

Village of Fall Creek
Minutes of Finance & Personnel Committee Meeting
April 16, 2020

1. **Call to Order:** 6:10 p.m., virtual meeting at Zoom.us & physical meeting at Village Hall Meeting Room, 122 E. Lincoln Ave., Fall Creek.
2. **Roll Call:** Members Present: Village President Tim Raap, Trustees Joyce Aldrich, Matt Mattoon, Dane Zook. Members Absent: None. Other Village Board Members Present: Trustee Bob Jenkins. Staff Present: Clerk-Treasurer Renee Roemhild, Police Chief Chad Dachel.
3. **Certify Open Meeting Law Requirements Have Been Met:** A notice of the meeting and an agenda (including instructions if wishing to attend the virtual meeting) was posted in the three public places and local newspapers were notified.
4. **Adopt Agenda:**
 - MOTION (Mattoon/Zook) to adopt the agenda as printed. PASSED, without negative vote.
5. **Consider Ordinances Re: Solid Waste/Garbage Collection:** Committee Chairperson Tim Raap presented an example reflecting changes to the Village's ordinances regarding solid waste, stating it came the City of Augusta's ordinance as it better reflected what was needed for the Village to change over to administering the billing for the garbage collection.
 - MOTION (Mattoon/Aldrich) to send the above ordinance to the Board recommending a first reading. PASSED, without negative vote.
6. **Consider Ordinances re: §1-20 General Provisions, Citations, Schedule of Deposits:** Raap reported an amendment was needed to Code §1-20 to specify the fee for violating the Garbage & Recycling ordinances discussed above. Chief Chad Dachel recommended all fees in §1-20 be changed to reflect "not less than \$25, nor more than \$500".
 - MOTION (Zook/Mattoon) to send the above ordinance to the Board recommending a first reading. PASSED, without negative vote.
7. **Consider Request for Capital Purchase:** Police Chief Chad Dachel requested permission to purchase materials to install vinyl plank flooring in the police department.
 - MOTION (Mattoon/Zook) to recommend to the Board to allow up to \$800 for replacement flooring for the police department. PASSED, without negative vote.
8. **Consider Legalities for Making Employment Positions Salary vs Hourly:** Raap reported that many years ago after the lawsuit filed by officers of the Village police department, the Village Attorney recommended changing all full-time employee positions to hourly rather than salaried compensation. New information has been learned from the personnel specialist associated with our insurance company indicating higher-level administrative positions can be established as salaried.
 - MOTION (Zook/Aldrich) to recommend the Board confer with the Village Attorney to verify the legality and to begin whatever process is necessary to amend the Village's employee compensation policy to record this change. PASSED, without negative vote.
9. **Consider Candidate Notification Letter:** A sample notification letter that could be sent to candidates who applied for employment, but were not selected for the position, was reviewed.
10. **Consider Debt Service, Including Possible Capital Project & Loan Applications**
 - A. **Sewer Fund: Loan #2017090-WWTP Utility Revenue:** Raap reported on the strategy to reduce interest costs as was originally discussed at the 3/9/20 meetings.
 1. **Consider Extra Annual Payment per 12/4/17 & 12/11/17 Minutes & Resolutions #2016-1010B & 2017-1211A:** Additional payments have been made on this loan per

the strategies determined late in 2017. This same type of additional payment was budgeted for in the 2020 budget. That payment could be made now, or the money could be used to reduce the loan amount, if the decision is made to refinance.

2. **Consider Application for Refinancing to G.O. Debt:** Loan #2017090 was taken out in 2017 (as part of refinancing the Rural Development debt for the wastewater treatment plant). The rate was 4.5%. As reported at the last meeting, the State Trust Fund Loan program lowered their rates. Since then, they have had a slight increase. If refinancing is to be considered, it is in the best interest of the Village to do so quickly as we can't predict if there will be another rate increase soon.

Two points: 1) As presented at the last meeting, we now have enough G.O. debt capacity to refinance at the G.O. rate (which is lower than the revenue bond rate). 2) The regular and additional payments made since loan origination in 2017 have reduced the loan balance enough so that we now can handle the principal and interest payment for a lesser term. Currently, State Trust Fund's interest rate for G.O. debt at a 5-year term is 2.5%. This refinancing would result in an interest savings over the life of the loan of almost \$60,000. Overall, all strategies implemented since 2017 will save approximately \$230,000 in debt interest costs. See motion listed below.

- B. **General Fund: Consider New Debt, Including Possible Capital Project:** Raap reported that a condition of refinancing through the State Trust Fund Loan Program is that 25% new money must be financed at the same time. As there are several projects that the Village has had on their Capital Equipment/Repairs (CER) Plan as needing soon and with the interest rates being so low, now may be a good time to finance some of those projects. The CER projects were discussed.

- MOTION (Mattoon/Aldrich) regarding items A. & B. to recommend the Board
 - a) use the 2020 budget money planned for the additional payment for loan #2017090 to reduce the principle balance on loan #2017090, and
 - b) apply for refinancing loan #2017090 in the amount of \$300,000 as G.O. debt through the State Trust Fund Loan Program for a 5-year term at an interest rate of 2.5%. and
 - c) apply for new debt in an amount to be established by the Board for the purpose of paving parking lots and park projects.

PASSED, without negative vote.

- C. **Water Fund: Consider Payoff/Paydown of Various Loans:** Raap reported that at this time, we do not yet have the completed figures from the audit, so will pursue this at a later date if the interest rates remain low.

1. **Loan #2017084-WF Share Liberty Street**
2. **Loan #2017087-WF Share State Street**
3. **Loan #2017083-WF Share Hwy 12**

- D. **Tax Increment Financing Funds: Consider Refinancing:**

1. **Loan #2017089-TID #2 Business Park East, Industrial Land, Site Prep, Ancillary Project Expenses:** Raap reiterated discussion from the last meeting, stating it would not be in the best interest of the Village to give up more G.O. debt capacity, so the committee's recommendation would be to NOT consider refinancing loan #2017089 at this time.

11. Adjourn:

- MOTION (Mattoon/Aldrich) @ 6:35 p.m. PASSED, without negative vote.

Renee Roemhild, Clerk-Treasurer