

**VILLAGE OF FONTANA ON GENEVA LAKE
WALWORTH COUNTY, WISCONSIN**
(Official Minutes)

JOINT REVIEW BOARD – TID NO. 1
Thursday, April 17, 2014

Fontana Village President Arvid Petersen called the meeting of the Village of Fontana Tax Incremental District No. 1 Joint Review Board to order at 4:10 pm in the Village Hall, 175 Valley View Drive, Fontana, Wisconsin.

Joint Review Board members present: Village of Fontana President Arvid Petersen, Walworth County representative Jessica Conley, Gateway Technical College District representative Bane Thomey, Citizen Representative Peg Pollitt

Joint Review Board members absent: Fontana Joint 8 School District representative, Big Foot High School District representative Dorothy Kaufmann

Also present: Jade Bolack, Matt Galvin, Gail Hibbard, Jim Mann, Village Clerk/Administrator Dennis Martin, Micki O'Connell, Trustee Rick Pappas, Maureen Schiel, Village Attorney Dale Thorpe

General Business

Minutes from Joint Review Board April 2, 2014 Organizational Meeting

Pollitt/Conley 2nd made a MOTION to approve the minutes for the April 2, 2014 meeting, and the MOTION carried without negative vote.

Further Review of TID No. 1 Project Plan Amendment

Mann presented the updated draft of the Project Plan Amendment. Mann stated that at the direction of the CDA Board, he added two paragraphs to page 9 of the draft that state the Village will not undertake any further TIF spending proposals unless there will be a positive net impact on the value of the TID produced by the proposed development, and that lists the funding limit for the remaining projects. Mann stated that exact project budget figures have not been incorporated into the draft as requested by the Walworth County Finance Committee, as those exact figures will not be known until if and when a proposal is pursued. Mann stated that the page 9 items also clarify that the project plan cannot be amended again if the TID is declared distressed. Mann stated that the financial spreadsheet typo that was discovered at the first meeting also has been corrected in the updated draft. In response to a question, Mann stated that the CDA and Village Board could still make changes to the draft before the final version is presented to the Joint Review Board for consideration. With regard to the 30 percent audit that was questioned at the first meeting, Martin stated that document was submitted as required in December 2006 and he redistributed it again following the April 2, 2014 meeting. With regard to the annual audit reports, Martin stated that they are distributed as soon as the Village receives them from the auditor. Conley asked if the Village could request that the auditor come in earlier in the year to complete the work for the TID portion of the audit so that it is distributed by the state mandated deadline date of May 1st. Conley stated that the rest of the audit could be completed later, but the TID portion could be completed by the deadline. Martin stated that with a major change in the village administration this past year, the annual audit work was delayed further this year by one month; however, starting next year, the village will request that the TID audit be commenced as early as necessary to be completed by the May 1st deadline. Conley stated that she also had some questions and possible typos to point out in the updated draft. Conley stated that one suggested addition, that may satisfy the requirement of the county TID governing ordinance that all future spending possibilities be individually listed with a budget in amended project plans, would be to include a provision that would require the Joint Review Board to remain active to approve any additional project spending proposals that have not yet been undertaken. Conley stated that the provision could state that any future

spending for administrative expenses would not require additional approval from the Joint Review Board. Petersen stated that such a provision is not required by the state and the Village would not want to handcuff itself from any unforeseen development proposals that could benefit the TID and the entire county. Mann stated that he can take the request to the Village Board and CDA for consideration; however, it is unprecedented in his work with other TIDs throughout the state as it is not required. Conley stated that county is only requesting the listing of the specific budgets of the remaining project list items because the proposal is to declare the TID distressed. Once a TID is distressed, Conley stated that the Joint Review Board should have to review and approve spending proposals for non-administrative expense items that are pursued. Mann stated that the Village did add a statement to the draft that dictates a spending proposal will not be pursued unless the end result is to generate more property value in the TID, and the Village won't undertake any other items. Mann stated that by agreeing to the additional approval step before the Joint Review Board, it would open the door for more political scrutiny and take control out of the hands of the local officials. Conley stated that the county officials would like the Joint Review Boards to take more control of the TID spending proposals through adherence to its TID governing ordinance. Conley stated that at this point the county ordinance requires TID Project Plan amendments to incorporate budget costs per line item, not just an overall figure. Conley stated that there is a paragraph in the updated draft on page 13 that refers to additional projects, and there cannot be any if the TID is declared distressed. Mann stated that the entire paragraph should have been removed and it will be removed in the final draft. Conley stated that the county ordinance also requires a more detailed annual report of what has been spent on the approved TID project plan item for each year to date. Martin stated the he will present the county ordinance to the village auditor and make sure it is reviewed when completing the annual financial reports. Pollitt stated that page 5 of the updated amendment states the TID will be "severely" distressed, and she thought the proposal was for the TID just to be distressed. Mann stated that Pollitt is correct and the word "severely" should have been deleted in the draft and it will be deleted in the final draft. Following further discussion, Mann clarified that the current value of the TID is \$41,045,800. Mann stated that the final draft of the Project Plan Amendment document will be approved by the CDA and Village Board and then distributed to the Joint Review Board at least one week prior to the next Joint Review Board meeting.

Set Next Meeting Date

Pollitt/Thomey 2nd made a MOTION to schedule the next meeting on Wednesday, May 28, 2014 at 5:00 pm at the Fontana Village Hall, and the MOTION carried without negative vote.

Adjourn

Pollitt/Thomey 2nd made a MOTION to adjourn the meeting at 4:45 pm, and the MOTION carried without negative vote.

Minutes prepared by: Dennis L. Martin, Village Clerk/Administrator

Note: These minutes are subject to further editing. Once approved by the Joint Review Board, the official minutes will be on file at the Village Hall.

Approved: 5/28/2014