

1. **CALL TO ORDER:** The regular meeting of the Finance, Building & Facilities Committee of January 9, 2006 was called to order by Chair Jerry Bollig at 5:00 p.m.
2. **ROLLCALL:** Present: Jerry Bollig, Darrell Klimke and Mark Mortensen. Also present: Village President Jerry Luebke, Village Administrator Mike Gracz, Finance Director Renee Hoeft, Public Works Director Mark Below, Police Chief Doug Pettit, Trustees Steve Staton and Eric Poole and Clerk Georgia Johnson.
3. **EXECUTIVE SESSION.** There was no Closed Session.
4. **RECONVENE INTO OPEN SESSION.** N/A
5. **APPROVAL OF MINUTES.**
 - a) Regular meeting 12/12/05. **Klimke moved to approve the minutes of December 12, 2005 as presented. Second by Mortensen. Motion carried.**

It was agreed to take items out of order to accommodate members of the audience. For ease in reading, items are listed as they appeared on the agenda.

6. **PUBLIC APPEARANCES.**
 - a) Chamber of Commerce:
 - 1) Revised Chamber Lease. Gracz advised that the Chamber Director was not expected to be at the meeting tonight. There was some discussion. **Klimke moved, second by Mortensen, to recommend the Village Board to approve the Rental Agreement with the Oregon Area Chamber of Commerce as presented. Motion carried.**
 - b) Discussion about Oregon Sports Facility Bonding. Robert Strycharske, a member of the Oregon Sports Center Association, addressed the Committee regarding the possibility of OSCA obtaining bonding through the Village. The organization's legal advisors indicated that is something the organization should check into. They are looking for the Community Development Authority to issue the bonds, they would be tax exempt, investors would purchase the bonds and the proceeds would be used to build the facility, and the investors would be paid back with interest. There is public interest in investing in the project rather than making donations and OSCA feels there would be no risk to the Village. Bollig asked if the Village should talk to the Village's Financial Advisor about it? Hoeft voiced concerns with consequences should there be a default on the bonds stating it would reflect badly on the Village's financial status. Discussion followed including what type of bonds—industrial revenue or general obligation—would be issued, whether the CDA could issue bonds, the bonding done through the Village for Wisco, whether an underwriter would be needed, whether it was economically feasible, the need to remove any possibility of risk for the Village, the consequences to the Village if there was a default and so forth. Bollig stated Strycharske should talk to Gary Gorman to find out the exact structure and with zero liability for the Village and come back to the Committee.
7. **COMMUNICATIONS AND MISCELLANEOUS BUSINESS.** None.
8. **UNFINISHED BUSINESS.**
 - a) Update on Hiring of Consultant for Fire Department. Gracz referred to the proposal received from Virchow Krause stating that the proposal came in much higher than anticipated. It was anticipated that with all the work the Finance Director had done in preparing the draft budget that the proposal would come in at about half of what it did and that Virchow Krause would utilize the work done by Hoeft. That would not be the case and they are proposing a cost of \$21,000.00. Gracz advised that another administrator suggested that the Village utilize a fire chief from another community or a recently retired fire chief to assist with this. There was discussion. It

was the Committee's feeling that the Village needs a specialist to help determine the financial feasibility for the Village and that should be done by early March. Gracz will contact two individuals and a special committee meeting will be held in the near future.

- b) Proposal from Virchow Krause for Adjustment to Impact Fees. This is not done yet and will be considered at a special Finance Committee meeting prior to the Village Board meeting on January 16th.
- c) TRIP Update. This is the Tax Refund Intercept Program. Hoeft stated it is being proposed that the 2% fee currently being paid by the Village be paid by those people on the TRIP program—right now the Village pays the State the 2% collection fee. She will continue to keep the committee updated.

9. NEW BUSINESS

- a) Investments, Connection Fees, Impact Fees and Building Permits. For informational purposes. Hoeft highlighted some of the statistics.
- b) Loan for TIF #3. Hoeft referred to the TIF#3 2006 budget that was distributed prior to the meeting. It is not anticipated to do any large capital projects in 2006 and the largest one proposed for 2007 is the downtown intersection. At the end of 2005 the General Fund advanced about \$45,000 to cover the TIF creation and the question is does the committee want to keep advancing monies or should the Village take out a loan. There was discussion and it was concluded to continue advancing funds from the General Fund.
- c) Fund Balance Policy and Financial Guidelines. Reference was made to Resolution #06-01 which was distributed earlier. There was considerable discussion regarding what percentage the Village should maintain, whether to set a high and low percentage policy, the conversion amount from percentage to dollar amount, the fact that designated and special funds are handled differently, what the fund balance monies are used for and how quickly those monies are depleted when a disaster hits a community. Hoeft referred to the minutes from a Village Board meeting in November of 2005 wherein the Village's financial advisor suggested the Village not go below 25%. Hoeft stated the Village needs to stay at about a \$1M policy. It was noted 25% is just over \$1.1M and 35% is just under \$1.5M. Discussion continued. Following discussion, **Klimke moved to recommend the Village Board adopt Resolution #06-01 adopting a fund balance policy between 25% to 35%. Second by Mortensen.** There was further discussion. Luebke stated that in 2000 there was a fund balance of \$750,000 and the Village Board and staff has worked hard to improve the Village's financial picture. **Motion carried.**

Gracz noted that staff has not had time to work on the debt service policy. It is hoped to have something ready for next month. It was agreed to discuss item #11 in conjunction with this request. [See item #11 below.]

- d) Consideration of Administrative Agreement with Oregon Area Fire/EMS District.
 - 1) Discussion on 2005 Fire District Audit. There was considerable discussion regarding whether to continue the agreement with the District or not. Staff is recommending not approving the agreement due to a number of reasons. Discussion included what the benefit is to the Village by the Finance Director's doing the work, the Village not being a sub-contractor, the reasons the Village initially agreed to do the work, the amount of time spent and problems that have occurred, the fact that Village staff was not advised that the District was going out to do an audit until Virchow Krause contacted Hoeft regarding it, how to advise the District of the decision to discontinue service, the need to have someone with accounting experience doing the work for the District, whether or not the Village is required to give 90 days' notice, the fact that any decision made by the Board will ultimately come

- back to the Village in that the Village pays 60%, whether to include a date for the discontinuation and so forth. It was concluded that Mortensen, one of the Village Board's representatives on the Fire/EMS District meeting, will take the matter to the Fire/EMS District Commission meeting Wednesday night (January 11th). Gracz will discuss the notification process with the Village Attorney (Mark Sewell) and draft a letter under the Board President's signature. Gracz will contact Mortensen prior to the District meeting to advise of the attorney's opinion on notification. This will be on the Board's agenda on Monday, January 16th.
- e) Discussion regarding Insurance Issues and Snowplowing for HMC. The Village's insurance company suggested the Village have the Holy Mother of Consolation Parrish make the Village an additional insured on its liability insurance. The Parrish has indicated they are unwilling to do that without a written agreement between the Parrish and the Village. There was discussion including whether to give the Parrish notice that the Village can no longer dig graves for them, draft a letter advising of the need to enter an agreement for the services, insurance company's reluctance to add additional insureds, and what fee to charge the Parrish for the services. Below referred to his January 9th memo indicated the cost of opening a grave. There was further discussion regarding the liability issues. It was noted that currently the Village does not charge the Parrish for snowplowing. The Village charges the Parrish the same amount for digging graves as it does Village residents. There needs to be a dollar amount for snow plowing put into any formal agreement. Discussion continued. It was concluded that staff contact the Village's insurance carrier regarding having a "rider" put on the policy to cover the services provided to the Parrish. Luebke suggested meeting with the Parrish's financial consultant. There was further discussion. If the Village cannot get a rider, then it was concluded that the Parrish be contacted to find out how they would like to handle this matter and try to work something out.
- f) Proposal to Expand Alex Braun's Employment with the Village and Adding Additional Student Employee in the Public Works Department. Staton referred to Gracz's memorandum and the articles from the *Wisconsin State Journal* which explains how this program works. The Village has a similar situation in the Village and it is being proposed that another young man with developmental disabilities be hired in the Public Works Department. Staton stated that staff met with Alex Braun's job coach last week to review the current situation, how it was working, adding more to the work detailing and so forth. Once the job duties are determined and the details set out, the two boys would be supervised by the job coach. They would not work around machinery; both boys have worked other places and they would be paid at a lower rate of pay. Staton referred to the memo from Below distributed just prior to the meeting setting out job tasks that would be done by the two student employees. Below could communicate to the job coach if certain tasks needed to be added or rescheduled. It was noted that the initial cost of this program was estimated at just over \$4,000.00. With the reduction of hours and the addition of another student, the cost in 2006 would be approximately \$1,900. Staton stated the Village would not be approached about adding on additional students although he did intend to look to other employers in the Village to consider this type of program. Bollig asked if Staton envisioned this program extending into 2007 and Staton stated "yes". Staton stated he would like to see this program continued even after these two boys graduate, and is something that will continue to be looked at and putting young students in these types of working environments. There was discussion including the budgeting issues and where the money is coming from, whether this program would hamper the Public Works' employees in anyway, keeping this program in the maintenance budget, reviewing the program again in six months and at budget time and the fact that this program was instituted after the budget review this year. This matter will be calendared for review in August of 2006. If there are any problems in the meantime, it will be looked at before that time. Bollig requested that staff keep a file, document any changes that are made, giving a history of the program, and provide it to the Committee members at budget time which would give them the information they need to make an informed decision. Following discussion,

Klimke moved to recommend the Village Board to proceed with this employment program for the initial two employees on a temporary basis at a cost not to exceed \$1,900, the funds to come from the Public Works maintenance budget or contingency and with a review at budget time. Second by Mortensen. Klimke referred to the WSJ articles and indicated it would be a program to encourage other businesses in the Village to participate in. Staton indicated he will be working on that. **Motion carried.**

- g) Letter from Liesch Environmental. Below indicated this is the company that worked to clean up the site at 130 N. Main Street. The Village worked with the company by applying for a Brownfield Grant to cover the cost of the work which was awarded. The company is now asking for \$450.00 to cover the cost of GIS registry fees required by the Wisconsin Department of Natural Resources. Gracz stated the Village was guaranteed at the time they consented to applying for the grant that the process would not cost the Village anything. There was discussion. Bollig asked for a recommendation from the staff and asked Below if he would consider drafting a letter to the company reminding them of their indication that it would not cost the Village. Gracz recommended not covering the cost. Below said they are aware that the Village is not committed to paying the cost. Discussion continued.
- h) Discussion and Recommendation regarding Automated Doors on Village Hall Entry. Klimke stated the Village has no choice but to automate the doors. It was noted that a \$1,500 grant has been awarded to help cover the cost. It is hoped to get the work completed prior to the Spring election. There was some discussion regarding the type of push button and the location of the button, and so forth. Discussion continued. The recommendation is to install the automated doors but since another bid is expected the cost is not known at this time. **Klimke moved to recommend the Village Board approve the installation of automated doors on the Village Hall entry. Second by Mortensen.** There was further discussion. **Motion carried.**
- i) Discussion regarding Wastehauler's License (Chapter 8.12(7)) and Non-Compliance of Requirement. Bollig asked why the Village licenses wastehauling. Johnson referred to the memo and stated that staff is requesting the Committee to consider eliminating the need for a wastehauler's license. There was discussion including the amount of time spent collecting the fee and processing the license, whether there was any benefit to the Village for the license, when the license procedure was initially implemented and how the elimination would affect the budget. It was noted the loss of revenue would be \$200.00. Following discussion, **Klimke moved to recommend the Village Board to approve eliminating the wastehauler's license requirement and refund the two license fees already paid. Second by Mortensen. Motion carried.**
- j) Discussion on Requirements for Transfer of Village Funds. Hoeft went over the current procedure for transferring funds noting that every time more than \$50,000 is moved between accounts that are not at Associated Bank it takes 3 authorizations to release and verify the transfer. Current payroll is running over \$50,000. In order to release a wire the bank has to talk to somebody and although Hoeft has asked the bank not to leave voice messages that does not always happen. This has happened twice in the last month and does not work and in light of Hoeft's being out on leave the situation will not get better. It is proposed to increase the limit to \$500,000 which would be enough to do payroll transfers and debt payment transfers. There was discussion including why the control was in place, whether there were any risks, the current policy requiring 3 authorizations and so forth. This request only changes the need for authorizations to release a wire from 3 contacts to 2 for under \$500,000. **Mortensen moved to recommend the Village Board approve increasing the limit on transfers to \$500,000 of Village funds at Associated Bank. Second by Bollig.** [Note that Klimke had left the room briefly and was not present for the vote.] **Motion carried.**

- k) Discussion on Personal Property Taxes. Hoeft indicated this came up last year after tax bills were sent out and a few of them are in the amount of \$10-\$11 plus interest. It has been found that the taxes are for washer and dryers and like equipment in apartment units. The Village's former assessor picked these up as well as some duplexes that had washers and dryers. Our current assessor has asked if the Village wants this practice continued and that's why it's before the Committee. Most communities do not follow this practice. Discussion followed. It was concluded that staff contact the assessor to find out how to word the motion—whether it should include dollar amount or apartment size or what. There was continued discussion.
- l) Discussion on Increase in Court Fees. Hoeft noted that the State has approved increasing the Municipal Court fee from \$23.00 to \$28.00 and this is before the Committee to decide whether the Village should increase the court fee also. Pettit is recommending that the Village approving increase the fee. Hoeft noted that currently the State keeps \$5.00 from the fee and the Village receives \$18.00. There will be a breakdown if the Village increases the fee but it is not known what the breakdown would be. There was some discussion. **Mortensen moved to recommend the Village Board increase the Municipal Court filing fee to \$28.00. Second by Klimke. Motion carried.**

10. **BUDGET TRANSFER.**

- a) Budget Transfer 2006 – Budget Request for Planner. Hoeft stated this is to move monies from fund to fund to cover the cost of a consultant planner until it is determined whether to hire a planner for the Village. **Mortensen moved to recommend the Village Board approve Budget Transfer #2006-1 as presented. Second by Klimke. Motion carried.**

11. **STAFF REPORT.**

- a) Priorities for January and February. Hoeft stated it is anticipated she will out on leave between February 7th and the end of February. Regarding getting a policy completed regarding debt service, Bollig asked if this was a much larger process than he is thinking it is? Hoeft stated some work was done on it in November and December but other matters have taken priority. The major problem is having the time to work on it. Right now the priorities are getting W-2's and 1099's completed. There was discussion. The 10-year capital improvement plan also has to be adopted and that could change the ratio of the debt service. It was understood that the debt service ratio is something that would be reviewed on a regular basis. Discussion continued. If it gets done prior to Hoeft's leave the Committee had no objection to a special meeting.

Hoeft advised that the PSC report is due March 31st and she has talked to the auditors about getting an extension and she is waiting for a response. It is hoped to be able to get an extension to the end of April. That way the auditors would come the first week in April and Hoeft would come in partial days to get the report done. If the April 30th extension is not approved, the report would be filed by March 31st stating that it would likely be amended. Hoeft went over the anticipated plan as it now stands. There was discussion regarding the late receipt of the auditor's reports last year and Hoeft advised that that delay was due to Village staff not having the work done.

Hoeft advised that an interview was set up for Wednesday with someone from Greater Financial Staffing about coming in a few hours a week while Hoeft is out on leave.

- b) Tax Collection Update. Hoeft went over the tax collection to date noting that over \$6M has been collected so far.

12. **FUTURE ASSIGNMENTS.**

- a) Earth Tech's 2006 Agreement
- b) PowerCom proposal

- c) Discussion of Village's Response to Bowmar's Mishandling of Assessment Records
- d) Consideration of reimbursing one-half of deductible for PECFA clean up for former EMS building
- e) Status of Disclosure of Utility information
- f) Revised Purchasing Policy
- g) Fuel Usage Agreement
- h) Fund Balance Policy and Financial Guidelines
- i) Library sinking funds
- j) Policy for charging organizations for additional police services required for large gatherings
- k) Positive Pay Program
- l) Financial Institutions services
- m) Refuse & Recycling programs
- n) Park Equipment Fee
- o) Collection Agency
- p) Update on Delinquent Personal Property Tax Bills
- q) Conflict of Interest

13. **ADJOURNMENT:** Klimke moved, second by Mortensen, to adjourn at 7:00 p.m. Motion carried.

Respectfully submitted,
Georgia Johnson,
Village Clerk