

**VILLAGE OF GERMANTOWN
GENERAL GOVERNMENT & FINANCE COMMITTEE
MEETING MINUTES
June 24, 2014**

CALL TO ORDER: The meeting was called to order at 5:30 p.m. by Chairperson Zabel.

ROLL CALL: Chairperson Zabel and Trustee Members Baum, Kaminski and Vanderheiden. Also present Administrator Schornack, Finance Director Rath, and Deputy Clerk Micka.

APPROVAL OF MINUTES: *Motion Kaminski, second Baum, to approve the minutes from the May 27, 2014 meeting. Motion carried without negative vote.*

PUBLIC COMMENT: No-one addressed the Committee.

UPDATE ON REPLACEMENT OF BOARD ROOM AUDIO/VISUAL AND CABLE EQUIPMENT: In the absence of Clerk Goeckner, this item will be postponed until next month. It was noted that complaints have been received regarding the AT&T U-Verse channel that is currently not working.

CAPITAL OUTLAY PLAN (2011 – 2030): Administrator Schornack was present to discuss the items currently listed in the plan.

Discussion followed:

- ✓ It was questioned if Fire Chief Weiss had an opportunity to review the Fire Department items;
- ✓ If the Village has the ability to separate funds to be used for capital items;
- ✓ The amount of reserves: current policy is 10% to 15% - currently the Village has 22% in reserves;
- ✓ Village expenses have been kept tight;
- ✓ The budget is getting tighter;
- ✓ The need to watch levy caps;
- ✓ Saving money to keep borrowing down;
- ✓ The Village has never budgeted to our maximum;
- ✓ If there is a tax increase, residents complain;
- ✓ Residents are very fiscally conservative;
- ✓ Paying cash for items under \$100,000;
- ✓ The levy can be raised each year for growth; and
- ✓ Current borrowings and notes.

Further discussion will be held at the next meeting, and the Fire Chief will be present to discuss the items in the Fire Department budget.

UPDATE ON VILLAGE'S IT NEEDS: Finance Director Rath reviewed the handout she provided to the Committee on the survey done by Park & Recreation Director Casperson from municipalities with similar population on their IT needs. She also contacted Manpower for information on contract services. Administrator Schornack presented a survey of results he collected from area Administrators.

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Discussion followed:

- ✓ The need to evaluate the Village's needs;
- ✓ Previous position was PC Technician, and a higher level of service is needed;
- ✓ Tracking the hours for Steve Storrs contracted position which is paid approximately \$27,000 annually;
- ✓ Possible shared position of PC/IT Technician;
- ✓ The need for direction when preparing the next budget;
- ✓ Possibly interviewing companies that other municipalities are contracting;
- ✓ The need for a contracted person to review our equipment and requirements;
- ✓ Steve Storrs does a very good job and knows the Village system and equipment;
- ✓ The ability to increase the salary of contracted position;
- ✓ Lack of support for a staff position; and
- ✓ Coordination of duties is a problem for staff.

The Committee consensus is to request that Steve Storrs of Schultz Bernstein & Associates submit a list of the requirements and responsibilities for IT support for the Village. The Finance Director and Village Clerk will review the list and report to the Committee at the next meeting.

FIRE DEPARTMENT VFIS AND HORTON GROUP SERVICE AWARD PROGRAM (SAP); Close out Lincoln Benefit Life Annuity and Switch to Massachusetts Mutual:

Finance Director Rath reviewed the memorandum she provided to the Committee. The Horton Group and VFIS handles the Paid on Call Fire Department Personnel Length of Service Award Program. This program is a state matching program for volunteer fire fighters, first responders, and emergency medical technicians and is a tax deferred benefit program to assist municipalities in retaining personnel. The state matches up to \$312.34 per year of service to the municipality. At retirement a volunteer with over twenty years of service would collect the amount in their account, and those with over ten years of service would collect a portion of the amount in their account.

Lincoln Benefit Life, the programs mutual fund, is being sold by their parent company Allstate, which has no formal plan for servicing their existing policies or annuity contracts. The Horton Group's proposed solution is to offer a Group Annuity Contract underwritten by Massachusetts Mutual. VFIS has used this contract in various states for 20+ years. The Village will only be changing the annuity holder.

Motion Kaminski, second Baum, to approve the close out of Lincoln Benefit Life Annuity and switch to Massachusetts Mutual for the Fire Department VFIS and Horton Group Service Award Program (SAP). Motion carried without negative vote.

REPORTS:

Monthly Year to Date Financials:

Revenue and Expense Report – All Funds: Finance Director Rath reviewed the payables through May with the Committee. She noted that energy costs were much higher due to the rough winter, approximately \$30,000, and the account will need to be watched throughout the remainder of the year. Building Inspection permits have increased, and she noted that the budget may be tight. The Fire Department Paid on Call six months of budgeted funds will end, and a new plan will need to be discussed to cover the remainder of the year. Administrator Schornack stated that Fire Chief Weiss is working on a plan regarding personnel. The Committee requested that Fire Chief Weiss attend the next meeting to provide a report to the Committee.

Health and Dental Plans: Finance Director Rath stated that both accounts are running well.

Impact Fees Financial Reports: Finance Director Rath reviewed the report with the Committee. She spoke with the Police Department about the use of their funds, and they will need the funds for the garage expansion. The Park & Recreation Department will have more time to make a decision on their funds. The Village Ordinance specifies the funds to be used in 7 years, but the ordinance can be changed to allow for a reasonable time to expend the funds. Finance Director Rath will discuss an ordinance amendment with the Village Attorney.

Accounts Payable: Finance Director Rath answered questions from the Committee that have been started.

Monthly Code Violation Reports: Building Inspection Department and Planning

Department: The Committee discussed complaints received on weeds and junked vehicles.

C.I.P. PROJECTS: Finance Director Rath reviewed the invoices received for projects.

Letter of Credit Summaries: Building Inspection Department, Public Works

Department, and Planning Department; The Committee reviewed the report.

Summary of all Village Contracts: The Committee reviewed the report.

NEXT MEETING: Tuesday, July 29, 2014 at 5:30 p.m.

ADJOURNMENT: There being no further business, the meeting adjourned at 6:42 p.m.

Respectfully Submitted,

Christine M. Micka, CMC/WCMC
Deputy Clerk