023**
    i. **Revenue / expenditure report – General Revenues 02-28-2023**
    j. **Revenue / expenditure report - Redevelopment Authority 02-28-2023**
    k. **Revenue / expenditure report – City Council 02-28-2023** – Ehlinger indicated that he had no additional comments other than those already provided in various reports. No additional questions were raised and the committee indicated that comments on the documents are appreciated.
7. **Approval of minutes of March 14, 2023** – Motion by Doom/Jenson to approve the minutes as drafted 5-0.
8. **O-xx-2023 Amend Section 2-585 of the Stoughton Code of Ordinances, relating to apportionment of room tax revenue** – Ehlinger recapped the recent history on the ordinance changes. After general discussion a motion was made by Reeves/Jenson to (a) amend the draft ordinance to change the city's retained portion from 30% to 20%, (b) recommend approval of the amended draft ordinance to the Common Council and (c) directed Ehlinger to update the supporting documents to the ordinance for the percentage change. The motion passed 7-0.
9. **Discussion and possible action regarding delinquent room taxes**
    a. **Implementation of estimated quarterly billing** – Ehlinger indicated the process would entail more work for the Finance Department and would not necessarily speed up the

collection process. By general consensus, this option was not chosen.

b. **Implementation of required deposit** – After discussion, the general consensus was to pursue a contractual agreement with Tru by Hilton as part of the Forward Development Group rezoning request for a $25,000 deposit for offsetting against future delinquent room taxes, penalties and interest.

c. **Withholding of liquor license** – General discussion occurred regarding whether the liquor license ordinance could potentially be revised to invalidate a license due to delinquent room taxes.

10. **R-048-2023 Amend 2022 adopted budget for departmental deficits –** Ehlinger recapped the statutory requirement for the resolution. General discussion occurred. Motion by Reeves/Jenson to recommend approval to the Common Council for the resolution as drafted. The motion passed 7-0.
11. **R-050-2023 Street Pulverization Project Contract 1-2023** – Fisher (Strand Associates) spoke on the bids received and the project. Motion by Reeves/Doom to recommend approval to the Common Council as drafted. The motion passed 7-0.
12. **R-051-2023 North St & Bickley Ct Reconstruction Contract 2-2023** – Fisher spoke on the bids received on the project, that the bids came in higher than expected and that Stoughton Utilities was still evaluating whether their budget could support the increased charges. Fischer recommended the resolution be postponed at the Council meeting until the April 11th Council meeting. Motion by Jenson/Reeves to (a) recommend approval to the Common Council contingent upon Stoughton Utilities approval and (b) recommend the Common Council postpone this resolution to their April 11th meeting. The motion passed 7-0.
13. **R-052-2023 Jackson St Reconstruction Project Contract 3-2023** – Fischer spoke on the bids received and the project. Motion by Reeves/Jenson to recommend approval to the Common Council as drafted. The motion passed 7-0.
14. **R-053-2023 Adopt Tax Incremental Finance (TIF) application and update related TIF policy** – Reeves brought up that some sections of the TIF policy from August 2020 were not included in the policy included in the packet. Motion by Reeves/Jenson to table this topic until the April 11th Finance Committee agenda.
15. **R-054-2023 Amend 2023 adopted budget for Diversity, Inclusion and Equity Task Force strategic plan** – Motion by Doom/Jenson to recommend approval to the Common Council as drafted. The motion passed 7-0.
16. **R-049-2023 Write off 2021-2022 delinquent personal property tax bills** – Motion by Jenson/Reeves to recommend approval to the Common Council as drafted. The motion passed 7-0.
17. **Future agenda items**
    a. **04/25/2023 – March 2023 financial reports**
    b. **To be determined – Creation and/or modification of city policies**
        i. **Future treatment of costs eligible for special assessments**
        ii. **Future treatment of interest rate on special assessments**
        iii. **Meal reimbursement rate indexed to IRS rate**
        iv. **Amendment to investment policy and authorized depositories**
        v. **Updates to fund balance policy**
        vi. **Potential revisions of Capital Improvement Plan and Debt Management policy**
        vii. **Creation of debt collection policy**
        viii. **Update policy regarding disposal of property**
        ix. **Development of fund balance policy specific to K-9 Fund**
    c. **To be determined – Creation and/or modification of Tax Incremental Districts**

i. **Boundary amendment for Tax Incremental District #6 – *Business Park Expansion***
ii. **New Tax Incremental District activity for Stoughton Trailers**
iii. **Creation of overlay downtown Tax Incremental District** – No additional items were requested.

18. **Adjourn** – Motion by Jenson/Reeves to adjourn at 6:58 p.m. The motion passed 7-0.

Respectfully submitted,

David P. Ehlinger, CPA
Director of Finance/Comptroller
City of Stoughton