

VILLAGE OF GRAFTON
FINANCE COMMITTEE MEETING

MARCH 2, 2009

President Brunnuell called the Finance Committee meeting to order at 5:30 p.m.

Finance Committee members present: Jim Brunnuell, Jim Grant, Richard Rieck

Finance Committee members absent: Ron LaPean

Staff/Officials present: Village Administrator Darrell Hofland, Finance Director Paul Styduhar, Deputy Clerk Lisa Bohn

HEAR PERSONS WISHING TO BE HEARD

None.

DELINQUENT PERSONAL PROPERTY TAX

Finance Director Styduhar informed the Committee that the total unpaid 2007 Personal Property taxes is \$2,943.66. The Village portion that can be written-off is \$923.87. The remaining amount will be reimbursed to the Village by the other taxing jurisdictions.

Trustee Grant questioned if this is the second year that Faymous Music has been delinquent. Finance Director Styduhar responded yes.

Mr. Styduhar stated the 2007 personal property taxes for Quizno's was billed to the previous franchise owner who operated the business from 2006 to 2008. The current franchise owner began operations in January of 2009.

Trustee Grant questioned if there is an alternate way to collect the taxes from Faymous Music since this is the second year they are delinquent and they are currently in business. Mr. Styduhar stated in past years we have listed businesses in the local newspapers highlighting their delinquent taxes.

Trustee Grant stated he would like all 2007 delinquent personal property taxes published in the local newspapers.

Motion by Trustee Grant, seconded by Trustee Rieck, to recommend the Village Board approve the write-off of the Village portion of 2007 delinquent personal property taxes, in the amount of \$923.87, and authorize Village staff to continue collection efforts on unpaid accounts. Approved unanimously.

PERSONNEL POLICY CHANGES

Administrator Hofland briefly reviewed the Village Personal Manual and stated that periodically the manual is reviewed by staff to ensure the integrity of the document. Mr. Hofland summarized the recommended changes.

He indicated that Bereavement leave would only be offered to full-time permanent employees. Part-time employees would not be eligible for this benefit and hopefully they would be able to make up the hours throughout the week.

Mr. Hofland indicated that travel expenses are looked at about every three years. He is recommending a change the current travel / meal reimbursement to reflect the amount as listed by the US General Service Administration for the federal per diem rate for the Milwaukee metropolitan area. In a similar manner, the Village currently uses the US Internal Revenue Service's mileage rate as the Village's mileage reimbursement rate.

The recommended health insurance change is to eliminate the option to receive a payment in lieu of an employee enrolling in a Village-provided health insurance plan. Employees have previously been able to receive 25 percent of the lowest qualified Ozaukee County health insurance provider in the Wisconsin Public Employee's Group Health Insurance Plan if they did not opt to take the Village health insurance. These funds could be placed into one of the Village's Deferred Compensation Plans or the Section 125 Cafeteria plan. Mr. Hofland stated the State of Wisconsin has notified the Village that this incentive payment must be eliminated by all municipalities in the State insurance program. The benefit has been eliminated in three of the four union contracts and will also no longer be offered to the non-represented employees.

The Committee briefly discussed the use of FMLA and paid sick leave benefits. Administrator Hofland indicated that the Village must comply with federal and state requirements for the use of FMLA for employee or eligible family illnesses. Presently, Village employees are allowed to take sick leave and the federal and state FMLA not concurrently but back-to-back. He is requesting that the Finance Committee revised this practice and give Village management the authority to require that sick leave and FMLA occur concurrently. The Finance Committee concurred with Mr. Hofland's request as presented.

Motion by Trustee Grant, seconded by Trustee Rieck, to recommend the Village Board approve the changes to the Personnel Policy, as presented.
Approved unanimously.

FRAUDULENT OR DISHONEST CONDUCT POLICY

Finance Director Styduhar stated the Village auditing firm's internal policy checklist includes a Fraudulent or Dishonest Conduct Policy. He also informed the members that the auditors will be making their annual presentation on the Village financials at the May 4 Finance Committee meeting.

Administrator Hofland stated the Auditors presented staff with a seven page internal controls checklist that will be reviewed as part of the audit. The checklist included a “whistle blowing policy”. The policy is to protect an employee who reports a fraudulent or dishonest concern regarding another employee so that there is not any retaliation on the employee reporting the concern. All concerns must be put in writing.

Motion by Trustee Grant, seconded by Trustee Rieck to recommend the Village Board approve the Fraudulent or Dishonest Conduct Policy as presented. Approved unanimously.

VILLAGE HALL BENCHMARK MEASUREMENTS

Administrator Hofland reviewed the Village Hall Report of Benchmark Measurements and commented the rate for investments is at 2.2 percent.

OLD BUSINESS

Status of Village Hall Purchase/Renovation

There was no discussion on this agenda item.

Village Hall LEED Certification Options

Administrator Hofland distributed a matrix of how the Village can gain additional points to allow the Village Hall to become LEED certified without occurring costs. The goal is to reach 32 points. However, the Village can obtain 12 points right away without incurring any costs. If the Village were to spend \$53,000, plus consultant fees, we would be able to get the total 32 points required. The categories also include pest management and cleaning chemicals.

Mr. Hofland suggested that the Village utilize the base LEED plan components that will be prepared for the new Public Works/Community Activities facility also for the Village Hall project. It is not cost effective to have two sets of base LEED plans. In addition, the Village will work with We Energies on sustainable options. He recommended that staff be allowed to work to obtain the most information for the least amount of money.

The Committee discussed the costs associated with obtaining the LEED certification. Due to the significant costs associated with obtaining LEED certification for the Village Hall building, Trustee Grant suggested that we concentrate on the new Public Works/Community Activities facility.

Administrator Hofland requested a \$5,000 allowance be authorized for Village staff to obtain some LEED points which may enable the Village to obtain sufficient points to get close to the LEED certification level. Mr. Hofland suggested that including additional LEED criteria as addendums to the bid specifications will allow the Village to accept or reject these items and continue with the LEED certification process.

President Brunnuell questioned if the plans can be developed with the Public Works/Community Activities project and then utilized for the Village Hall project.

Administrator Hofland reviewed options 1 and 2.

President Brunnquell commented that the Village should incorporate some green qualities into the new Village Hall building; unfortunately, it is difficult to allocate over \$100,000 to achieve the LEED Silver certification.

Mr. Hofland commented that a significant number of the LEED criteria can be utilized in all Village departments.

President Brunnquell stated that the new Public Works/Community Activities facility will need to have the LEED Silver certification.

It was the consensus of the Committee to authorize the Village Administrator to include \$5,000 in the Village Hall project for sustainability.

NEW BUSINESS

Finance Director Styduhar stated he will be completing a banking services request for proposals (RFP) for review at a future Finance Committee meeting. Mr. Styduhar indicated that the last banking services RFP was conducted six years ago. Mr. Styduhar also notified the Committee that the Village's financial consultant, Stifel, Nicolaus & Company, has recently implemented a staff reduction in the public sector market creating the need to conduct an RFP for those services as well.

AJOURN

Motion by Trustee Grant, seconded by Trustee Rieck, to adjourn at 5:58 p.m. Approved unanimously.