

**FINANCE COMMITTEE MEETING**  
**HELD AT BAYSIDE VILLAGE HALL**  
**9075 N. REGENT ROAD, BAYSIDE, WISCONSIN**

**March 11, 2009**

**1. CALL TO ORDER**

Mr. Brunner called the meeting to order at 7:32 a.m.

Present: Sam Dickman, representing Bayside  
Carl Krueger, representing Brown Deer  
Mike West, representing Fox Point  
Jerry Tepper, representing Glendale  
Bob Brunner, representing River Hills  
Guy Johnson, representing Shorewood  
Jim Grassman, representing Whitefish Bay

Also Present: Robert Whitaker, Deputy Chief  
Andrew Harris, Deputy Chief  
Richard Boehlke, Battalion Chief  
Lynn Burton, Business Manager  
Donna Flint, Administrative Assistant  
Lt. Sikora, Local 1440  
Scott Grahn, Lieutenant  
John Mayer, HEO  
Mark Bojar, Firefighter  
Nick Padway, Fire Commission  
John Raffensperger, Fire Commission  
Dick Maslowski, Glendale City Administrator  
Mary Buckley, CNI Newspaper  
Katie Pritchard, representing Whitefish Bay  
Tom Tollaksen, River Hills Village Manager  
Andy Pederson, Bayside Village Manager  
Chris Swartz, Shorewood Village Manager

**2. CONSIDERATION OF MINUTES**

*It was moved by Mr. Johnson and seconded by Mr. West to approve the February 10, 2009 Finance Committee Minutes. The motion carried unanimously.*

**3. MONTHLY FINANCIAL REPORT**

Ms. Burton stated the Department is 16.67% through the fiscal year; revenue is 16.98% of the annual budget at \$2,232,859 reflecting a \$40,784 positive variance. She noted ALS/BLS

revenue and fire calls exceeded the monthly budgeted amounts for February. Also 16.67% of the fiscal year has elapsed; expenses are 16.27% of the annual budget at \$2,139,384, reflecting a \$52,690 positive variance. Mayor Tepper asked if it would be more cost effective to fill the open positions, rather than to pay overtime. Chief Whitaker indicated that those comparisons are currently being analyzed, as the 2009 budget has an allowance for open positions. The intent is to leave them open till June, and at that point, considering hiring.

*It was moved by Mr. Dickman and seconded by Mr. Johnson to accept the finance committee report. The motion carried unanimously.*

#### **4. REPORT OF SUBCOMMITTEE ON RESERVE FUND BALANCE AND CAPITAL PURCHASING**

Ms. Burton gave an overview of the Fund Balance Committee's purpose and actions and subsequently reviewed the proposed Amendment to the Cash Reserves Resolution. Mr. Brunner suggested that the language in the paragraph "2. Undesignated Reserves" to read "approximately 1%" instead of "at least 1% of the Operating Fund total expenditures." Mr. Dickman disagreed and suggested the language remain as written. Mr. West asked if our current financial situation conforms to Sub. 2 in the Resolution. Ms. Burton indicated that we're at approximately \$700,000 for our Fund Balance level at the end of 2008.

Ms. Burton continued with her overview, moving on to the proposed Amendment to the Capital Reserves Resolution, explaining that the analysis on page 4FB represents the cost to each municipality for the equipment replacements - by year and by community. Mr. Johnson asked if this three-year cycle is a triennium that is set for three years and then look at it again. Mr. Grassman explained that the three year cut-off seemed to be a logical timeframe and that beyond three years it gets more difficult to anticipate the needs of the department and the matter would be re-visited on a regular basis. Mr. West suggested that it ought to be a rolling three years i.e., fund one year's expenditures and then look at the next year. Mr. West also commented that it looks like we would be committing to spend funds for two years beyond the budget we're adopting and seems a little unusual. Chief Whitaker explained that the figures on page 4FB are for the purpose of assisting each community in planning their bonding cycle.

Mr. West pointed out that money coming into the department from the seven communities is regulated by the Agreement, therefore, it's not likely the Reserve can be funded under the current Agreement. Mr. Grassman added that it would require a unanimous concurrence from all the communities to fund the Reserve Fund or to amend the Agreement, both scenarios having the same end result. He also added that the Finance Subcommittee did not feel its charge was to review the need for each of the items of equipment; this is not a recommendation to purchase those pieces of equipment - that needs to be further reviewed. This is a methodology to address the capital needs of the Department.

In response to a question regarding the fluctuation in the three-year capital plan, Mr. West explained that the chart on page 4FB represents purchases and it seems that the pattern is irregular because the value of the equipment needed varies year to year, and if we tried to level it out, the Department would be receiving money that it wouldn't expend.

Mr. West asked if the Resolution on page 2FB actually commits us to bring a special assessment if there aren't adequate reserves in the Reserve Fund. Ms. Burton explained that the Resolution is written to highlight the fact that there is a three-year plan that is approved and then the annual basis capital expenditures that are kept in the Designated Reserve would all be approved and reviewed by the Board of Directors, so its hand-in-hand with respect to what would be approved, how it would be paid for and what the Reserves would consist of.

Mr. Grassman suggested that there should be another Resolution that the Board adopts asking the communities to contribute their share of the capital program, then that Resolution would go back to the community for approval. He further suggests that the Board needs to point in a direction; a direction for funding the capital needs of the Department, and the direction that the subcommittee has recommended is that we figure out what those needs are in a three-year window and each community come up with its share. If the Board is comfortable with that concept, then the next step is refining the schedule and come back with a more specific allocation plan. What we have now is a starting point, and it is flexible.

*It was moved by Mr. Dickman and seconded by Mr. Tepper to recommend approval of Resolution 95-24 Amend 09-01 and Resolution 09-02 and refer the matter to the Board of Directors. The motion carried with 6 - 1 (Mr. Krueger voted against the motion).*

## **5. ADJOURNMENT**

*Mr. Brunner adjourned the meeting at 8:35.*

Guy Johnson  
Secretary/Treasurer  
NSFD Board of Directors