

**Village of Shorewood Hills
Finance Committee
Approved Meeting Minutes
Wednesday, September 13, 2017 5:30 p.m.**

1. **Call to Order** Finance Committee Chairperson Fred Wade called the meeting to order at 5:30 p.m.
2. **Roll Call** Present, in addition to Mr. Wade, were Committee members Gard Strother, Karl Wellensiek, Sean Cote and David DeVito. Dave Ahmann and Carl Gulbrandsen were excused. Also in attendance were Village Administrator Karl Frantz and Village Clerk Cokie Albrecht.
3. **Note Compliance with open meeting laws** Mr. Frantz confirmed the meeting had been properly posted and noticed.
4. **Review/approve previous Finance meeting minutes** This agenda item was deferred until the next Finance Committee meeting.
5. **Report on Village computer system hard drive crash, backups and progress in restoring data** Mr. Frantz reviewed his memo, "Summary of Village File Server Failure and Progress Report," dated 9/13/17 (attached to these minutes). He said, given the time Shorewood Hills staff members have invested in restoring data, lost productivity during those staff hours, and incidental expenses, the costs to the Village to recover from the Computer Magic's backup failure could exceed \$200,000. Computer Magic is working with its insurer to identify the extent of its coverage for Errors and Omissions. Information on that is expected in a couple weeks. In the meantime, Village staff members are documenting the time spent on data recovery and other expenses associated with the data loss. By consensus, the Committee recommended that prior to the resolution of the insurance claim, salaried employees should be compensated for the hours they have worked on restoring lost data.
6. **Consider 2018 Village fund budgets and recommendations, with a focus on the General Fund budget** Mr. Frantz said that the Village's Unassigned Fund Balance at the end of 2016 was \$838,493. The 2017 budget assumes a fund balance at the end of the year of ~ \$800,000. The maximum levy permitted the Village for 2018 is \$2,770,382, \$206,886 more than last year's levy. The increase is due to \$154,037 more in debt service, an increase of \$30,324 due to 1.693% in new construction in the Village, and \$22,525 allowed because of unused past levy capacity. Expenses in the draft 2018 General Fund budget total \$3,978,230, \$314,327 more than the 2017 budget. Portions of the increase include: \$154,094 in debt service; \$30,400 in retirements; \$27,720 in the Fire/EMS contract with the City of Madison; \$19,000 in data processing; and \$17,000 in computer hardware. The draft 2018 budget currently projects the same raise for employees as 2017: a 1% plus step for those on the pay grid and 2% for those who have stepped off the grid.

Revenues for 2018 total \$4,027,622. These include: a levy of \$2,770,382; insurance recovery of \$200,000; and repayment of TIF and Water Fund advances of \$48,000 and \$18,465, respectively. No fund balance use is anticipated.

7. **Next meeting dates**
 - a. **September 27, 2017 at 5:30 p.m.**
 - b. **October 11, 2017 at 5:30 p.m.**
 - c. **October 18 and/or 25, 2017 at 5:30 p.m.**

The Committee decided to meet next Wednesday, September 20, 2017.

6. **Adjourn** Meeting adjourned at 6:40 p.m.

Respectfully submitted,

Colleen Boyle Albrecht
Village Clerk