

VILLAGE OF GREENDALE

FINANCE COMMITTEE

June 1, 2006

Clerk-Treasurer Michaels called the meeting of the Finance Committee to order at 7:03 p.m. in the Boardroom of the Village Hall.

Present: Trustee Strange and Trustee Birmingham

Due to the absence of Trustee Mares, Trustee Strange moved to elect Trustee Birmingham to chair tonight's Finance meeting and Trustee Birmingham seconded for the record.

Ayes: Trustee Strange and Trustee Birmingham

Noes: None

Motion carried

Also Present: Todd Michaels, Clerk-Treasurer
Carl J. Tisonik, Director of Public Works
Gary Fedder, Fire Chief
Trustee Chadwick
Trustee Turay

The Finance Committee Agenda Notice was in compliance with the Open Meetings Law.

COMMUNICATIONS

NONE

ACCOUNTS PAYABLE CHECKS TO BE APPROVED FOR PAYMENT

The Finance Committee recommends, Trustee Strange moved, seconded by Trustee Birmingham to approve Accounts Payable check Nos. 77564-77727 in the amount of \$410,446.98.

NO DISCUSSION

Ayes: Trustee Strange and Trustee Birmingham

Noes: None

Motion carried

STATUS OF ACCOUNTS

Clerk-Treasurer Michaels presented the Committee with the summary of investments for the month ending May 30, 2006, a General Fund Balance Sheet, and Revenue and Expenditure reports. The Committee reviewed these reports. Clerk-Treasurer Michaels mentioned that there are no significant variances. Interest rates are rising slightly. He also mentioned that we have one term investment at low interest rates (3.65%) that is locked in for eleven more months. Revenues and expenditures are right on track with the budget.

NEW BUSINESS

A) FC 06-06 Annual Review of Business Licenses – Including Liquor Licenses

Clerk Treasurer Michaels presented the annual review of business licenses, both new licenses and renewals.

Included are the various classes of Liquor and Fermented Malt Beverage Licenses (Class "A" and Class "B"); various classes of Beverage Licenses (Class "A" and Class "B"); Beverage Operator Licenses; Amusement Arcade Licenses; and Carnival Licenses. The various licenses are for one year running from July 1, 2006 to June 30, 2007. Clerk-Treasurer Michaels also noted that a large number of individuals have not yet renewed their beverage operator licenses. Reminder notices have been sent, but it may be necessary to process some of these applications for approval by the Board of Trustees on June 20, 2006. Trustee Strange asked how many times we have to notify them. Michaels replied that we notified them twice.

Trustee Chadwick asked how our new fees compare to other communities. Clerk-Treasurer Michaels replied that we did a comparison study and we are now average with our neighboring communities. Michaels mentioned that this year was the first increase in ten years.

The Finance Committee recommends, Trustee Strange moved, seconded by Trustee Birmingham to approve the business licenses (both new licenses and renewals) for the various classes of Liquor and Fermented Malt Beverage Licenses (Class "A" and Class "B"); various classes of Beverage Licenses (Class "A" and Class "B"); Beverage Operator Licenses; Amusement Arcade Licenses; and Carnival Licenses for the period of July 1, 2006 to June 30, 2006 as outlined in FC 06-06.

Ayes: Trustee Strange and Trustee Birmingham

Noes: None

Motion carried

B) FC 06-07 Award 2006 Village Street Rehabilitation Program

Clerk-Treasurer Michaels presented the plan for awarding the 2006 Village Street Rehabilitation Program. After being duly advertised, only one (1) bid was received for the program on May 4, 2006. The sole bid came from Payne & Dolan, Inc. at \$627,753.20, reflecting a price approximately 35% higher than budgeted. Based on the increased bid prices, the cost of the 2006 Street Rehabilitation Program increases by \$192,368.60, from \$547,985.00 to \$740,353.60.

Clerk-Treasurer Michaels mentioned that the estimate made in January of 2006 was increased by approximately 10% anticipating higher pricing. Since that time gasoline and oil prices have continued to skyrocket, being the driving force in the dramatically increased bid prices. Trustee Strange asked if the increase was due solely to fuel prices. Director Tisonik said that everything is driven by oil including the cost of the asphalt.

Michaels mentioned that the Village Engineer learned that many of the contractors already have sufficient private sector work to satisfy their 2006 work loads. Also, a few were not interested in bidding on the project based on the amount of "underground utility work" related to the addition of the two watermain portions of the project. The extent of the underground work would require additional coordination with subcontractors.

Clerk-Treasurer Michaels added that bid prices also increased for the Middle School Watermain Relay and the Middle School Curb & Storm Sewer increases the School District's portion of the project by \$36,373.15. Despite the increased costs, the District has significant concerns about the possible flooding of the Middle School similar to the flooding that occurred this winter which resulted in \$250,000.00 worth of damage. As a result, the School District is very interested in having the project proceed this summer and has committed to cover their portion of the project.

Michaels mentioned that the Village Manager was concerned that if we decide not to go ahead with this project the watermain project would have to be re-bid.

The street portions of the Program will result in the need for \$98,087.00 in additional funding. The expenses will be charged to the General Fund, Outlay Streets, Account #01-44-86000 and result in having the line-item exceeding budget. The expenditures will utilize the General Fund's Fund Balance which was \$2,964,377 at

the end of 2005. The Village's General Fund Balance was strong at 33% of General Fund expenditures at the end of 2005. Utilization of Fund Balance for the Street Rehabilitation Program will be consistent with the Board's goal to utilize Fund Balance only for one-time non-recurring expenditures.

Trustee Strange mentioned that years ago the maintenance of the streets was slowed down and the Village is still paying for that. Trustee Birmingham asked what would happen if we did not do the Street Rehabilitation this year. Trustee Strange thought we would be taking a chance that the price would be increased further. Clerk-Treasurer Michaels said that if the Watermain projects had to be bid out separately, they would cost significantly more. Public Works Director Carl Tisonik mentioned that if the project had to be re-bid it would not be done in time for the start of school in September.

Trustee Chadwick asked what percentage of Fund Balance would be used for this project. Trustee Turay replied that this was approximately 3% of Fund Balance. Trustee Birmingham mentioned that the Village will need to look at future projects and how they are handled when only one bid is submitted. Trustee Turay asked if the School District also agreed to pay the increased cost. Michaels said yes. Public Works Director mentioned that the School District is also spending an additional \$100,000.00 on landscaping and curbing improvements to prevent flooding at the school.

The Finance Committee recommends, Trustee Strange moved, seconded by Trustee Birmingham to award the 2006 Village Street Rehabilitation Program to Payne and Dolan at the bid price of \$627,753.20.

Ayes: Trustee Strange and , Trustee Birmingham
Noes: None
Motion carried

ADJOURNMENT

The Finance Committee Adjourned at 7.35 P.M.

Ayes: Trustee Strange and Trustee Birmingham
Noes: None

Respectfully submitted,

Joan L. Siefert
Deputy Clerk