

VILLAGE OF GRAFTON

FINANCE COMMITTEE MEETING MINUTES

OCTOBER 4, 2010

President Jim Brunnuell called the Finance Committee meeting to order at 5:00 p.m.

Finance Committee members present: Jim Brunnuell, Jim Grant, and Ron LaPean

Finance Committee members absent: Richard Rieck

Staff/Officials present: Village Administrator Darrell Hofland, Finance Director Paul Styduhar, and Administrative Assistant Rachel Reiss

HEAR PERSONS WISHING TO BE HEARD

None.

AMENDMENT OF CODE 5.04.080 A - OUTSTANDING FINANCIAL OBLIGATIONS OF THE PERMIT APPLICANT

Administrator Hofland stated that during a recent review of a permit application, Village Staff discussed outstanding financial obligations of the permit applicant and possible options on the collection of these obligations prior to permit issuance. It was discovered that the existing municipal ordinance does contain language that addresses these outstanding obligations and requires their payment prior to the issuance of a permit; however, it has never been implemented.

Mr. Hofland stated this could be a cumbersome process for staff and problematic if the permit involves health and safety issues with single family and two family structures. Staff is proposing that the ordinance be amended to exclude permits for those structures.

Motion by Trustee LaPean, seconded by Trustee Grant, to recommend the Village Board approve an Ordinance amending Section 5.04.080 A. - Outstanding Financial Obligations of the Permit Applicant. Approved unanimously.

PRESENTATION BY ZIEGLER INVESTMENT

Richard Scargill and Matthew O'Neil from Ziegler Capital Management reviewed the Village's investments. The rates have been declining; however, over the last 12 months (September 1, 2009 to August 31, 2010), the return on investment is 2.18 percent (higher than the Local Government Investment Pool rates which is the Village's benchmark). Since the inception of the account in June, 2004, the account's return on investment is 1.06 percent higher than the LGIP.

President Brunnquell questioned if the Village would benefit from longer term investments. Mr. Styduhar will be looking into that in spring when rates are hopefully going to increase.

UPDATED INVESTMENT POLICY

Finance Director Styduhar stated the updated policy reflects changes recommended by the auditors. The investment policy has been updated to reflect the current FDIC insured deposit amount of \$250,000 and the State of Wisconsin public funds insured an additional amount of \$400,000.

Motion by Trustee Grant, seconded by Trustee LaPean, to recommend to the Village Board approval of the updated Investment Policy. Approved unanimously

ECONOMIC DEVELOPMENT LOAN PROGRAM LOAN TO ARZ MACHINING, INC.

Finance Director Styduhar stated ARZ Machining, Inc. has requested a loan of \$40,000. ARZ Machining, Inc. would use the funds from the Village to help purchase a new building. As part of the Village's loan program requirements ARZ Machining, Inc. is receiving private investment in excess of the loan's minimum requirement for private matching funds from a local bank. ARZ Machining, Inc. must create 1 new full-time equivalent job for every \$20,000 of loan program funds received, or 2 full-time equivalent positions.

Motion by Trustee LaPean, seconded by Trustee Grant, to recommend the Village Board approve the Economic Development Revolving Loan Program loan to ARZ Machining, Inc., with obtaining of sufficient collateral, in the amount of \$40,000. Approved unanimously.

12TH AMENDED AGREEMENT FOR THE OPERATION OF THE MID-MORAINÉ MUNICIPAL COURT

Administrator Hofland stated the agreement presented allows the City of Mequon to join the Mid-Moraine Municipal Court. With this addition, it is anticipated that administrative fees for current members will be reduced.

Motion by Trustee Grant, seconded by Trustee LaPean, to recommend the Village Board approve the 12th Amended Agreement for the operation of the Mid-Moraine Municipal Court to approve membership of the City of Mequon. Approved unanimously.

OLD BUSINESS

Finance Director Styduhar informed the Committee the room tax audit is almost complete. It was found that the Baymont Inn & Suites owes the Village approximately \$980 for the period of the past three years. They will be sent an invoice and have verbally agreed to make payment.

The Village has been waiting for 3 months of information from the Hampton Inn & Suites. Staff anticipated finalizing the audit this week upon receipt of the missing information.

NEW BUSINESS

None.

CONVENE TO CLOSED SESSION PURSUANT TO WISCONSIN STATUTES 19.85(1)(E) FOR REAL ESTATE AND COMPETITIVE BARGAINING MATTERS (REVOLVING DEVELOPMENT LOAN NEGOTIATIONS)

Motion by Trustee LaPean, second by Trustee Grant, to convene to closed session at 5:36 p.m. Approved unanimously by a roll call vote.

A closed session of approximately 13 minutes was held. During the closed session the Finance Committee discussed negotiation related strategies regarding a potential revolving development loan of a Grafton business.

RECONVENE TO OPEN SESSION AND THE REGULAR ORDER OF BUSINESS

Motion by Trustee Grant, seconded by Trustee LaPean, to re-convene to open session and the regular order of business, at 5:49 p.m. Approved unanimously by roll call vote.

ADJOURN

Motion by Trustee Grant, seconded by Trustee LaPean, to adjourn at 5:49 p.m. Approved unanimously.