VILLAGE OF GERMANTOWN
GENERAL GOVERNMENT & FINANCE COMMITTEE
MEETING MINUTES
September 26, 2017

CALL TO ORDER: The meeting was called to order at 6:00 p.m. by Chairperson Zabel.

ROLL CALL: Present: Chairperson Zabel, Trustee Members: Miller and Baum. Absent: Trustee Kaminski absent and excused. Also present: Finance Director Rath, Public Works Director/Interim Administrator Ratayczak and Deputy Clerk Strebe

APPROVAL OF MINUTES: August 30, 2017 – **MOTION (Baum/Miller) to approve, carried.**

PUBLIC COMMENT: No public comment.

UNFINISHED BUSINESS: None

NEW BUSINESS:

A. Village Hall Copiers

Presented by Finance Director Rath; 4-Village Hall copiers, lease to own agreement expires; last lease payment, maintenance begins October. Options: 1) Wait for Village Clerk to do RFP, 2) wait a year, get maintenance agreement, 3) new lease agreement at lower price, new technology. **MOTION (Baum/Miller) to wait until Clerk is on staff to send out RFP.** Mike Graff, Representative from Office Copy Equipment, stated best pricing either State NASPO contract or NJPA (National Joint Powerline) pricing; subsidize operational cost of equipment with 4-year equipment lease and maintenance lock; without lock, maintenance agreement will increase. With NJPA or State pricing, no need to put out for RFP. Current equipment operational costs nearly double, maintenance cost increases annually, service requests increase. Sharp currently offering available marketing funds, reducing cost by $140.00/month, $1,680/year. New equipment proposal locks lower cost of operation by $11,000 than previous 4-four years. Current operational cost requires no minimum usage, .0042 per copy, includes all service. Current machine maintenance will be .0089, about half of payment when lease was included. New lease payments 25% cheaper and lower operational cost of .004 locked for 4 years. Current color copier maintenance cost will increase more than non-color machines. Sharp fiscal year is October 1–September 30, offer discounts and incentives end of fiscal year. Trustee Miller questioned if forego new lease agreement, is annual maintenance agreement for full year or a month-to-month. Mr. Graff noted it is billed month-to-month, treated as annual agreement on cost of .0089. Chairman Zabel asked if wait for Clerk to go out for RFP, will pricing change in January. Mr. Graff noted, pricing is for 2018, Sharp marketing fund incentive of $1,680/year may not be available. RFP process takes a lot of time, effort, and money to research. Trustee Baum questioned if rules and regulations need to be followed for purchases of this amount. Finance Director Rath noted current lease cost and in budget as based it off no changes, would not be prohibited. Trustee Baum questioned if reason why cannot wait for a couple months. Mr. Graff noted Muni lease is best rate, rates go with Feds, tied to banking and interest rates; buyer's market for big value ticket items. Guaranteed marketing funds of $1,680/year available from Sharp. **Carried.**

MOTION (Miller/Baum) to go out of order, take item C, carried.

B. Discussion Regarding Possible 2018 Revaluation

Assessor recommended 2018 revaluation due to amount of errors detected. Village within State law requirements; ratio studies indicate assessment levels in uniformity within acceptable guidelines may be misleading, multiple errors in assessments affect reliability of current assessment and uniformity; if same happens in 2017, may be out of compliance.

NEW BUSINESS-continued:

Discussion regarding revaluation; drive-by versus walk-through, ability to deny access, percentage of access gained, difference in cost, funding options.

C. Exchange/Email Server – Inhouse Vs External Hosting

Presented by Steve Storrs-Village IT Consultant; provided advantages and disadvantages of inhouse (on-premise) e-mail server versus external hosting (Cloud). Germantown has in-house, Microsoft Exchange. Things to discuss and consider, 1) consolidation of Germantown's emails; currently Village Hall has exchanger server and domain name, Fire Department has exchanger server and e-mail domain name, Police Department has e-mail server and domain name; question is whether or not to maintain individual domain names and consolidate onto one server, or remain separate, 2) maintain internal on-premise exchanger server or host in Cloud. 1) Not a lot of reasons not to consolidate; currently using Microsoft Small Business Server, Microsoft discontinuing product, will not provide support. Fire Department wants to consolidate with Village Hall, get rid of server and domain name. Police Department has security reasons for not consolidating. 2) Hosting e-mails on premise or in the Cloud; e-mails are internet based. Pros and cons for hosting internally or in the Cloud: 1) Security-hosting in the Cloud can provide security; on-premise server has programming allowed on firewall allowing e-mails to come into network; hosting in the cloud, can lock down firewall. 2) Reliability and Redundancy-hosting in the Cloud provides guaranteed level of reliability and redundancy-data duplicated in various places. A drawback for Cloud hosting is loss of control (set mailbox size maximum, size of attachment, policies like disaster recovery, how and when it's backed up), data is not here, it's on someone else's server, if company goes out of business, your data is lost. 3) Cost-Microsoft has an In-the Cloud e-mail service with archive capability, important for Government data. Microsoft has Government specific servers with tighter restrictions and US based tech support. Estimated charge for archiving capability is $8.00/user/month = $96.00 per user/year. Village Hall has approximately 65 e-mail accounts, Fire Department has about 50, Police Department has about 50; total is about 165; DPW workers don't have e-mail accounts, would add about 20, close to 200 users at $96.00/user, $19,200/year. Cost to host on-premise: $19,200/year x 6 years (approx. age of current server) = $115.000; On-sight server to support 200 users with exchange licensing and archiving capabilities $30,000 / 6 years = $5,000/year. Maintenance for on-premise server, history of cost, anti-spam and e-mail archiving software, about $3,000/year. Advantage for in-the-cloud is redundancy; Village could have 2 servers for back-up, reliability, redundancy; dollar value would change depending on desired level of server. Conceptually, is cost of in-cloud hosting justifiable. Trustee Miller commented consolidating to one exchange server for the Village is a must; numbers point to in-house for this round. Discussion on generic/shared mailboxes/licenses, server downtime/failure/speed, e-mail product providers. Trustee Miller noted $20,000 budget line item for Village; Finance Director noted budget amount for services, not purchase of server. Trustee Miller commented need to look at budget line item for Village Hall, Fire Department and Police Department and do some consolidation; don't need 3 separate exchange servers.

D. Authorization to Purchase Used Vehicle for Community Development Department (Inspection Services)

MOTION (Miller/Baum) to forward to Village Board with positive recommendation to purchase used vehicle for CDD, 1 opposed (Zabel), carried.

NEW BUSINESS-continued:

E. Resolution Amending Resolution 12-17, Approving Merit Adjustment & Administrator Position

Discussion regarding history and use of salary brackets, merits and tiers. **MOTION (Baum/Miller) to forward to Village Board as presented, carried.**

F. Resolution No. 16-17 Requesting Annual Equitable Distribution of 25% of Washington County Sales Tax.

Chairman Zabel presented; Discussed at Mid-Moraine; started in Sheboygan County; if County is going to keep sales tax, share with local municipalities, permittable by State law; County Executive Committee has denied so far, but is not final. Resolution copied from other municipality; needs language corrections. **MOTION (Baum/Zabel) to forward to Village Board with positive recommendation. MOTION (Zabel/Baum) to amend motion, changing language of paragraph one to read: Whereas, Washington County enacted a one-half percent (0.5%) county sales tax in 1999 to pay for several County projects including jails expansion, fairground construction, park development and to directly reduce the tax levy, carried. MOTION (Miller/Baum) to further amend motion, changing language of paragraph four to read: Whereas Washington County has utilized this sales tax to effectively reduce the property tax levy, to fund numerous capital improvement projects, and to virtually eliminate the debt burden (reducing it to $9 million or 1.37% of its debt capacity), carried. Original motion as amended, 1 opposed (Miller), carried.**

REPORTS:

A. **Monthly Year to Date Financials:**

1. Revenue and Expense Report: Reports submitted by Finance Director, Rath. Included September reports, not complete. Additional money in building inspection; pending permits for development in Brookside, will add to revenues.
2. Health and Dental Plans: Finance Director, Rath; renewal quote for stop/loss carrier in October. Dental plan running smoothly.
3. TIF 6 Summary: Finance Director, Rath; ended year with most of construction completed; excess of $100,000 due to crushed gravel sale; a few small remaining projects and debt payment.

B. **Impact Fees Financial Reports:** Reported by Finance Director, Rath; Impact fees up; need to get Police Department project RFP completed.

C. **Accounts Payable:** September 10, 2017, September 25, 2017 payables reviewed.

D. **Code Violation Reports:**

1. Building Inspection Department - None
2. Planning Department-None

E. **C.I.P. PROJECTS:** Presented by Finance Director Rath; Road projects still out there. Carry over for same or similar project in same department or used for debt. Reallocate or use for debt.

F. **Letter of Credit Summaries:**

1. Building Inspection Department
2. Public Works Department–Filed Collateralized agreement with bank, $5,000,000, protect funds; raise to $20,000,000 for tax collection.
3. Planning Department

G. **Summary of all Village Contracts:** Report reviewed; salt price decreased, came in late; cleaning service contract to Public Works. Maintenance agreements due in December.

NEXT MEETING: October 24th, 6:00 p.m.

ADJOURNMENT: Chairman Zabel adjourned meeting at 7:46 pm

Respectfully Submitted,

Kathy Strebe
Deputy Clerk