

FINANCE COMMITTEE

Wednesday, January 27, 2016

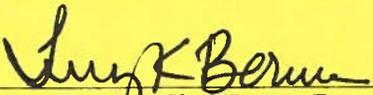
6:30 P.M.

McFarland Municipal Center
Conference Room A

1. **Call to Order.**
2. **Review and possible approval of the draft Minutes of the October 28, 2015 meeting of the Finance Committee.**
3. **Discussion and possible recommendation to the Village Board on a resolution to create an employee retirement special revenue fund and commit funds for employee retirement payout purposes.**
4. **Discussion on reviewing allocations of labor costs among Village departments and funds.**
5. **Discussion on possible fund raising process for Community Center.**
6. **Staff Reports:**
7. **Schedule February 2016 meeting date and determine possible agenda items.**
8. **Adjournment.**

- NOTES:**
- 1) Persons needing special accommodations should call 838-3153 at least 24 hours prior to the meeting.
 - 2) A quorum of the Village Board may attend this meeting for the purpose of gathering information relevant to their responsibilities as Village Trustees. No matters shall be considered by said Village Board members nor shall any action be taken by said Village Board members at this meeting.
 - 3) More specific information about agenda items may be obtained by calling 838-3153.

This agenda was posted, or caused to be posted, by my hand on the 22nd day of January, 2015 at the following three (3) posting places in the Village of McFarland, to wit: McFarland Municipal Center, 5915 Milwaukee Street; E.D. Locke Public Library, 5920 Milwaukee Street; and McFarland State Bank, 5990 Highway 51.


Tracey Berner, Clerk/Deputy Treasurer

VILLAGE OF MCFARLAND
Draft - FINANCE COMMITTEE
October 28, 2015

1. Call to Order.

Chairperson Mary Pat Lytle called the October 28, 2015 meeting of the Finance Committee to order at 5:30 p.m. in Conference Room A of the McFarland Municipal Center.

Members present: Trustee Mary Pat Lytle and Thomas Mooney; citizen members Rod Clark, Bob Severance, and Cliff Strelow.

Members absent: Derik Bingner, John Daugherty, and Trish Howen.

Staff present: Sr. Accountant/Budget Manager Kelsey Boyd, Administration Clerk III Diane Reinstad, Administrator Eric Rindfleisch, and Police Chief Craig Sherven.

2. Review and possible approval of the draft Minutes of the July 22, August 26, and September 30, 2015 meeting of the Finance Committee.

Motion by Strelow, seconded by Mooney, and carried 5-0 by acclamation to approve the Minutes of the July 22, August 26, and September 30, 2015 Finance Committee Minutes amended and corrected as noted. Trustee Mary Pat Lytle is the Chairperson, not the Vice Chairperson mentioned in the July 22 and August 26 Minutes. Those in attendance in the August 26 Minutes are to be corrected: Derik Bingner and Rod Clark had attended the meeting. John Daugherty was not there.

3. Review 2016 draft Budget and the possible changes recommended by the Village Board.

Rindfleisch briefly reviewed the preliminary budget for 2016. Expenditure Restraint Payment (ERP) figures are not expected until October 29. The Board will not be able to finalize any figures until the ERP is received. Department Heads were directed to submit budgets with a 0% increase from 2015. Staff has been digging deep and reviewing employee's salaries. The Village Board has been meeting to discuss the items in the proposed budget. The 2016 budget is scheduled to be approved at the November 9th Village Board meeting. Budget for the Utilities will not be approved until December.

4. Discussion and possible action on a recommendation to the Board on leasing or purchasing squad car replacements for the Police Department in the 2016 Budget.

Chief Sherven brought forward information on the option of leasing Police Department vehicles rather than purchasing them outright. There would be no cost difference. A vehicle would be leased for a three (3) year period, making payments during that time with no finance charges. Upon the end of the three (3) year period, the Village would own the vehicle. This method of purchasing vehicles allows the Village to stretch out the payment on each vehicle with no additional expense. Sherven's calculations show this could result in a \$10,500 savings in the 2016 budget if vehicles were to be leased versus purchasing them outright. Special equipment is installed on each squad car after it is purchased. When disposing of the vehicle, a fair amount of this equipment is reused and transferred to the new vehicle. As it is presented, there are no draw backs or risks in this method of purchasing vehicles. No information has been gathered at this time on how this would affect our auto insurance policy. The 2016 budget includes funds for two (2) police vehicle replacements. The Village has \$23,000 in a sinking fund for purchases of PD vehicles. According to Sherven, it would cost the Village \$34,500 (which includes the funds from the sinking fund) to lease the vehicles in 2016.

This presentation to the Finance Committee was for informational purposes only as an alternative to purchasing the vehicles. There will be no action by the Village Board on this matter at tonight's meeting.

The Committee agreed this would be a good idea and cost savings to the Village.

5. Schedule November 2015 meeting date and determine possible agenda items.

Historically, the Committee does not meet on the regularly scheduled dates in November and December due to the holidays. The Committee agreed to meet on Wednesday, December 16 at 5:30 p.m.

No items were mentioned for the December agenda.

6. Adjournment.

Motion by Strelow, seconded by Severance and carried 5-0 by acclamation to adjourn the meeting at 6:08 p.m.

**Respectfully submitted,
Diane Reinstad
Administration Clerk III**

RESOLUTION # 24-2015

RESOLUTION TO CREATE AN EMPLOYEE RETIREMENT SPECIAL REVENUE FUND AND COMMIT FUNDS FOR EMPLOYEE RETIREMENT PAYOUT PURPOSES

WHEREAS, employees of the Village of McFarland are eligible to receive a payment of benefits upon retirement from employment with the Village, including banked and unused sick-leave, vacation, and comp hours, and

WHEREAS, these payouts are considered to be expenditures in the year of retirement payout and not in the year of budgeted allocation, and

WHEREAS, it is a budget goal of the Village Board to annually fund an appropriate amount in order to create a fund to cover expected retirement liabilities;

NOW, THEREFORE, BE IT RESOLVED, that the Village Board of the Village of McFarland does hereby create an Employee Retirement special revenue fund, and

BE IT RESOLVED, that the resources of the Employment Retirement Fund be committed for the purpose of Village-employee retirement payout purposes.

The above and foregoing Resolution was duly adopted at a regular meeting of the Village Board on the 28th day of December, 2015.

VILLAGE OF MCFARLAND

Brad Czebotar, Village President

ATTEST:

Tracey Berman, Village Clerk