

Village of Weston, Wisconsin
OFFICIAL PROCEEDINGS OF THE FINANCE COMMITTEE
held on Wednesday, March 23, 2016 at 6:00 pm in the Board Room at the Municipal Center,
Chairman Berger presiding.

A. Opening of Session at 6 P.M.

1. Finance Committee meeting called to order by FC Chairman Berger.
2. Clerk (or recording secretary/deputy clerk) will take attendance and/or roll call.
Roll call indicated 3 members present.

| <u>Member</u> | <u>Present</u> |
|-------------------|----------------|
| Bender, Robert | NO |
| Berger, Scott | YES |
| Ermeling, Barbara | YES |
| Sukup, Carrie | YES |
| Yaeger, Richard | NO |

Village Staff in attendance: Donner, Guild, Jacobs, Stroik, Trittin, and Wodalski. Trustee White was in the audience.

3. Requests for silencing of cellphones and other electronic devices.
4. Acknowledgement of visitors, if any.

B. General Comments from the public.

C. Presentations.

D. Consent Agenda Items for Consideration

5. Approval of Previous Minutes from February 24, 2016.
Motion by Ermeling, second by Berger, to approve previous minutes.

Yes Vote: 3 No Votes: 0 Abstain: 0 Not Voting: 2 Result: PASS

| <u>Member</u> | <u>Voting</u> |
|-------------------|---------------|
| Bender, Robert | NOT VOTING |
| Berger, Scott | YES |
| Ermeling, Barbara | YES |
| Sukup, Carrie | YES |
| Yaeger, Richard | NOT VOTING |

E. Business Items for consideration, discussion, and action.

6. Discussion and recommendation for Capital Equipment Purchase – Sewer Televising Camera.

A new sewer televising camera was put into the 2016 Sewer Utility budget for a total of \$50,000; however, the lowest quote came in at \$71,586, as the budgeted amount was based on older data. The new camera has advanced technological features that will make the device easier to use for staff and will also be more useful for decision making. The main need for the equipment is for follow-up on incidents. The equipment would allow for faster follow-up, as the current equipment is obsolete. The Department of Public Works is looking for the Finance Committee's approval on utilizing some of the Sewer Utility Fund balance for the amount that is over budget or on alternatives. The Sewer Utility Fund has a fund balance of \$6.9 million. Per Donner, the money could also be taken from the Sewer Hookup Fee Fund. The Hookup Fee Fund is a reserve fund in which capital projects are earmarked out of it each year; no funds were utilized from the Hookup Fee Fund in 2015. The 2015 Hookup Fee Fund balance is over \$525,000, reported Jacobs.

Ermeling would prefer not to utilize money from the Sewer Utility Fund balance for the budget overrun; rather, have the funds that are over budget (\$21,586) come out of the Hookup Fee Fund.

Motion by Ermeling, second by Sukup, to approve the purchase and to have the amount of money over budget (\$21,586) come out of the Sewer Hookup Fee Fund.

Yes Vote: 3 No Votes: 0 Abstain: 0 Not Voting: 2 Result: PASS

| <u>Member</u> | <u>Voting</u> |
|-------------------|---------------|
| Bender, Robert | NOT VOTING |
| Berger, Scott | YES |
| Ermeling, Barbara | YES |
| Sukup, Carrie | YES |
| Yaeger, Richard | NOT VOTING |

7. Discussion and recommendation to Authorize Expenditure of Sewer Utility Funds for Replacement of Mesker-Colleen and Ross Avenue Wastewater Pumping Stations.

In 2015, the Department of Public Works anticipated a total of \$100,000 for design work related to the two pump station replacements, with \$450,000 estimated for construction; making the total initial cost estimate \$550,000. At the end of 2015, the estimate for construction was refined to \$530,000. Bids for construction opened today, 3/23/16, and the maximum anticipated expenditure is just under \$519,000; however, the Department of Public Works felt that an additional 5% contingency (\$26,000) was appropriate. This contingency places the desired budget for construction at \$545,000, an increase of \$15,000 from the 2016 budget of \$530,000. The total project cost would then be \$592,000, including \$47,000 spent in 2015. In 2015, no funds were carried forward and there was an unspent portion of funds in fund balance originally designated for CIP of \$503,000 that we re-budgeted based on the new numbers.

The Department of Public Works would like to get approval to amend the budget or to bring the decision to the board. Ermeling recommends that we amend the 2016 budget by \$15,000 using the fund balance, recognizing the unspent funds from 2015.

Motion by Ermeling, second by Sukup, to amend the 2016 budget by \$15,000.

Yes Vote: 3 No Votes: 0 Abstain: 0 Not Voting: 2 Result: PASS

| <u>Member</u> | <u>Voting</u> |
|-------------------|---------------|
| Bender, Robert | NOT VOTING |
| Berger, Scott | YES |
| Ermeling, Barbara | YES |
| Sukup, Carrie | YES |
| Yaeger, Richard | NOT VOTING |

8. Discussion and recommendation of \$1,700,000 Bank Note Financing for Park and Recreational Land Acquisitions located on the South Side of STH 29 in the Village of Weston.

The Village sent out proposals for a \$1,700,000 general obligation note issue, with a 3-year debt amortization schedule, to finance the park and recreational land parcel acquisitions that the Village would be purchasing in 2016. Three local banks had submitted bids to the Village for the \$1,700,000 bank note.

In 2018, the Village's annual debt service payment on the tax levy will decrease by approximately \$400,000; in the following year, the annual debt service payment will decrease by an additional \$985,000 dollars. The plan is to wrap the purchase of the park & recreation land into the capital project purchases and financing that we are going to take on in 2018 and 2019. The goal is to make small principal payments in 2017 and 2018 and then there will be a balloon payment in 2019. We do not anticipate paying the balloon payment; rather, we will wrap it in with a larger debt issuance note for further projects. The note can be paid off at any time in the 3-year period without early payment penalty. Intercity State Bank came in with the lowest interest rate, 1.86%.

Motion by Sukup, second by Ermeling, to accept the bid from Intercity State Bank.

Yes Vote: 3 No Votes: 0 Abstain: 0 Not Voting: 2 Result: PASS

| <u>Member</u> | <u>Voting</u> |
|-------------------|---------------|
| Bender, Robert | NOT VOTING |
| Berger, Scott | YES |
| Ermeling, Barbara | YES |
| Sukup, Carrie | YES |
| Yaeger, Richard | NOT VOTING |

9. Discussion and recommendation of February 2016 Budget Status Reports from Village Staff.

This report only includes the General Fund. The March Budget Status Report will include all Village funds. Note that the actual amount of property tax revenue was accidentally omitted, but will be corrected in the next report. Jacobs reviewed a number of items on the February 2016 Budget Status Report with the committee.

Motion by Ermeling, second by Sukup, to accept the February 2016 Budget Status Report and place on file.

Yes Vote: 3 No Votes: 0 Abstain: 0 Not Voting: 2 Result: PASS

| <u>Member</u> | <u>Voting</u> |
|-------------------|---------------|
| Bender, Robert | NOT VOTING |
| Berger, Scott | YES |
| Ermeling, Barbara | YES |
| Sukup, Carrie | YES |
| Yaeger, Richard | NOT VOTING |

F. Reports.

10. Deputy Finance Director / Treasurer

No report at this time

11. Finance Director / Treasurer

The Finance Department is still working with Civic Systems through some bugs with our accounting software, which had occurred after the October 2015 Clarity upgrade conversion. The Finance Department will have an RFP for the assessor’s contract that will be going out this year for the 2017-2019 period of time. The Finance Department’s main focus is getting caught up with financial records and preparing for the (3) financial audits of the Village, Everest Metro, and SAFER.

a) 2015 Financial Audit Update

Everest Metro and SAFER audits will happen in April. The Village’s audit will be moved to May to allow the Finance Department to get the accounting records up to speed and to resolve the accounting software hiccups.

b) State Assembly Bill (AB 515) – Restoring \$3 million to the Recycling Grant Program in 2016

Bill has gone through the assembly and the senate. This bill would give the Village a considerable amount of money back that we lost in the 2016 budget for state recycling aids.

c) State Assembly Bill (AB 843) – Chargeback of Property Tax Refunds to All Other Taxing

Jurisdictions, not just which the Local Municipality is Required to Pay by Itself

The Village has not experienced issues with this in the past; but would still be favorable for the Village in case the situation ever came up.

12. Administrator

The Administrator is working on the Village’s various economic development projects, property purchases, and advancing our strategic projects. There will be more updates in April.

G. Remarks from Committee; discuss items to be included for next Finance Committee Agenda.

- Sukup will not be in attendance for the April 27th, 2016 Finance Committee Meeting.

H. Set next meeting date for Wednesday, April 27th, 2016.

I. Announcements.

J. Adjourn.

Berger adjourned the Finance Committee Meeting at 6:39 P.M.

Scott Berger, Chairman

John Jacobs, Finance Director/Treasurer

Jenna Trittin, Recording Secretary