MINUTES OF THE FINANCE AND HUMAN RESOURCES COMMITTEE MEETING HELD AT THE GREENFIELD CITY HALL ON WEDNESDAY, JULY 10, 2019.

1. The meeting was called to order by Ald. Saryan at 6:04 P.M.

Roll Call:	Ald. Saryan	Present
	Ald. Bailey	Arrived at 6:07 P.M.
	Ald. Kastner	Present

Also Present: Mayor Neitzke
Paula Schafer, Finance Director
Jeff Katz, Director, Department of Neighborhood Services
John Laskoski, Superintendent, Division of Public Works
Kristi Johnson, Community Development Manager
Tim Sowinski, Deputy Comptroller
Wendi Unger, Baker Tilly Virchow Krause

2. Approval of the June 12, 2019 Finance and Human Resources Committee minutes. Approve 6/12/19 Minutes

It was moved by Ald. Kastner, seconded by Ald. Saryan to approve the June 12, 2019 Finance and Human minutes as presented.

The motion carried unanimously.

3. Discussion and decision regarding approval and acceptance of the City of Greenfield 2018 Financial Statements and Independent Auditor's Report and Baker Tilly Virchow Krause, LLP management letter. Approval and acceptance of the City of Greenfield 2018 Financial Statements and Independent Auditor's Report and Baker Tilly Virchow Krause, LLP management letter **Council**

Ms. Unger distributed an Executive Summary of the 2018 Audit of City's Financial Statements. The auditor's report is a clean unmodified opinion, which is good, highest level of assurance that can be obtained from the auditors. The opinion for this year does include an emphasis of matters paragraph. There was a new Governmental Accounting Standard 75 which was effective for the City. This required some additional disclosures and different methodologies in reporting the other post-employment benefits (OPEB).

The communication document accomplishes a couple different purposes, this allows the auditors to communicate comments and recommendations. The auditors also communicate any type of internal control situations that exist that they feel warrant mention to the committee. Included in there continues to be a comment regarding the purchase card transactions and the existence of review and approval by individuals other than those utilizing the cards. If a department head is using their card they should have a review and approval by somebody other than themselves. In 2019 there has already been some activity surrounding that comment and hopefully that will be addressed in 2019, also with some changes that they will provide samples of.

There will be a new governmental accounting standard which will be coming out in the next couple years. One regarding the handling of leases and one regarding the handling of fiduciary funds, an example of this is tax revenue. Ald. Kastner asked if the City had to make any changes. Ms. Unger stated she does not think so on the fiduciary standpoint. The one thing that will need to be done under the lease standard is an inventory of all leases. Under the new standards, all leases which are longer than one year will be capital leases, so they will come on the balance sheet and be amortized over the life of the lease.

The Management's Discussion and Analysis Report summarizes current year activity and highlights points of financial interest comparison to the prior year.

The government-wide financial statements consolidate all funds, are presented on the full accrual basis and report a decrease in net position of $1,547,882. Operation expenses were $47.7 million a decrease of $9.78 million over the prior year. For 2018 compared to 2017, there is a large decrease because in 2017 there were TIF costs which were paid for and did not exist in 2018.

The general fund operations compared to budget revenues and expenditures shows favorable results compared with budget. The City had budgeted to use the fund balance in the amount of $1,116,431 and actually used $537,287 of the fund balance. The reason for this is because investment income came in very favorable for 2018 and significantly over budget in all areas. The expenses were approximately $304,000 under budget. The largest contributing factors to that, the Clerk's Office was $113,000 under budget, most was in the election category. The insurance costs were $50,000 under budget and the Finance Department was $72,000 under budget mainly in the salary category.

The sanitary sewer and refuse and recycling financial statement report shows the refuse and recycling had an increase in net position of $19,851. The factors which contributed to this were higher customer charges than what has existed in the past. Expenses were relatively flat within the refuse and recycling fund. Sanitary sewer had an increase in net position by $555,461, investment income was up $80,000 and customer charges were up $345,000, but those are a bi-product of the MMSD costs which went up approximately $260,000 so the rates went up to assist in paying those costs.

The City's long-term debt was $100,991,355 in 2018 vs $101,394,387 in 2017. In 2018, the City borrowed $3.4 million of general obligation debt; paid down $3.9 million. The new OPEB standard resulted in a restatement of the beginning of the year liability by approximately $8 million. The GASB 75 said that the City needs to report on the top side statements the full liability that is anticipated to exist, in the past it was just the annual required contributions less the pay as you go amounts. The City is up to a $17 million liability for the OPEB related to health as of the end of the year. The long-term obligations were $101 million last year and they are down to $100 million this year. The City can borrow up to 5% of its equalized value which equates to $149 million. With the general obligation debt, there is almost $70 million of borrowing capacity.

Mayor Neitzke asked because the City cannot levy as much for capital equipment as they used to, does it make sense for the City to enter into long-term lease agreements. Historically the City has paid for the equipment with cash, if the City can come to favorable terms through lease or payment plan, can this be done. Ms. Unger stated it is possible; however, the only caution is how does it affect the levy limit, does it fall under operating or additional debt service.

Mayor Neitzke asked if the City wanted to lease police cars instead of buying it with capital equipment dollars, those lease expenditures would fall in to the operating budget and how that budget would be affected. Ms. Unger stated if the City would decide to lease any equipment, the City would still have the additional cost of that lease, whether it is an operating expense or debt service. If it is a debt service, there is the ability to increase the levy by that amount. If it is an operating expense, then the City has to find a spot within that. Mayor Neitzke would like more guidance on how to handle this through the budget process. Mayor Neitzke stated in the letter, there was a major deficiency with the purchasing card and last year when this process was reviewed the kinds of controls the accountants like, did not exist because the purchasing cards were relatively a new thing. Those controls are formally in place so there is the oversight required, but if you notice in the letter there is the idea that the City needs to create a formal policy. The City is going to find that policy to ensure it is formally in place, although operationally it is in place. Mayor Neitzke would like this brought to Finance & HR to remedy that deficiency.

Ald. Bailey stated he saw an article that listed the order of debt and Greenfield was in the top 10, and would like to know if this is a concern. Ms. Unger stated she knows the article being referred to, one thing to keep in mind is what the debt is being used for. The one thing Greenfield has in comparison to other communities is the development and TIF operations and TIF activity that the City borrowed to pay for. It is advised when looking at those figures to be comparing apples to apples because that article is not. The debt that is outstanding a good portion, about $30 million of $80 million, is TIF. The City is developing and building tax base, doing things that should be done.

It was moved by Ald. Kastner, seconded by Ald. Bailey to approve and accept the City of Greenfield 2018 Financial Statements and Independent Auditor's Report and Baker Tilly Virchow Krause, LLP management letter.

The motion carried unanimously.

4. Discussion and decision to approve a contract by and between the City of Greenfield and Vandewalle & Associates, Inc. for a Comprehensive Plan Update.

Approve contract by and between the City of Greenfield and Vandewalle & Associates, Inc. for a Comprehensive Plan Update up to $45,000 **Council**

Ms. Johnson stated Vandewalle & Associates wrote the Comprehensive land use plan for the City in 2008. The state law mandates the communities update their 20 year plan mid-way through, roughly in year 10. Vandewalle has provided scope of services to do this. In the scope of services, they included a variety of tasks and elements, which includes a housing affordability report. This is an add-on to the Comprehensive Plan Update. The state in 2017 adopted a new act which requires every single community with population of 10,000 and above to do a housing report and affordability report and analysis. If a municipality does not finish the report and an analysis of the fees and put this on the City's website by December 31, 2019, the City cannot collect permit fees. Vandewalle was asked to include this scope with the Comprehensive Plan Update because they are doing research and analysis for housing and they have expertise. This Comprehensive Plan Update totals $39,520. Ms. Johnson has a budget of $45,000 which is a combination of 2018 funds and a combination of 2019 funds. Ms. Johnson is requesting an approval up to $45,000. Vandewalle's scope does include some optional tasks, which would give staff the ability to utilize one of the optional tasks as moving forward within the process.

Mayor Neitzke stated this is not reinventing the wheel; however, a lot of things have happened in the past 10 years. It is critical that the City completes the Comprehensive Land Use Plan amendments and critical that the housing and affordability reports are completed.

It was moved by Ald. Kastner, seconded by Ald. Bailey to approve contract by and between the City of Greenfield and Vandewalle & Associates, Inc. for a Comprehensive Plan Update up to $45,000.

The motion carried unanimously.

5. Discussion and decision to approve departmental procedure regarding the inspectors' three different salary tables and revise credential language to certifications in the 2019 Non-Represented Salary Resolution.

Approve departmental procedure regarding the inspectors' three different salary tables and revise credential language to certifications in the 2019 Non-Represented Salary Resolution **Council**

Ms. Johnson stated the chart provided was the existing chart for the three different levels for the inspectors, whether it is building, plumbing or electric. Each level has a different credential requirement. There are no City documents or procedures where the credentials defined. The goal is to define credentials through a departmental procedure and eliminate the use of the word credential and replace it with certification. Ms. Johnson explained the proposed procedure. The proposed steps are slightly different and more realistic with what someone could achieve.

It was moved by Ald. Kastner, seconded by Ald. Bailey to approve departmental procedure regarding the inspectors' three different salary tables and revise credential language to certifications in the 2019 Non-Represented Salary Resolution.

The motion carried unanimously.

6. Discussion and decision to approve job descriptions for Laborer, Operator and Senior Operator in the Division of Public Works.

Approve job descriptions for Laborer, Operator and Senior Operator in the Division of Public Works **Council**

Mr. Katz stated it was discovered the job descriptions did not accurately reflect the differences between each of the three positions in Public Works for the front line workers. They start as Laborer and as they become more experienced and learn to use more equipment and are able to take more responsibility, those individuals may become Operators if positions are available. If they get more training and experience in both equipment and leadership with leading a crew, they could move to Senior Operator. Also Senior Operators have jobs which are very specialized, such as working with electricity, street lights, traffic signals which requires our highest level employee.

Mr. Katz stated the new job descriptions as written all share the same types of work, snow, landscaping, streets, building, storm sewer, etc., but each one builds upon the next. The Laborer has the lowest level of responsibility and skill level and the Operator who is paid a little more is required to operate more challenging equipment and do more higher level of responsibility of jobs and same for Senior Operator.

Mayor Neitzke stated one thing to be cognizant of is each year the organizational chart is created and it is defined how many people are in each position. This does not impact the organizational chart. Ald. Bailey asked how someone gets to be a Senior Operator. Mr. Katz stated there are two things, one is someone needs to be trained and experienced and the other thing is there needs to be an opening.

It was moved by Ald. Kastner, seconded by Ald. Bailey to approve job descriptions for Laborer, Operator and Senior Operator in the Division of Public Works.

The motion carried unanimously.

7. Discussion and decision to approve agreement between the West Allis Health Department WIC Program and the Greenfield Health Department.

Approve agreement between the West Allis Health Department WIC Program and the Greenfield Health Department **Council**

It was moved by Ald. Kastner, seconded by Ald. Bailey to approve agreement between the West Allis Health Department WIC Program and the Greenfield Health Department.

The motion carried unanimously.

8. Discussion and decision to approve Grant Agreement with the State of Wisconsin Department of Health Services Division of Public Health, Bureau of Communicable Disease, and Greenfield Health Department for Tuberculosis (TB) Dispensary Program.

Approve Grant Agreement with the State of Wisconsin Department of Health Services Division of Public Health, Bureau of Communicable Disease, and Greenfield Health Department for Tuberculosis (TB) Dispensary Program **Council**

It was moved by Ald. Kastner, seconded by Ald. Bailey to approve Grant Agreement with the State of Wisconsin Department of Health Services Division of Public Health, Bureau of Communicable Disease, and Greenfield Health Department for Tuberculosis (TB) Dispensary Program.

The motion carried unanimously.

<table>
<tr><td>9.</td><td>Discussion and decision to approve Memorandum of Understanding for a Subcontracting Agreement of the Dispensary of Tuberculosis Clinical Services of the Division of Public Health, Bureau of Communicable Diseases, between the Greenfield Health Department and the Franklin, Greendale, and Hales Corners health departments.

It was moved by Ald. Kastner, seconded by Ald. Bailey to approve Memorandum of Understanding for a Subcontracting Agreement of the Dispensary of Tuberculosis Clinical Services of the Division of Public Health, Bureau of Communicable Diseases, between the Greenfield Health Department and the Franklin, Greendale, and Hales Corners health departments.

The motion carried unanimously.</td><td>Approve Memorandum of Understanding for a Subcontracting Agreement of the Dispensary of Tuberculosis Clinical Services of the Division of Public Health, Bureau of Communicable Diseases, between the Greenfield Health Department and the Franklin, Greendale, and Hales Corners health departments
Council</td></tr>
<tr><td>10.</td><td>Discussion and decision to approve Ancillary Participation Agreement between Humana Insurance Company and the Greenfield Health Department.

It was moved by Ald. Bailey, seconded by Ald. Kastner to approve Ancillary Participation Agreement between Humana Insurance Company and the Greenfield Health Department.

The motion carried unanimously.</td><td>Approve Ancillary Participation Agreement between Humana Insurance Company and the Greenfield Health Department
Council</td></tr>
<tr><td>11.</td><td>Discussion and decision to approve Ancillary Participation Agreement between Health Value Management, Inc., d/b/a ChoiceCare Network, and the Greenfield Health Department.

It was moved by Ald. Kastner, seconded by Ald. Bailey to approve Ancillary Participation Agreement between Health Value Management, Inc., d/b/a ChoiceCare Network, and the Greenfield Health Department.</td><td>Approve Ancillary Participation Agreement between Health Value Management, Inc., d/b/a</td></tr>
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The motion carried unanimously.

ChoiceCare Network, and the Greenfield Health Department
Council

12. Discussion and decision to change City Hall office hours.

Place an agenda item to discuss City Hall office hours on the next agenda

Mayor Neitzke stated that he hopes the Alderpersons have seen the emails that have been sent. The first email was the internal discussion with department heads which was an even split. The second email showed the most comparable neighbors and there is a split there as well. Mayor Neitzke stated they will have the department heads sit down and see if there is something reasonable that meets the needs of the constituents to see if there is some kind of internal agreement with regard to what they should be. The split of opinion will either be should the hours be changed to 4:30 pm close or keep it as it is. Mayor Neitzke would like to see an executive summary of the recommendation.

Ald. Kastner recommended this be placed on the next agenda.

It was moved by Ald. Kastner, seconded by Ald. Bailey to place an agenda item to discuss City Hall office hours on the next agenda.

The motion carried unanimously.

13. Approval of schedule of disbursements in the amount of $12,369,791.46.

Approve schedule of disbursements in the amount of $12,369,791.46
Council

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

AP CHECKS	6/7/2019	$62,002.50
AP CHECKS	6/14/2019	$251,174.09
AP CHECKS	6/21/2019	$448,352.54
AP CHECKS	6/24/2019	$385,896.18
AP CHECKS	6/28/2019	$613,207.50
WIRE TRANSFERS	MAY 2019	$10,379,033.93
P-CARDS / MAY 2019 STATEMENT	5/23/2019	$230,124.72
	TOTAL:	$12,369,791.46

The motion carried unanimously.

14. Approval of mileage reimbursements in the amount of $1,005.62.

Approve mileage in the amount of $1,005.62
Council

It was moved by Ald. Bailey, seconded by Ald. Kastner to approve the mileage in the amount of $1,005.62.

The motion carried unanimously.

15. Investments and reinvestments.

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

Approve investments & reinvestments
Council

LOCAL GOVERNMENT INVESTMENT POOL

May 2019 Statement			
April Ending Balance		$	31,771,916.69
1 Deposit (s) in May			102,009.66
4 Withdrawal(s) in May			8,775,000.00
May Interest Earnings @ 2.45%			55,634.69
	TOTAL	$	23,154,561.04

Institution	Princ Amt Invested	Investment Date	Maturity Date	Yield	Interest Earned
Money Mkt/Tri-City Bank	$642,426.68	12/31/2001	variable		$81.85
Money Mkt/BMO Harris Bank	$509,068.31	6/28/2011	variable		$214.95
Ehlers Investment Partners X-2055705 GRD GEN INV	$6,362,755.25	12/9/2014	variable		
Associated Bank Investments	$6,266,688.01	12/10/2014	variable		
Totals	$13,780,938.25				$296.80

The motion carried unanimously.

16. Accept May 2019 Financial Statements.

It was moved by Ald. Bailey, seconded by Ald. Kastner to accept May 2019 financial statements.

Accept May 2019 Financial Statements
Council

The motion carried unanimously.

17. Other topics for future agendas.

Development of three story hospital in Ald. Kastner's district which is adjacent to the freeway, it is approximately a $20 million development. This would be a pay-go-TIF thing, but it would not be significant and short-term.

Mayor Neitzke stated the budget is being worked on, the desire is to remain flat and 2% for pay increases and budgeted 10% for health insurance.

Mayor Neitzke stated that any other desire to do something, there are two things to worry about, the levy limit which allows the City to pay for health insurance and the 2% raises. Anything else the City departments want to do, they will need to be creative with.

18. Adjourn. Adjourn

It was moved by Ald. Kastner, seconded by Ald. Bailey to adjourn the meeting at 7:03 p.m.

The motion carried unanimously.