

MINUTES OF THE FINANCE AND HUMAN RESOURCES COMMITTEE MEETING HELD AT
THE GREENFIELD CITY HALL ON WEDNESDAY, JUNE 27, 2018.

1. The meeting was called to order by Ald. Saryan at 6:35 P.M.

Roll Call:	Ald. Saryan	Present
	Ald. Kastner	Excused
	Ald. Bailey	Present

Also Present: Paula Schafer, Finance Director
Mayor Neitzke
Jeff Katz, Director Neighborhood Services
Kristi Johnson, Community Development Manager
Brad Wentlandt, Police Chief
Sean Licht, Police Captain
Wendi Unger, Baker Tilly Virchow Krause

2. Approval of the May 30, 2018 Finance and Human Resources Committee minutes

Approve
5/30/18
Minutes

It was moved by Ald. Bailey, seconded by Ald. Saryan to approve the May 30, 2018 Finance and Human minutes as presented.

The motion carried unanimously.

3. Discussion and decision regarding approval and acceptance of the City of Greenfield 2017 Financial Statements and Independent Auditor's Report and Baker Tilly Virchow Krause, LLP management letter

Approve
2017
Financial
Statements
and
Independent
Auditor's
Report
Council

Wendi Unger provided a summary handout of the 2017 audit. Ms. Unger stated the audit report issued a clean unmodified opinion, which means that the financial statements are fairly presented, believed to be materially accurate and that generally accepted accounting principles have been followed and applied.

There will be a new governmental accounting standard effective for the City for 2018, which is the GASB 75. This will require the City to have an up-to-date actuarial study done for Other Post-Employment Benefits (OPEB).

There is a passed adjustment form because the City does not record premiums on the long-term obligations on the balance sheet and amortize over the life of the debt. This is a practice the City has followed for many years and this equates to approximately \$314,000.

The Management's Discussion and Analysis Report summarizes current year activity and highlights points of financial interest in comparison to the prior year. Ms. Unger pointed out that the management analysis report is a high level overview of activity within the City.

The government-wide statements are a combination of funds of the City on a full accrual basis, which means they include capital assets as an asset and they include the long-term obligations as a liability. There was a large decrease in net position, not fund balance, due to significant borrowing during 2017 and a lot of that borrowing was not used for capital items. There was a \$13 million swing. There was also some fluctuation in the pension liability with WRS, which contributed to this.

The use of fund balance was budgeted at \$836,000 and instead \$209,000 was added, so a positive variance of over \$1 million that resulted in fund balance of \$10.2 million. The revenues were over budget by \$183,000, the largest contributor was in the permit area and the building permit revenue was \$374,000 over budget, which was a positive area. The expenditures were under budget by \$1.1 million, the general government category, was \$329,000 under budget; public safety was \$271,000 under budget most of which was in the fire department; public works was \$435,000 under budget due to road work that was budgeted at \$200,000 which was not done.

Mayor Neitzke pointed out expenditures that were under budget may have had the money deferred until this year.

Sanitary Sewer and Refuse and Recycling Financial Statement report shows the sanitary sewer fund added \$381,000 to its net position, which compares to an addition last year of \$700,000. The main reasons for the fluctuation in that fund was due to the 2016 developer contributions of infrastructure that did not occur in 2017, the program with MMSD and the money fluctuates based on the activity which was up approximately \$110,000 over this year in 2016. The refuse and recycling had a decrease in net position of \$29,000 which compares to a decrease last year of \$2,000. Sanitary sewer \$24.3 million net position, \$7.6 million is cash, very solid. Refuse and recycling \$207,000 net position, \$2 million is cash.

The City's long-term debt was \$93.3 million in 2017 vs. \$89.3 million in 2016. This consists of GO bonds and notes of \$81.4 million, (\$37.7 million is TIF related debt and remaining portion is City debt), OPEB liability of \$9 million, accumulated sick and vacation benefits of \$1.74 million, and net pension liability of \$1.1 million. The City has the ability to borrow an additional \$60.4 million with tax pledge.

Reserves are at 31%.

Ald. Bailey asked if the fund balance was positive. Ms. Unger stated it was definitely positive, typical would be 10-25% range. Mayor Neitzke stated there is a policy to keep it at 25%.

Ald. Bailey asked for Ms. Unger to discuss the long-term debt and if it was within reason for a budget the City's size. Ms. Unger stated the City has the ability to borrow \$141 million, the City is at \$81 million, which is over 50% but not unusual compared to similar entities.

Ms. Unger stated that there was a deficiency with the internal control regarding segregation of duties over the purchase card transactions and just encouraging a certain level of review over the purchases that are being made by department heads so that there is

a second set of eyes. Those are tested as part of the audit process. There were no issues noted, this was only an internal controls perspective.

It was moved by Ald. Bailey, seconded by Ald. Saryan to approve the 2017 Financial Statements and Independent Auditor's Report as presented.

The motion carried unanimously.

4. Update on status of public safety enhancement revenue and expenditure investigation

Chief Wentlandt reported that he reached out to Mueller Communications and they provided some information to the City and their advice was if the City was going to use a third party to assist was that it is too close to election day to do so. Mueller Communications would normally like to start 10 months before election day, so we would not have enough time to use a company to assist in surveying our citizens, creating educational information and outreach for the November election this year. The cost for this is approximately \$50,000 - \$65,000 for three phases of work.

Chief Wentlandt stated if the City would like to use a third-party that this would need to wait until next year. Otherwise, the recommendation is to put it on the ballot for this year. Chief Wentlandt stated that Greenfield is dead last in law enforcement spending in the State and the police officers are working a lot of overtime and the overtime budget is being exceeded every year. Chief Wentlandt stated they will be meeting with the school district to discuss DARE and school resource officers to see if there are other ways to leverage more revenue from the school district to fund those or stop. Many of the services that are provided cannot be continued at the same level. As previously reported, the call volume is up 20%.

Ald. Sayran asked if the City may not have to spend the \$50,000 - \$65,000 to put the three questions on ballot. Chief Wentlandt clarified that the survey the other community did consisted of three questions. Based on the survey, the response was to do a referendum and then the one question was asked if the residents should be taxed more for that purpose. Mueller Communications informed Chief Wentlandt that the work they have completed, when people are told their taxes are going to be raised and you tell them specifically what it is for, they are more likely to vote in the affirmative.

Mayor Neitzke stated that November would be a good time to ask the referendum question. Chief Wentlandt stated that Franklin has 60 sworn officers, Greenfield has 57 sworn, Franklin has about 20% less calls for service; however, Franklin is going to referendum in November for more officers and firefighters. Oak Creek is currently working with Mueller to potentially add more officers and fire fighters.

Mayor Neitzke stated that the idea of a social worker in the police department is a consideration for the budget to relieve some of the mental health duties that are being assumed by the officers who should be handling other duties. A social worker could follow up with people, get the services they need and reduce the number of times an officer would need to go out to the individual.

Ald. Saryan asked if Greenfield would be one of the first who would have a social worker. Chief Wentlandt stated that the other agency who has a social worker is Brookfield. Brookfield reported that it is the best thing they have ever done, they have had it for many years. Chief Wentlandt stated that Greenfield has been using CSO's for almost eight years and almost all the other communities in southeastern Wisconsin have started doing the same. Greenfield is now out of options; the gaps have been supplemented with IT, CSO, fleet management resource and eliminating positions.

Chief Wentlandt stated there needs to be a number and the number offsets the shared revenue loss. The levy should be the cost of an officer at five years, not just one year. Each officer is approximately \$100,000 in the first year and after five years, an officer is around \$150,000.

Mayor Neitzke stated that any referendum questions for the November ballot, needs to be submitted by August 28, 2018. Questions and suggestions need to be brought forward, including from the Police and Fire Department, by the next Finance and HR Committee meeting in an effort to ratify and forward to the July 17, 2018 Common Council meeting. The next Finance and HR Committee meeting is July 11, 2018.

Mayor Neitzke stated the intent is for the Finance and HR Committee on July 11, 2018, staff is to provide the questions and Finance is to provide the financial information for the questions. The Fire Department should be involved.

Mayor Neitzke also stated at this Finance and HR Committee meeting, the Dark Store ballot question should be discussed to be put on the November ballot.

The intent would be to vote on it by the July 17, 2018 Common Council meeting. Any question for the November ballot needs to be ratified by the Common Council by August 28, 2018.

5. Approval of schedules of disbursements in the amount of \$435,202.56

Approve
disbursements
Council

It was moved by Ald. Bailey, seconded by Ald. Saryan to approve the following schedule of disbursements:

AP CHECKS	6/8/18	\$89,623.40
AP CHECKS	6/15/18	\$272,567.75
P-CARDS/MAY	6/9/18	<u>\$73,011.41</u>
<u>TOTAL</u>		<u>\$435,202.56</u>

The motion carried unanimously.

6. Approval of mileage reimbursements in the amount of \$8.83

Approve
mileage
Council

It was moved by Ald. Bailey, seconded by Ald. Saryan to approve the mileage in the amount of \$8.83.

The motion carried unanimously.

7. Investments and reinvestments

Investments
&
reinvestments
Council

It was moved by Ald. Bailey, seconded by Ald. Saryan to approve the investments and reinvestments as follows:

LOCAL GOVERNMENT INVESTMENT POOL

May 2018 Statement

April Ending Balance	\$21,973,016.64
0 Deposits in May	\$ -
1 Withdrawal in May	\$ 3,500,000.00
May Interest Earnings @1.81%	<u>\$ 30,583.09</u>

Total: \$18,503,599.73

Institution	Princ Amt Invested	Investment Date	Maturity Date	Yield	Interest Earned	ID #
Money Mkt/Tri-City Bank	\$1,154,248.95	12/31/2001	variable		\$294.99	21901270
Money Mkt/BMO Harris Bank	\$506,837.24	6/28/2011	variable		\$170.86	46370511
Ehlers Investment Partners X- 2055705	\$6,179,677.05	12/9/2014	variable			
Associated Bank Investments	\$6,083,605.66	12/10/2014	variable			
TD America Trade TIF # 6 (2015) X-031566	\$276,539.11	10/1/2015	variable			
TD America Trade TIF # 6 (2016) X-130060	\$146,634.48	6/29/2016	varibale			
TD America Trade TIF # 6 (2016) X-287885	\$187,522.42	11/30/2016	variable			
TD America Trade TIF # 6 (2017) X-632136	\$87,755.90	4/1/2017	variable			
Totals	\$14,622,820.81				\$465.85	

The motion carried unanimously.

8. Accept Financial Statements

Accept April
& May
Financial
Statements

It was moved by Ald. Bailey, seconded by Ald. Saryan to accept the April and May 2018 financial statements.

Council

The motion carried unanimously.

9. Discussion/decision to transfer remaining balances from capital projects “2014 AED’s,” “2015 Portable Radio Batteries,” and “2017 Portable Radio Batteries” to project “2017 Emergency Dispatch Console”

Approve
transfer of
funds
Council

Sean LitchThis involves going to the OASIS radio system with Milwaukee County and in the process of transitioning. Milwaukee County is creating encryption on all of the radios, so in order to effectively communicate with various entities, Greenfield needed encryption on the radios. The City of Milwaukee has now been included and this will allow Greenfield to access their radio talk groups, but will require the encryption. A purchase was needed for this and because AED’s came in significantly cheaper and there are new radios, the need for radio batteries was not needed. The amount was \$57,000.

It was moved by Ald. Bailey, seconded by Ald. Saryan to transfer remaining balances from capital projects “2014 AED’s,” “2015 Portable Radio Batteries,” and “2017 Portable Radio Batteries” to project “2017 Emergency Dispatch Console”.

The motion carried unanimously.

10. Discussion and decision to approve an ordinance modifying Section 3.12 (5) (a) & (c) of the Municipal Code changing permit fees for driveway and right-of-way permits

Approve
ordinance to
modify
permits
Council

Jeff Katz stated that a change is being made to the ordinance since quite a few of the permit fees had not been reviewed for a long time. Driveway permits will raise from \$50 to \$75, which is more in line with the surrounding communities. There is a fee for cutting a curb, which is \$25 per foot. Culvert installation is currently a long complicated process which involves sending out a working foreman to determine the cost to put in a culvert and in the end it ends up costing approximately \$2,400 and \$2,600. It was costing a lot of money to determine the cost, so going forward, it will cost \$2,500. The right-of-way permits, most communities went to a fixed fee of approximately \$100.

Ald. Saryan asked what a right-of-way permit was. Mr. Katz stated that it is anything that happens in the right-of-way, new telephone, electric pole, cable underground, waterline, fire hydrant, etc.

There was further discussion regarding the process for requesting permits and ensuring permits are being requested as required. Mayor Neitzke stated he would like to see in place if someone is working in the right-of-way without a permit, a penalty issued.

It was moved by Ald. Bailey, seconded by Ald. Saryan to an ordinance modifying Section 3.12 (5) (a) & (c) of the Municipal Code changing permit fees for driveway and right-of-way permits”.

The motion carried unanimously.

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| <p>11. Discussion and decision to approve fund transfers between Engineering Division capital improvement accounts</p> <p>Mr. Katz stated that there was a list of approved projects in this year's budget in which there were favorable bids and some of the savings is requested to move to Edgerton Avenue to pay off some of the overages on that project. Also move some of the savings to the street lighting for 92nd Street. There are promise grants funds for the Kulwicki Park work, but there is not a project established, so an account would need to be created for that project. Savings from this year's projects would be moved to new accounts to design projects for next year.</p> <p>It was moved by Ald. Saryan, seconded by Ald. Bailey to approve fund transfers between Engineering Division capital improvement accounts.</p> <p>The motion carried unanimously.</p> | <p>Approve
transfer of
funds
Council</p> |
| <p>12. Discussion and decision to approve revising the job description for the position of Laborer within the Department of Neighborhood Services</p> <p>Mr. Katz explained that the Laborer position is the entry level position within DNS and there have been issues with getting applicants. One of the issues has been an applicant not having the Commercial Driver's License (CDL). Within the Laborer job description, the CDL would be required after six months of employment rather than at the time of employment. If someone is hired without a CDL, they would be paid \$1.00 per hour less until they obtain the CDL. This would open the candidate pool. There is an opening for this position currently.</p> <p>It was moved by Ald. Bailey, seconded by Ald. Saryan to approve revising the job description for the position of Laborer within the Department of Neighborhood Services.</p> <p>The motion carried unanimously.</p> | <p>Approve
revising job
description
for Laborer
Council</p> |
| <p>13. Discussion and decision to approve a rate of pay for the position of Laborer without a Commercial Driver's License</p> <p>It was moved by Ald. Bailey, seconded by Ald. Saryan to approve a rate of pay for the position of Laborer without a Commercial Driver's License.</p> <p>The motion carried unanimously.</p> | <p>Approve rate
of pay for
Laborer
without CDL
Council</p> |
| <p>14. Discussion and decision to approve creating the job description of Planner, within the Department of Neighborhood Services Community Development Division</p> <p>Kristi Johnson stated that in January 2018, the Common Council approved a new position of a Building Inspector and the recruitment process was not successful. Since that time, there was additional consideration for the needs within the department and it was determined that it would be more efficient for a position within the Community Development and Inspection Services Division to advertise for a Planner position. The additional person was originally approved by the Common Council and now it is requested</p> | <p>Approve
creating job
description of
Planner
Council</p> |

to create a new job description of a Planner to fill that position that had been approved. The Planner's role would be an enforcement role for zoning, sign, non-compliance with approved plans, businesses opening without occupancy approval. The role would also involve coordinating with the building inspectors for plan review. There may also be an opportunity to eventually increase our plan review fees for the Inspection Services Division and generate more revenue. This would also allow the Community Development Manager to focus on bigger projects, such as the comprehensive land use map amendment which is a big undertaking for this year and every 10 years for the department. There is also a need for updating with the zoning code. This position would also allow the Manager role to focus on ordinance amendments and larger plans and time on TIF districts, promoting the City, soliciting to developers.

Ms. Johnson provided information regarding staffing within other communities for comparison purposes.

Ald. Bailey asked who would be handling the building inspector duties. Ms. Johnson stated that Greenfield has a full-time building inspector, plumbing inspector and electrical inspector. Mayor Neitzke stated that the City had three inspectors, the anticipated use of the fourth was to do some of the work that the Planner position would be doing, and also provide back-up to the other three inspectors.

Ald. Bailey asked if there would be additional costs for this position. Ms. Schafer stated that the position approved in January 2018 had other funds being utilized to fund the fourth inspector position; therefore it was not a position budgeted for. There were funds because of changes done within DNS to support that position. Mayor Neitzke stated that the same funds instead of supporting the inspector position would be supporting the planner position; the fourth inspector position will not be filled. Ms. Schafer stated that the Planner position would be included in the 2019 budget.

It was moved by Ald. Saryan, seconded by Ald. Bailey to approve creating the job description of Planner, within the Department of Neighborhood Services Community Development Division.

The motion carried unanimously.

15. Discussion and decision to set salary for the Planner position within the Department of Neighborhood Services Community Development Division

Approve
setting salary
for Planner
Council

It was moved by Ald. Saryan, seconded by Ald. Bailey to set salary for the Planner position within the Department of Neighborhood Services Community Development Division.

The motion carried unanimously.

16. Discussion and decision to approve recruiting and hiring for the Planner position within the Department of Neighborhood Services Community Development Division

Approve
recruiting and
hiring for
Planner
Council

It was moved by Ald. Saryan, seconded by Ald. Bailey to approve recruiting and hiring for the Planner position within the Department of Neighborhood Services Community Development Division.

The motion carried unanimously.

17. Other topics for future agendas

Mayor Neitzke stated that the referendum items as previously discussed. HR and Mayor will be meeting with Horton regarding health insurance renewal and how Diversified Benefit Services (DBS) handles our plan. There was a letter received from the Police Officer's Union formally asking that negotiations open for their contracts.

Ald. Bailey asked how Mayor Neitzke was going to proceed with the Social Worker position as previously mentioned. Mayor Neitzke stated that would be part of the budget process for 2019. The goal would be to discuss this through the budget process.

18. Committee to go into closed session, pursuant to Wisconsin Statutes, Section 19.85(1)(c) to consider the following:

- a. Discussion of specific personnel problems as related to personnel matters

N/A

19. Adjourn closed session and reconvene into open session

N/A

20. Decision of Specific personnel problems as related to personnel matters

N/A

21. Adjourn

Adjourn

It was moved by Ald. Bailey, seconded by Ald. Saryan to adjourn the meeting at 8:18 p.m.

The motion carried unanimously.