

VILLAGE OF BONDUEL
VILLAGE BOARD MEETING
JUNE 11, 2015

Following the Pledge of Allegiance and moment of silence, President Sharon Wussow called the meeting to order at 7:00 p.m.

Wussow read a statement regarding the posting of the meeting.

Present: Sharon Wussow, Shawn Thorne, Robert Luepke, Joan Kamps, Robert Thayer, Dick Sibert and Luka Zischka.

Absent: None.

AGENDA: Motion by Thorne, second by Sibert, to approve the agenda and deviate as necessary. Motion carried.

MINUTES: Motion by Thorne, second by Zischka, to approve minute of the May 12, 2015 meeting with typographical corrections.

ACKNOWLEDGEMENT OF CITIZENS: Tom Karman of Schenck & Associates, Doug Harland representing Bonduel Area Fire Department and Police Officer Nicole Blaskowski.

COMMUNICATIONS: Wussow presented information regarding the "Local Spark Award" offered by WEA Trust, a Wisconsin health insurance company. WEA will award three \$3,000 grants to support community projects in Wisconsin. Wussow urged members to submit ideas at the next regular Board meeting (July 8, 2015); the item will be put on the agenda.

A memo was received from Mel Wendland regarding plans for the centennial celebration. Wussow felt the Plan Commission needs to focus on getting the TIF District going, therefore the Ad Hoc Committee can handle the centennial.

Zischka gave a report on the recent School Board meeting. 40 people attended. Major topic was school budget deficit. State funding is unknown at this point so deficit for next year is expected to be between \$200,000 and \$250,000. Custodial staff members were let go and custodial service will be privatized. This will save \$80,000.

REPORTS:

Public Safety Committee met June 1, 2015. Rick Van Dyn Hoven from Safety and Security Systems discussed weather-warning siren and gave a replacement quote. Will be a budget item but will need to be discussed again at Public Safety meeting. Current siren is not narrow-band frequency. In case of emergency, Village could be liable for certain incidents. Zischka added that if power goes out, the siren

goes out. It is not tall enough so sound hits buildings on east and stops. Main intersection would be better location or perhaps one on both ends of town. Harland asked if siren could be tapped into back-up emergency generator at the fire station. This will be investigated with an electrical contractor.

Police Department report on file. Questions arose regarding five truancies on May 26; Officer Blaskowski stated these were not five students on one day, rather the school resource officer goes to the school only on certain days and files all reports on that date for all truancies that have occurred since the previous visit.

Fire Department report on file. Wussow asked if anyone sent a thank-you letter to World Wide Signs for use of their new building for training. No one has sent them a letter yet, but it will be done.

EMS report on file.

Administrative Committee met twice to discuss insurance, which is on the agenda. Clerk's report on file. Rusch gave highlights.

Municipal Operations Committee met; two items are on the agenda. Director of Municipal Operations report on file. Discussed marking cross walks and parking lot lines. Steve will work with Shawano to have them come in with their equipment. Young adult who is required to perform community service hours will be picking up projects that high school volunteers were unable to complete due to rain.

Zoning Board of Appeals: No meeting.

Library Board will hold quarterly meeting in July. Librarian's report on file.

Plan Commission will tentatively be meeting on Monday, July 6, 2015 at 6:30 p.m.

Fire Commission met May 27, 2015. Prices were raised on fire bills for certain items that have increased in cost.

NEW BUSINESS:

K1: 2014 Financial Report. Tom Karman presented highlights of the 2014 Financial Report: Net change in General Fund Balance was +\$42,051. Expenditures were approximately \$13,000 under budget and revenues were about \$30,000 over budget, leaving a year-end balance of \$395,770. He generally recommends maintaining minimum General Fund balance of 25-30% of annual budget; it is currently at a little over 40% of budget. State aids are unpredictable so these reserve funds help prevent drastic cuts to cover future aid losses. For general obligation bonds, being in a good financial position would tend to get better interest rates. Discussed 2016 street project & Cedar Park restroom borrowing; it would be to our advantage to bundle the projects for lower interest rate.

TIF District doing quite well. It shows a deficit due to some transfers out to utility operations for TIF-eligible projects that were paid for out of utilities. Once TIF generates enough cash and has extra money, utilities would be reimbursed for those projects. Wussow asked if incentives would come out of the TIF budget. Karman stated it depends what you want to do. The Village could offer land free, but builder agrees to erect building of specified value by specified date to begin generating revenues. Construction should be timed to coincide with when it actually goes on the tax roll. There is about a two-year waiting period for the tax increments; values are set in June, so building must be completed prior to that in order to get on the next year's tax roll, and then in the following year those taxes are collected. Also, many communities give the land, then agree that taxes paid on that land will be reimbursed up to a certain amount. Developer assumes all the risk because if they don't do anything, they don't get anything back. First step is to see what incentives TIF Plan allows. If an incentive is not an allowable project in original plan, you can do a plan amendment to get it in. Karman added Bonduel is one of few communities he has seen where the TIF increment went up from 2014 to 2015. The TIF District continued to be discussed in detail. Wussow asked if there was a size limit for a TIF district. Karman responded that TIF value must be no more than 7% of total value of municipality. He recommends we discuss with Jim Mann for further ideas and procedures for growth and investment.

Karman also reported increases in cash and cash equivalents in the Water and Sewer Utility Funds totaling \$42,394. Cash coming in from the TIF District is providing enough cash to pay bills and debt service. He stated at last rate increase, the Public Service Commission wanted a review of those rates. If there weren't TIF funds coming in, something would have to be done with those rates. The PSC won't allow increases in rates to customers because they look at TIF cash. When TIF closes and income ends, this will be an issue. If there is a maximum amount in the TIF plan placed on transfer to utility, we could get to that point sooner.

Zischka questioned the control deficiencies. Karman stated the segregation of duties, as detailed on page 36 of the report, is common in communities of this size because there is not sufficient staff; generally one person is responsible for all aspects of routine transactions. It is simply the condition that exists and auditors are required to report it. From the Board's standpoint, it is important they have heightened awareness and thoroughly review monthly reports. He also explained the financial controls discussed on page 37 which state that the Village is not adequately staffed to prepare annual financial reports and disclosures and therefore contracts with Schenck to provide these services.

K6: Fire Department officers. Harland stated the list of officers was approved by the Fire Commission and is the same as last year. Motion by Wussow, second by Zischka, to approve the 2015 Fire Department officers. Motion carried.

K7: Fire Chief's authority to sign Mutual Aid Agreements. Harland explained "working still" is not considered MABAS but still needs agreements in place. Chief Woldt would like authority to sign those agreements under "working still" portion of MABAS. This was approved by the Fire Commission. Motion by Wussow, second by Sibert, to grant authority to the Fire Chief to sign Mutual Aid Agreements under the "working still" portion of MABAS. Motion carried.

K2: Operator's license applications. Wussow stated all applications were presented to the Public Safety Committee. One person, Robert Evans, has been recommended for denial, and Salvador Oviedo needs to submit his certificate of completion of beverage server course to the Clerk. Motion by Wussow, second by Kamps, to approve list of 2015 operator's license applicants, except (1) Robert Evans is denied and (2) Salvador Oviedo's license is contingent upon his bringing in his certificate. Motion carried.

K3: 2015 liquor licenses. Wussow stated the Hungry Bear did not submit their application 15 days in advance of the Board meeting, so action on their renewal application will require a special board meeting. She added that AMICOS will not be able to get liquor license until personal property taxes for 2013 and 2014 totaling \$2,747.33 are paid. Approval would be contingent upon payment. Motion by Wussow, second by Kamps, to approve liquor license applications submitted for approval at the June 11, 2015 meeting, with AMICOS contingent upon payment of personal property tax. Motion carried.

K4: Code of Ethics. Ordinance requires the code be reviewed every year by the Village Board, commissions, committees and all departments. Wussow reviewed highlights of the ordinance.

K9: Insurance renewals. Rusch explained that, because the Local Government Property Insurance Fund (the Fund) is being dissolved in the next two years, the Village will need to find a new carrier for property insurance. Quotes were received for 2016 renewals from the Fund, from Chubb (a company represented by the Village's current insurance administrator Burkhart-Heisdorf), and EMC Insurance Companies, represented by Safeguard Insurance Group of Pulaski. Also the League of Wisconsin Municipalities Mutual Insurance (the League) has created a new property insurance company and will be offering coverage effective October 1, 2015.

The Committee recommended that property coverage be issued with a \$1,000 deductible. Also, with the League's new property coverage becoming available in October, the Village would have the option to switch carriers if the League's rates are more affordable. Chubb would potentially waive the 10% termination fee; however the Fund would not. The Chubb premium, even with the 10% termination fee (if coverage is in fact terminated in October) would be lower than the Fund by almost \$800. Therefore the Committee recommends Chubb for property coverage.

As for liability insurance, the Village is currently insured for full coverage with the League. Their renewal quote is considerably higher than EMC's quote; however EMC has a \$1,500 deductible and is a "claims made policy" versus an "occurrence" basis. The League also provided a quote based on a \$1,000 deductible. Included in the Board packet was a document the League had presented to the Committee which itemized coverages and services that would be lost if the Village discontinued their program. Wussow pointed out that the Village would lose the services of Agility, a catastrophic response company that provides assistance to keep basic services working after a disaster.

Rusch shared the motion from the Administrative Committee that contained their recommendation to the Board stating they recommend to the Board to renew liability and worker's compensation coverage with the League (our current carrier) and go with Chubb for property coverage with a \$1,000 deductible. The option is also available to switch to the League's new property insurance carrier when it is available

in October should they be competitive. Zischka questioned the overall \$13,500 increase. Thorne explained EMC's worker's compensation quote anticipates a 20% dividend, but the actual premium would be similar to the League's quote and then reduced by the dividend at year end. Thorne added that with the League, over the last ten-year period the Village has averaged 23% dividend return.

Thorne stated from a Committee standpoint, renewing [with the League] made the most sense, and the question here would be whether or not we want a \$1,000 deductible on the liability coverage in order to cut our rate by \$2,500. Based on claim history, a \$1,000 deductible is sensible. It would take three claims to cover cost of the \$2,500 deductible, and in most years the Village did not have three claims.

Motion by Kamps to follow Administrative Committee's recommendation and renew liability and worker's compensation coverage with \$1,000 deductible with the League and go with Chubb and a \$1,000 deductible for property coverage. Second by Zischka. Thorne stated we will be contacted by the League prior to the October start-up of their new property insurance company, and we will reevaluate coverage at that time. Motion carried.

K10: American Legion park fees. Wussow stated the Legion is sponsoring only four home games this year and one is on the Fourth of July when everyone is using the ball field. The Legion has stated they were offered the Cecil diamond at no charge but they would prefer to play their games in Bonduel since they are the Bonduel Legion. Thorne explained that the Bat & Ball Club and the Broncos make improvements to the field and if their cost is of similar value, the diamond fees are waived. Motion by Kamps, second by Thayer, that the Village of Bonduel waive the diamond, pavilion and lighting fees for the American Legion baseball team. Motion carried.

UNFINISHED BUSINESS:

L1: Cedar Park rest room building. Thorne stated this will be discussed at the next Municipal Operations Committee meeting. Representatives from the school and the Bat & Ball Club will be invited to give their input as to what they would need. He added that he shared plans with a contractor friend who feels the estimates are extremely high. Zischka stated he shared the plans with a contractor friend who agreed the estimates were high. Postponed to next meet.

L2: 2016 Village Centennial. Zischka and Kamps each have a list of contacts. They will act as Co-Chairs of the Centennial Ad Hoc Committee and present monthly reports to the Village Board.

Thayer left at 9:44 p.m. and returned at 9:45 p.m.

APPROVAL OF PAYMENTS & TREASURER'S REPORT: Rusch explained two additional invoices that were received since the packets were prepared. She reported that Tom Karman had instructed her to write off the \$3,247.73 error in the monthly bank reconciliation, along with the minor, unfounded balances carried in the federal tax accounts over recent years. This will be a one-time charge to the Miscellaneous Government expense account and will not be brought forward into the 2016 budget.

Motion by Luepke, second by Zischka, to approve vouchers for payment and the Treasurer's Report as presented. Motion carried.

ANNOUNCEMENTS:

Special Village Board Meeting	Friday, June 19, 2015	8:30 a.m.
Municipal Operations Committee	Tuesday, June 30, 2015	4:00 p.m.
Public Safety Committee	Monday, July 6, 2015	4:00 p.m.
Plan Commission	Monday, July 6, 2015	6:30 p.m.

Motion by Zischka, second by Thorne, to move to closed session for the purpose of discussing staffing issues. [Pursuant to Wis. State Statutes, Chapter 19, General Duties of Public Officials, subchapter V, 19.85 exemptions (1)(c)]. Considering employment, promotion, compensation or performance evaluation data of any public employee over which the governmental body has jurisdiction or exercises responsibility. Roll call vote taken. Motion carried unanimously. The Board went into closed session at 9:55 p.m. Rusch was invited to attend.

Motion by Luepke, second by Sibert, to return to open session. Roll call vote was taken. Motion carried unanimously. Board returned to open session at 10:19 p.m.

K5: Recycle site hours. Thorne reported that the Municipal Operations Committee recommended that the recycle site be staffed with existing Municipal Operations employees. They would staff the center on a rotation basis and take a day off during the week. Thorne suggested Wednesday shift could run till 5:00 p.m. On Saturday, summer hours can stay the same and winter stop at 2:30 p.m. Wednesday, the employee would work the first two hours of his shift on public works tasks and then from 11:00 a.m. until 5:00 p.m. at the recycle site. Saturdays, weekend duty for the recycle center would be performed by the on-call employee who would do two hours of weekend rounds and then work six hours at the site. Change would be effective in July so notice can be posted. Several options were discussed for employee's shifts and recycle site hours.

Motion by Thorne that recycle center hours will be manned by the current full-time Public Works employees, with person coming in at 8:30 on Wednesdays and then opening the recycle site from 1:00-5:00 p.m. year round; and on Saturday, the on-call employee is to come in at 7:00 a.m. to do rounds and open recycle center from 9:00 a.m. till 3:00 p.m. year round. Second by Zischka. Motion carried.

Motion by Luepke, second by Thorne, to adjourn. Motion carried. Meeting adjourned at 10:58 p.m.

Respectfully submitted,

Willa Rusch, Clerk-Treasurer