

1. Call to Order

Trustee Wishau called the meeting to order at 4:06 p.m.

Committee Members: Trustee Wishau. Trustee Martin was present via Zoom. Trustee Wanggaard was also present but left at 5:06PM

Absent: President Dobbs was excused.

Department Managers: Administrator Tom Christensen, and Utility Director Anthony Bunkelman. Attorney Tim Pruitt, Attorney Elaine Ekes, and Attorney Chris Geary were also present.

2. Discuss Legal Services

As a cost-savings measure Christensen has proposed hiring an on-staff attorney for a proposed salary of \$80,000 (with benefits - \$100,000). Pruitt, Ekes, and Geary Law Firm (PEG) would still be contracted for consulting services but the on-staff Attorney would be used primarily. Because of the good relationship and long-standing history with PEG, Christensen asked them to come to the Finance Committee and present their thoughts on this possible transition.

Ekes explained that 2020 has been an extraordinary by any measure and the Village incurred costs related to that. Ekes appreciated Christensen's goals to assemble a leadership team with onsite presents to serve the public. This has been accomplished through department head positions such as with the new Development Director. Ekes understood that an in-house attorney would be an extension of that goal. She appreciated his want for budget confidence and control of finances to stay within budget.

PEG wanted to bring in options to the Finance Committee but what became apparent is that they could not give the Finance Committee that information until they know exactly what they have spent over the last few years so that the historical context can be part of the conversation. Ekes constructed a document that overviewed tasks and associated costs. It would be her intention to distribute it once the expectations and goals of the Finance Committee and Village Board are known.

She presented a spreadsheet of legal fees have occurred from 2015-2020. This included prosecution (court), general services, and unusual expenditures. Fees charged through development agreements and TIDs are chargeable to the developer or the TID. A more detailed spreadsheet with data mined from Village software will be forwarded to the Committee to provide a more detailed breakdown of costs.

There was discussion regarding what experience an \$80,000 yearly salary would bring. Further discussion was held regarding experience being crucial and the advantage of PEG having the historical knowledge of the Village which means less money spent on research. They also talked about if staff has any quotient of legal services and if some of the work could be done in house without using the attorney. Joining the League of Municipalities may also be a way to save on some legal costs by utilizing their resources.

Geary did not think the Village would be ahead. He thought for \$100,000 there isn't going to be someone with the experience to swap the caliber of the service now. With hiring only one attorney, there is potential workflow issues. The possibility of then having to bring in outside council will be costly. Bringing in support staff for the attorney is a foreseeable issue as well, they may need an administrative assistant to help. He ultimately thought it may end up costing more.

They discussed the value of institutional knowledge and thought even if the salary was doubled, no one will have the experience that PEG does, especially in municipal law. PEG has a great work ethic and there was a concern that would not be matched by a newer attorney. Also, what would happen if the attorney did not work out.

Pruitt spoke of hiring a new associate at their firm and it took several years before they found a suitable candidate. Pruitt has been around since 1986 and the firm he was working for worked with the Town since 1977. Ekes was hired in 2000 and Geary in 2001. Institutional knowledge is important. PEG has a discounted rate for all municipalities, but Caledonia is even more discounted because of the volume. From a knowledge and budget standpoint PEG is the better option.

Trustee Wishau reviews PEG invoices and felt they were very detailed. He spoke of past cost issues with the Board and PEG and how they've since been rectified. He wanted to limit the number of items being sent to PEG and suggested a process of sending through the Administrator first. Ekes stated that an inquiry from the Board and staff will be answered because that is the ethical procedure practiced by their firm. However, there could be set procedures in place that dictates who can contact and when to reduce costs. There are controls that can be implemented so that if staff doesn't know the answer internally it can be escalated to the attorney. Ekes wondered if it would be helpful to have one of their Attorney's answer questions on site at a scheduled time. Ekes felt the department heads and leadership have the capacity to do a lot of these tasks. After training staff they're already are doing more and there has been a trend and ownership aspect to these tasks such as Resolutions, Ordinances, CSMs, etc.. Additional policies and procedures could offset that even more.

The next step is to review a more detailed spreadsheet that Ekes has prepared. PEG will come back with the information and present some alternative options at a future meeting.

3. Adjournment

Motion by Trustee Wishau to adjourn. Seconded by Trustee Martin. Motion carried unanimously.

Meeting adjourned at 5:17 p.m.

Respectfully submitted,

Joslyn Hoeffert
Deputy Village Clerk