

Village of Weston, Wisconsin

OFFICIAL PROCEEDINGS OF THE BOARD OF TRUSTEES & FINANCE COMMITTEE

held on Monday, September 20, 2021, at 4:30 p.m., in the Board Room at the Municipal Center.

AGENDA ITEMS.

- 1. **Finance Committee Call to Order & Welcome by Chairperson Ermeling.**
Meeting called to order at 4:30 p.m. by Finance Committee Chairperson Ermeling.
- 2. **Board of Trustees Call to Order & Welcome by President Maloney.**
Meeting called to order at 4:30 p.m. by Board of Trustees President Maloney.
- 3. **Roll Call by Recording Secretary.**
Roll call of Finance Committee indicated 4 members present

<u>Member</u>	<u>Present</u>
Bender, Robert	NO
Ermeling, Barb	YES
Meinel, Steve	YES
Oldenberg, Mark	YES
Simmons, Ryan	YES

Roll call of Board of Trustees indicated 6 members present, with 7 members present after 4:42 p.m.

<u>Member</u>	<u>Present</u>
Ermeling, Barb	YES
Fiene, Nate	NO*
Maloney, Mark	YES
Meinel, Steve	YES
White, Loren	YES
Xiong, Yee	YES
Zeyghami, Hooshang	YES

** Fiene arrived at 4:42 p.m.*

- 4. **Approval of minutes from previous Finance Committee meeting: August 16, 2021**

Finance motion by Simmons, second by Meinel, to approve previous Finance Committee meeting minutes from August 16, 2021.

Yes Vote: 4 No Votes: 0 Abstain: 0 Not Voting: 1 Result: PASS

<u>Member</u>	<u>Voting</u>
Bender, Robert	---
Ermeling, Barb	YES
Meinel, Steve	YES
Oldenberg, Mark	YES
Simmons, Ryan	YES

5. Public Comments.

Jim and Cindy Russell, 5907 Tricia Ave, asked to speak regarding a \$500,000 check that was issued by the TIF district. They stated they are asking for an explanation on what the \$500,000 payment for the Cross Pointe settlement is on the check register. Trautman responded the payment is related to a lawsuit settlement regarding a line of credit the Village drew on for a TID project that did not meet the increment requirements set in the developer agreement. Trautman stated the agreement entails paying Cross Pointe their own money back. Jim Russell asked why there was a lawsuit. Trautman responded there was a dispute on how fast the money should have been paid back. Jim Russell asked what the Cross Pointe development was. Trautman stated it is an area in TIF 1 where Cross Pointe did not put in the value of improvements to meet the increment requirements. Donner added that the letter of credit is Cross Pointe’s pledge of assets to meet the increment target. If the target is not met, then the Village is authorized to draw on the pledge. Cindy Russell stated that a line of credit is a note that is given to a bank on behalf of the developer. Meinel responded that it was actually a letter of credit from the developer that entails a pledge from the developer that the Village is authorized to draw on. Meinel stated that it is a common practice and protects the Village. Cindy Russell stated that TIF 1 was supposed to close this year. Ermeling stated that question is beyond the scope of this meeting. Ermeling confirmed whether the check question was answered. Cindy Russell confirmed it was.

ACKNOWLEDGE WORK PRODUCT TRANSMITTALS.

6. August Budget Status Report

Trautman gave an overview of the report. Trautman pointed out that the pool is looking good this year.

Finance motion by Meinel, second by Oldenberg, to acknowledge the August 2021 budget status report.

Yes Vote: 4 No Votes: 0 Abstain: 0 Not Voting: 1 Result: PASS

<u>Member</u>	<u>Voting</u>
Bender, Robert	---
Ermeling, Barb	YES
Meinel, Steve	YES
Oldenberg, Mark	YES
Simmons, Ryan	YES

Board motion by White, second by Zeyghami, to acknowledge the August 2021 budget status report.

Yes Vote: 7 No Votes: 0 Abstain: 0 Not Voting: 0 Result: PASS

<u>Member</u>	<u>Voting</u>
Ermeling, Barb	YES
Fiene, Nate	YES
Maloney, Mark	YES
Meinel, Steve	YES
White, Loren	YES
Xiong, Yee	YES
Zeyghami, Hooshang	YES

EDUCATIONAL PRESENTATIONS & REPORTS.

7. Review and discussion of the 2022 budget

A PowerPoint presentation was given.

White asked if a surplus is anticipated for this year. Trautman responded that will be shown later in the presentation.

Trautman gave an overview of general fund revenues. Trautman stated the only revenue source we really see increases in are property taxes, the rest are status quo or decreasing. The Village does not have much control on the revenue sources received and is limited by the state.

Trittin summarized the community revenue comparisons by percentage and by capita based on the 2019 state report data from the WI Department of Revenue. Fiene asked why the Village is so low on intergovernmental aid. Trautman responded that state shared revenues were frozen shortly after Weston became a Village, so the shared revenues allocated did not consider that Village services were growing after changing from a town to a village. Xiong asked why Menominee has such high miscellaneous revenues and if we could duplicate it. Trittin and Trautman responded that we tried to see why that line was so high but were not able to identify what it was. Oldenberg asked if there are any conclusions to draw from the data. Trautman responded that we didn't necessarily learn anything we did not already know, but the data reinforces that the Village is low for tax revenues with smaller population communities having higher tax levies than the Village. Trautman also stated that the data reflects the large size of the Village's TIF districts with a high ranking in the other taxes revenue category.

Trautman gave an overview of general fund expenditures. Trautman stated the majority of the increase in Clerk/HR budget is due to elections and a shift in wages from finance to clerk. EMPD and SAFER show an estimated \$70,000 increase, but both budgets are to be determined. Public Works has an increase of \$25,000 for street maintenance and \$34,000 for wages and benefits. Maloney clarified if Finance should be decreasing. Trautman stated Hodell is doing work in the Finance Department, but the wages have not been split within the budget. Maloney clarified

Oldenberg stated he was surprised to see the IT costs decreasing. Crowe responded that we discontinued use of some software modules. Oldenberg asked if there were concerns with technology replacement or cybersecurity. Crowe responded the server was recently replaced and some cybersecurity improvements were made so he feels we are in a good spot. There was discussion on government cybersecurity and intergovernmental communication regarding cybersecurity.

Trautman gave an overview of the overall category increases, stating most of the increase is in wages and benefits with a 2% CPI wage increase included in the 2022 budget.

Trautman stated 2022 revenues and expenditures are short about \$55,000. Trautman added that she plans to review the revenues further. We are waiting to see what the transportation aid increase will be and are waiting to find out if we are able to increase our tax levy for the SAFER budget.

Trittin gave an overview of the community expenditure comparisons by percentage and by capita based on 2019 data from the WI Department of Revenue. Trittin stated we are towards the bottom of the groups for spending in most categories, with the exception of community development which is due to the TIF rent payments that go to pay TIF debt. Oldenberg asked what the conclusions are from the data. Trittin stated with limited flexibility in revenues we are not sure what can be done yet. Donner added that in a recent League of WI Municipalities webinar the shared revenue formula and other revenue issues were discussed. Donner continued, with inflation exceeding revenue increases municipalities are going to have a hard time trading water. Oldenberg stated he would like to see information on what the critical year is where the Village is going to be struggling and what the plan is to deal with these issues.

Trautman stated the current estimated 2021 budget surplus is \$108,000. Most of the surplus is due to savings on salt, supplies, and irrigation (\$114,000). Trautman stated salt is a highly variable line and is not something that can be cut from the budget as there are years when the full amount is needed. Trautman added there were savings in conferences and travel due to most conferences being held virtually this year.

Trautman asked if the Village should contribute to the HSA health insurance plan for 2022. There were discussions on the employee and employer benefits of an HSA plan. The Finance Committee and Board would like to see a comparison of both plans before the next meeting prior to making a decision.

POLICY ISSUES – DISCUSSIONS/RECOMMENDATIONS.

8. Payment to CVB for services from our 2020 contract

Trautman stated the Village had a contract dispute with the CVB in 2020 so 2020 funds were held back, but the CVB has been processing grant requests for the Village.

There was discussion on whether paying the CVB would automatically enter us into a 2021 contract. There was also discussion on the status of the CVB contract and items to be resolved yet. Donner stated the contract is still being worked on. The Board stated they would like to see a monthly report on what the CVB is spending Village funds on.

The consensus was that it would be okay to pay the 2020 payment if it does not impact the status of the 2021 contract. Donner stated he can discuss the 2020 funds with Attorney Yde and bring the item back. There was discussion on if the 2020 contract responsibilities were fulfilled by the CVB. Trautman responded that the CVB provided the information needed to file the 2020 room tax report with the state.

Finance motion by Oldenberg, second by Simmons, to recommend the Village Board defer this item.

Yes Vote: 4 No Votes: 0 Abstain: 0 Not Voting: 1 Result: PASS

<u>Member</u>	<u>Voting</u>
Bender, Robert	---
Ermeling, Barb	YES
Meinel, Steve	YES
Oldenberg, Mark	YES
Simmons, Ryan	YES

Board motion by Ermeling, second by Fiene, to defer this item.

Yes Vote: 6 No Votes: 0 Abstain: 1 Not Voting: 0 Result: PASS

<u>Member</u>	<u>Voting</u>
Ermeling, Barb	YES
Fiene, Nate	YES
Maloney, Mark	YES
Meinel, Steve	YES
White, Loren	YES
Xiong, Yee	ABST
Zeyghami, Hooshang	YES

9. Allocating project costs for TIF projects

Donner provided the background for the request to allocate Village time, equipment, and material to TID projects where the Village completed TID project work rather than a contractor.

Finance motion by Simmons, second by Meinel, to recommend the Village Board allow staff to charge the TIF district for Village equipment, staff time, and materials related to TIF projects.

Yes Vote: 4 No Votes: 0 Abstain: 0 Not Voting: 1 Result: PASS

<u>Member</u>	<u>Voting</u>
Bender, Robert	---
Ermeling, Barb	YES
Meinel, Steve	YES
Oldenberg, Mark	YES
Simmons, Ryan	YES

Board motion by White, second by Zeyghami, to allow staff to charge the approximate \$30,000 to the TIF district for Village equipment, staff time, and materials related to TIF projects.

On the question: Zeyghami asked if there were any chances of a change order. Wodalski stated Village staff completed the work so there will not be any change orders.

Yes Vote: 7 No Votes: 0 Abstain: 0 Not Voting: 0 Result: PASS

<u>Member</u>	<u>Voting</u>
Ermeling, Barb	YES
Fiene, Nate	YES
Maloney, Mark	YES
Meinel, Steve	YES
White, Loren	YES
Xiong, Yee	YES
Zeyghami, Hooshang	YES

RESOLUTIONS/ORDINANCES.

None.

FUTURE ITEMS.

10. Next meeting date(s):

- Mon, Oct 4, 2021 @ 5:00 p.m. or ?? Joint Budget Meeting

Trautman stated the goal is to adopt the budget prior to Thanksgiving with meeting dates on October 4, October 18, and potentially October 20, if needed, to meet the publication deadline. A Doodle poll will be sent out for the October 4 meeting time.

11. Topics for future meetings.

- Budget
- HSA funding
- CVB Contract

12. Remarks from staff.

Trautman stated all other funds will be brought next time, including utilities. May also bring the general fund back if things are closer to being finalized.

13. Remarks from Committee Members.

None.

14. Remarks from Board Members

None.

15. Announcements.

None.

ADJOURNMENT OF FINANCE COMMITTEE

Motion by Oldenberg, second by Meinel, to adjourn the Finance Committee meeting at 5:49 p.m.

Yes Vote: 4 No Votes: 0 Abstain: 0 Not Voting: 1 Result: PASS

<u>Member</u>	<u>Voting</u>
Bender, Robert	YES
Ermeling, Barb	YES
Meinel, Steve	YES
Oldenberg, Mark	YES
Simmons, Ryan	---

ADJOURNMENT OF BOARD OF TRUSTEES

Motion by Fiene, second by Xiong, to adjourn the Board of Trustees meeting at 5:49 p.m.

Yes Vote: 7 No Votes: 0 Abstain: 0 Not Voting: 0

<u>Member</u>	<u>Voting</u>
Ermeling, Barb	YES
Fiene, Nate	YES

Maloney, Mark	YES
Meinel, Steve	YES
White, Loren	YES
Xiong, Yee	YES
Zeyghami, Hooshang	YES

The next meeting date and time will be determined after a Doodle Poll is sent out.

Jenna Trittin, Recording Secretary