VILLAGE OF GERMANTOWN
GENERAL GOVERNMENT & FINANCE COMMITTEE
MEETING MINUTES
July 20, 2020

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

ROLL CALL: Present: Chairperson Zabel, Trustee Members: Kaminski, Myers, Wing. Also present: Administrator Kreklow, Manager Tucker, Attorney Sajdak, Clerk Braunschweig, and Director Retzlaff.

APPROVAL OF MINUTES: **June 15, 2020 – MOTION (Kaminski/Myers) to approve the June 15, 2020 minutes. Motion carried unanimously.**

PUBLIC COMMENT:
None.

NEW BUSINESS:
A. Acceptance Of 2019 Comprehensive Annual Financial Report (CAFR).

Amanda from Baker Tilly presented the CAFR and Financial information virtually from Webex.

Financial Statement graphs were presented showing the Comprehensive Annual Financial Report general fund results. Comparison of 2018 and 2019 were shown. The 2019 General Fund balance was at 8,427,251 at the end of 2019. There were $6,350 in non-spendable accounts. The revenues exceeded budget by $934,000. The Village has a policy to keep 15-25% in a rainy day fund.
General Obligation Debt was reviewed as there is $43 Million of debt. The Village is well under limits.

Germantown is a growing community with active TIF districts. Overall, with active TIF districts the debt is quite low. Debt by type was presented. Annual debt service payments were reviewed. The payments are just under $6 Million.

Utility Financials were shown. Amanda reviewed the utility revenue generated with the infrastructure in place. The operating revenues are falling due to no rate increase to cover expenses. Unrestricted reserves represent the cash on hand. It is recommended to have one billing cycle of cash on hand at a minimum; it is better to maintain six months to one year on hand.
The utility outstanding debt is low and is paid with reserves.

Discussion and questions ensued in regard to the rate increase. Vicki of Baker Tilly has been more involved. It is in process. Discussion ensued of the submittal to the PSC and where the submittal is in the process.

The decline in revenues is due to industrial use trending down. There is a general decline in water usage. Actual usage was shown.

Looks like industrial usage is down quite a bit due to a major customer specifically. All fairly stable. This is due to high quantity use.

Discussion of internal controls ensued. Discussion of checks and balances and controls over payroll ensued. A separation between payroll and entry of new employees.

Motion (Myers/Kaminski) to accept the CAFR as presented and send to the Village Board. Motion carried unanimously.

B. Public Service Commission Notification to Continue Waiving Late Payment Penalties.

The memo as provided was reviewed. Due to the Governor Order earlier this year late fees were waived. That order has since been altered to allow the application of late fees, although not toward any service incurred

between March 24 and July 15, 2020. The Village bills utilities quarterly. The last billing sent on June 30th was for service dates of March 15th through June 15th. The next billing cycle will be June 16 through September 15th and will be mailed October 1st. It would require extensive programming and testing to avoid charging late fees and penalties on the service dates outlined in the PSC order. The water utility late fees will be waived until the tax roll process that transfers past due balances to the property tax roll on or near November 16, 2020. We will resume assessing late fees after that. The PSC order does not apply to the Sewer Utility, late fees will be assessed to outstanding sewer billings when the property tax roll transfer takes place.

The amount that will not be collected in 2020 for Water Utility late fees is approximately $12,500.

C. Discussion of Organizational Structure Finance Functions.

Administrator Kreklow commented on organization changes in the Finance Department organization. He is working with Support Services Manager and Clerk to plan on taking on these responsibilities. Currently, there are four staff positions: Finance Director, Deputy Treasurer, and Accounts Payable Clerk, and Utility Clerk. The proposed change would divide the duties of the Finance Director between two other existing staff members, Village Clerk and Support Services Manager.

He is looking to fill the position with the experience and background in place. There is opportunity to utilize existing staff. Both have extensive background in finance and expressed interest. Recommending to begin the change in structure.

The proposed organizational chart was shown to divide the position into two categories. Clerk / Treasurer with Clerk functions and accounts payable, accounts receivable, tax collections, payroll, and the day to day reporting going to the current Clerk. The human resources, budget, debt management, IT, and risk management to move to Support Services.

He is looking to add a part-time analyst. This would be an intern working on their master's degree to provide additional support.

Internal control issues are not serious or uncommon with municipalities of our size. However, we do have opportunity to split the internal controls. There are some budget savings of $20,000-$40,000.

Discussion ensued of the job descriptions and pay ranges. There are currently two deputy clerks. With this plan there would be three deputy clerk /deputy treasurers. One of the positions would be the previous accounts payable position. Discussion ensued of filing the vacant position and workload.

Discussion ensued with review of positions. There would be possible increase in pay ranges.

With those questions in mind, the staff recommendation involves a shift in the structure of the department.

Clerk Braunschweig commented with interest and has experience with the items. She explained the team- work approach in the office with variety and sharing of responsibilities with a teamwork culture in the workplace. This lifts employee morale as well. The third person would allow internal and external customer service. Currently, there are strong teams in place with opportunity for growth.

Clerk Braunschweig reported that with the current election absentee requests Election Officials are brought in as needed.

D. Classification of Deputy Clerk / Deputy Treasurer Position.

Administrator Kreklow commented that this is a request for the accounts payable clerk to be titled as a Deputy Clerk/ Deputy Treasurer position and to fill that position. Discussion ensued of the addition of items to the deputy clerk's job responsibilities included accounts payable, accounts receivable, pet licensing, tax collections. Deputy Clerks are currently in the pay range ten and the proposed is an eleven. The job description was discussed and requested to be distributed to the General Government and Finance Committee.

Motion (Wing/Kaminski) to recommend the deputy clerk /deputy treasurer position and filling the position with the further information coming forward to the Village Board. Motion carried unanimously.

E. Ordinance 12-2020, An Ordinance Annexing Village Owned Right-of-Way on Goldendale Road from State Truck Highway 145 to Approximately .12 Miles South of the Centerline of Bonniwell Road.

Motion (Wing/Kaminski) to recommend Ordinance 12-2020, An Ordinance Annexing Village Owned Right-of-Way on Goldendale Road from State Truck Highway 145 to Approximately .12 Miles South of the Centerline of Bonniwell Road. This is on tonight's Village Board agenda. Motion carried unanimously.

OLD BUSINESS:
None.

REPORTS:

A. **Monthly Year to Date Financials:**
   1. Revenue and Expense Report All Funds: The reports were reviewed. The revenues and expenses are being closely watched.
   2. The revenues are dropping in recreation fees. At this time last year, recreation revenues were at 38%. This year the recreation revenues are at 18%. Expenses running lower as programs are not taking place. Not a big problem with the expenditures.
   3. Health and Dental Plans: The Health Plan will need review.

B. **Impact Fees Financial Reports:** The report was reviewed.

C. **Accounts Payable:** June 25, 2020 and July 10, 2020 payables were reviewed.

D. **Code Violation Reports:** The report was reviewed.

E. **C.I.P. PROJECTS:** The reports were reviewed.

F. **Letter of Credit Summaries:** The reports were reviewed.
   1. Building Inspection Department – Reviewed.
   2. Public Works Department– Reviewed.
   3. Planning Department – Reviewed.

G. **Summary of all Village Contracts:** The summary of contracts were reviewed. Deputy Clerk Ben Hubrich will present a new format later this summer.

H. **SCHEDULE NEXT MEETING: The next meeting will be on August 17, 2020 at 6:00 pm.**

Building Inspection Services Contract and Community Development Building Inspection Personnel. The General Government and Finance Committee May Enter into Closed Session per Wis. Stat. § 19.85(1)(e) for the purpose of deliberating or negotiating the purchasing of public properties, the investing of public funds, or conducting other specified public business, whenever competitive or bargaining reasons require a closed session, and then may reconvene into open session to take such action as it deems appropriate.
Motion (Myers/Wing) Convene into Closed Session at 6:37 p.m. and to include the General Government and Finance Committee, Administrator Kreklow, Attorney Sajdak, Director Retzlaff and Clerk Braunschweig. Roll call vote carried unanimously.

ADJOURNMENT: Chairman Zabel adjourned the meeting at 6:57 p.m.

Respectfully Submitted,

Deanna Braunschweig

Deanna Braunschweig
Village Clerk