

Finance Committee

February 12, 2020

Draft Minutes

Members Present: Gale, Gremel (by phone), Myers (by phone)

Members Absent:

Staff: Edmondson

Public: 0

The meeting was convened at 10:00 a.m.

The members discussed the Cyber Liability Coverage presented by Paul Olson at the Feb. 6 Village Council meeting. The coverage is advantageous, especially in light of the new website, and the annual premium of \$895 is reasonable. The members agreed that strong cyber security practices are critical, even with insurance coverage in place. Cindy was asked to consult with the Michigan State Policy cyber security expert regarding best practices, specifically for backing up data. Once those best practices have been identified, the village should adopt a cyber security policy for all employees who use village owned computers and/or communication devices.

**RECOMMENDATION TO VILLAGE COUNCIL:**

1. Add the cyber liability coverage as quoted by Municipal Underwriters of Michigan, Inc.
2. Adopt a Cyber Security Policy that incorporates existing best practices.

At the request of the Village Council, the committee reviewed the proposed fee schedule with attention to the fee for short term rental licenses. Ordinance 111 of 2015 SHORT-TERM RENTAL ORDINANCE requires a license for a property owner who wishes to offer short-term rental of a property, but is silent regarding a fee. Currently a license remains in effect until a change in the property's ownership. The village does not have a record of all current short-term rental

properties. Ordinance 111 requires owners and renters to comply with village ordinance 85-1 NUISANCE ORDINANCE which has been repealed. Licenses were monitored by the Village Administrator, but that responsibility has not been reassigned, nor is there a process to do so.

**RECOMMENDATION:**

1. Adopt a fee of \$25 for new license applications in FY 2020-21. Current licensees are exempt.
2. Direct the Finance Committee, with input from the Planning Commission and the public, to update the Short-Term Rental Ordinance.

The committee heard a report from Community Liaison Cindy Edmondson regarding negotiations with the Homewood Cottages Homeowners Association and recommendations from Clerk Scott regarding setting the interest rate and term of a special assessment for the water hook-up project. Based on current cost projections of approximately \$5000 per homeowner, the committee makes the following recommendation.

**RECOMMENDATION:**

Adopt an interest rate of 2.9% over seven (7) years.

The next Finance Committee meeting is scheduled for March 11, 2020.

Meeting adjourned at 10:42 a.m.