

Windemere Township

# Treasurer's Report

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UNAUDITED MONTH-END RESULTS

AS OF MAY 31, 2020

# May Highlights

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- Upgraded to QuickBooks 2020
- Investment research (later agenda item)
- Prepared Employee Notices for Board Review (later agenda item)

# Revenue & Expenses for May, 2020

Total Revenue	\$4,518.06
Expenses	
41100 · Supervisory	1,110.13
41400 · Clerk and Operations	3,968.27
41500 · Treasurer and Financial Management	642.11
41600 · Legal Services	858.00
41900 · Planning & Zoning / Other	832.40
42000 · Public Safety and Fire	0.00
43000 · Highways, Streets, Roadways, Sanitation	<u>9,302.22</u>
Total Expenses	\$16,713.13
<b>Difference</b>	<b>-\$12,195.07</b>

# Account Balance Totals as of May 31, 2020

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<b>Checking/Savings</b>	<b>Balance</b>
First National Bank Checking	304,450.79
First National Bank EFT	50.00
U.S. Bank Commercial	252.96
U.S. Bank Money Center	<u>1,385,964.67</u>
<b>Total Checking/Savings</b>	<b>1,690,718.42</b>

# Account Balances by Fund as of May 31, 2020

	<b>Revenue</b>	<b>Roads &amp; Bridges</b>	<b>Capital Improvement</b>	<b>TOTAL</b>
<b>Checking/Savings</b>				
1 <sup>st</sup> Natl Bank Checking	121,283.96	178,017.93	5,148.90	304,450.79
1 <sup>st</sup> Natl Bank EFT	50.00			50.00
US Bank Commercial	252.88		0.08	252.96
US Bank Money Center	1,282,781.34		103,183.33	1,385,964.67
<b>Totals</b>	<b>1,404,368.18</b>	<b>178,017.93</b>	<b>108,332.31</b>	<b>1,690,718.42</b>

# Investment Portfolio as of May 31, 2020

Last Updated Tuesday, May 19, 2020

Custodian	Description	Identifier	Yield	Value Date	Maturity Date	Investment Amount	Estimated Interest	Estimated Maturity Value	Fund
USBank	Banker's Acceptance	9033A0FB1	0.64%	3/31/2020	6/11/2020	209,096.21	263.79	209,360.00	Revenue
USBank	Banker's Acceptance	9033A0FW5	0.65%	4/6/2020	6/30/2020	112,649.52	170.48	112,820.00	Revenue
USBank	Banker's Acceptance	9033A0GP9	0.15%	5/15/2020	7/23/2020	103,183.33	29.67	103,213.00	Capital Improvement
USBank	Banker's Acceptance	9033A0GQ7	0.20%	5/19/2020	7/24/2020	122,042.23	44.77	122,087.00	Revenue
USBank	Banker's Acceptance	9033A0GT1	1.60%	2/24/2020	7/27/2020	208,822.10	1,402.90	210,225.00	Revenue
USBank	Banker's Acceptance	9033A0GT1	0.20%	5/19/2020	7/27/2020	129,920.18	49.82	129,970.00	Revenue
USBank	Banker's Acceptance	9033A0GU8	0.20%	5/19/2020	7/28/2020	123,072.12	47.88	123,120.00	Revenue
USBank	Banker's Acceptance	9033A0H45	0.20%	5/19/2020	8/4/2020	99,957.22	42.78	100,000.00	Revenue
USBank	Banker's Acceptance	9033A0HH6	1.46%	2/26/2020	8/17/2020	156,114.76	1,080.24	157,195.00	Revenue
USBank	Banker's Acceptance	9033A0KW9	0.51%	5/11/2020	10/30/2020	121,107.00	290.00	121,397.00	Revenue
		<b>Average Yield</b>	<b>0.58%</b>		<b>Totals:</b>	<b>1,385,964.67</b>	<b>3,422.33</b>	<b>1,389,387.00</b>	

# Financial Report Questions?

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# Township Investment Strategy

- Situation: USBank investment yields are currently less than Bank's interest crediting rate (0.60%)
  - Contacted USBank and received their complete rate sheets
  - Discussed Pine County's investment strategy with Treasurer Kelly Schroeder
  - Reviewed options with Deputy Treasurer Horgen
- All government entities are in the same situation
- There is no guarantee that the Bank will continue the current interest crediting rate
- Higher rates are available within USBank, but generally only for longer term instruments
- A yield of around 1% is available at certain banks (Tradition Capital, Capital One)
- Recommendations:
  - Move June maturities to First National to prepare for Harmony Ln expenses
  - Move up to \$500,000 in July maturities to other banks into liquid money market accounts. Deposits are insured up to \$250,000 per bank. Consider investing slightly less than \$250k to allow for interest additions.
  - Deal with other investment maturities in July/August meetings



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# Board's Employment & Staffing Model

- Regarding recent hires of Maxton Kenney and Garrett Dahlen
- Board policy exists that only the Board hires employees. New DOLI regulations have been ignored.
- Bigger picture – Use May staffing summary for Background:
  - 3 permanent employees with benefits worked a combined 103.5 hours (May had an equivalent of 20 work days. Typical full-time employee would work 160 hours)
  - 47.5 hours of operating equipment (46%) / 56 hours non-operating (54%)
  - One outcome: Township loaned money to one employee to generate a positive paycheck
  - No part-time employee hours reported in May
  - Township spent \$6,649.47 on payroll expenses (salaries & benefits)
  - Equates to an average **\$64.25** / hour in May
- Treasurer reiterates the request for a full review of the current staffing model. The current model does not make financial sense. Job duties are not aligned resulting in overspending.
- Review DOLI mandatory employee notices for Kenney and Dahlen
- Board's responsibility to complete the forms and determine if other labor laws exist

# Road Maintenance Payroll Expenses (As of 7/1)

PAYROLL ITEM	EXPENSE FORMULA	BASIS	EMPLOYEE	AVG ANN HOURS
Foreman Wages	\$37.63	Per Hour	Mike	950
Maintenance Worker Wages	\$26.27	Per Hour	Kole	875
Employer Health & Welfare Fund Participation	\$865.00	Per Employee, Per Month	Dave	540
Employer Paid FICA	7.65%	Per Gross Wages	(Includes all labor hours: operating, paperwork, repairs, cleaning, etc.)	
Employer Paid PERA	7.50%	Per Gross Wages		
Employer Paid IUOE Pension	\$1.20	Per Hour		
Employer Paid Training	\$0.50	Per Hour		
Employer Paid Phone Allowance	\$60.00	Per Month for Foreman		
<b>TOTAL BASED ON AVERAGE ANNUAL HOURS</b>				
	Mike	56.72	Per Hour	
	Kole	43.81	Per Hour	
	Dave	51.17	Per Hour	

**DOES NOT INCLUDE:** Worker's Comp Insurance, Property Insurance, Support Staff, Motor Fuels, Lubricants and Additives, Shop Materials, Repair and Maintenance Supplies, Tires, Small Tools and Minor Equipment, Vehicle Registration / Tabs, Machinery and Equipment Repair, Machinery Rental, Road Equipment (new or replacement)

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