

Amberley Village Ad Hoc Committee

January 31, 2012- 7 p.m.

Meeting Minutes

Stephen Lerner called the meeting to order at 7:10.

Attendees: Aaron Freed, John Neyer, Eric Goering, Stephen Lerner, Rick Lauer, Rick Jones, George Fisher, Connie Hinitz, Ron Regula, Bill Schneiderman, Michael Lake, Bill Leonard Scot Lahrmer, Rich Wallace, Steve Rasfeld

Council members present: Natalie Wolf, Tom Muething, Bill Doering, Rich Bardach, Ed Hattenbach, Ray Warren

Other residents also were in attendance.

Review and Approval of Minutes of 1/23/12 Meeting

- Motion: Connie H. asked that the minutes be amended to reflect that a motion entered by Bill Schneiderman calling a vote by the Ad Hoc Committee to support the Police Levy was tabled. Committee agreed and the 1/23/12 Minutes as amended were approved unanimously.

Ad Hoc Committee report to council

- Discussion regarding timing of recommendations to council.
 - Stephen L. suggested the committee not take a position on the Levy, but offer recommendations to council for ways to balance budget.
 - Committee members should present final recommendations to Council upon completion. Due to frequency of Council meetings, a report prior to the March 6, 2012 vote is unlikely.
- Tom Muething commented that he feels the direction of discussion and analysis is positive and that the 10 mil levy was one piece of the puzzle. He reiterated that the goal of the public meetings was for Scot L. to present facts regarding village financial issues and not offer an opinion.
- Several committee members objected to a number of council members' endorsing the levy prior to findings of Ad Hoc. Council member Tom Muething stated it was their opinion and right as individuals to support the levy.

- Bill Doering stated that the financing of Amberley Green would not proceed without passage of the levy. George Fisher asked if that was fact or opinion. Bill stated that was his opinion.
 - Rick Lauer submitted a document containing potential recommendations to council for discussion. Details of the line items, corresponding vote by the committee for inclusion as recommendation are listed below.
- "In 2013 and for all years thereafter, Council and Village Administration should reduce annual expenditures and appropriations to an amount less than or equal to annual revenues without utilizing the Surplus Account. To accomplish this goal, Council should pass a resolution or ordinance requiring the Village Manager to present, and Council to adopt, a balanced budget each year. The approved budget should be accurate and complete and should be easily understood by Council and Village residents. Future known liabilities should be fully disclosed. The Village Manager and Department heads should be tasked with the responsibility to control spending in their respective departments. *Approved 13 - 0.*
- "Council should adopt a policy that appropriately recognizes Village employees and department heads for reasonable and responsible expense reductions within their departments." *Approved 7-6.*
- "Expense reductions should be achieved through reorganization, increases in efficiency, eliminating non-critical positions and functions, and wage and benefit cuts rather than reducing priority Village services." *Approved 10-2-1.*
- "Council and the Village Manager should review, at least annually, the Village's organizational chart, staffing levels and pay scale to ensure that: 1. staffing levels and promotions are based solely on Village service priorities; and 2. salaries and benefit levels are reasonable, consistent with the skill level required by the position, and the priorities of Village residents." *Approved 12-1.*
- "Council must maintain a reserve account equal to an average of at least 25% of its annual expenditures." *Approved 12-1.*
- "Starting in the fourth quarter of 2013, Council must anticipate substantially increased costs associated with the financing of Amberley Green. Budgets for 2013 and thereafter should account and provide a source to pay for this additional expense. Long-term financing costs are currently estimated to be between \$350,000 and \$500,000 annually; this represents an increase of between \$250,000 and \$400,000 per year from the short-term financing utilized currently." *Approved 13-0.*

- "Before July 31, 2012, Council should hire a professional real estate broker or developer with a nationwide presence to aggressively market the North Site and Amberley Green properties with the goal to generate at least enough revenue from the properties to offset the cost of financing and maintaining them as well as the cost of replacing the Maintenance Building on the North Site." *Approved 12-1.*
- "Council should not anticipate any income from Amberley Green or the North Site until such time as income-generating uses of the site are reasonably certain." *Approved 13-0.*
- "Council should establish a permanent Village Fund Raising Committee to develop a program of annual giving and bequests from Village residents and other supporters with the goal of raising at least \$100,000 annually. Council should give serious consideration to retaining a paid professional to direct this committee if qualified volunteers are not available." *Approved 12-1.*
- "Subject to the Village Manager's discretion, Council should aggressively seek volunteers from the community to perform non-critical Village services where reasonable and permitted by law." *Approved 13-0.*
- "Council should reduce the Storm Water Fee to a level that generates only \$25,000 annually." *Approved 12-1.*
- "Council should eliminate the Waste/Recycling Fee." *Not approved 11-2.*
- "Any effort to raise additional revenues should be based on the following principles: 1. the burden should be shared as equally as possible by all residents of the Village; and 2. when economic conditions permit, taxes and fees should be reduced to an amount necessary to balance the budget and maintain the minimum reserve." *Approved 11-2.*
- "If Village residents approve the March 6, 2012 Police Levy, Council should pass a resolution barring any increase in the earnings tax rate or decrease in the reciprocity credit for as long as the Police Levy is in effect." *Approved 12-1.*
- "In the event that the Village experiences a budget *surplus*, Council should divide that surplus equally among restoring employee salaries to prior levels (as much as possible), reducing the debt on Amberley Green, and spending for priority Village

infrastructure projects that are not addressed in the annual operating budget." *Tabled for further discussion.*

Comments surrounding recommendation discussion:

- It is not possible for the Village to switch to Accrual accounting method.
- There is a current ordinance in place to review employee compensation, benefits, etc. frequency of review was uncertain.
- Must determine use of Amberley Green and financing options – may incur additional costs by calling notes and/or changing designation of use of space.
- Scot L. mentioned the need to have reserve account specific to Amberley Green. It was unknown what may be required for balances, if any.
- Steve R. discussed effect of lowering storm water funds. Often have unanticipated events and there is some infrastructure that will need fixed soon. Certain repair work has been delayed due to funding issues.
- A Pay for Service model would be difficult to enforce and collect.

Additional Expense Reduction Ideas

- Ron Regula provided an analysis of potential expense reduction ideas at varying levels and affect on compensation and benefits.
- There was agreement that discussing or potentially recommending changes to employee compensation and benefits is a very difficult conversation yet must be had as they are the majority of village expenses.
- Further discussed recommending specific items to change to council.

It was determined that the committee should continue their discussion and drafting of recommendations to council at a meeting to take place February 6, 2012 at 7 p.m.

On behalf of the committee, Stephen Lerner thanked Scot, Rich and Steve for their time and commitment to assisting the Ad Hoc in gathering data and providing insight into village operations and finances.

Motion to adjourn meeting at 11 p.m.: Stephen Lerner. 2nd: Rick Lauer.