

**VILLAGE OF FONTANA ON GENEVA LAKE
WALWORTH COUNTY, WISCONSIN**

(Official Minutes)

Finance Committee Meeting

January 28, 2010

The Finance Committee meeting was called to order at 5:00 pm on Thursday, January 28, 2010 by Chairman Patrick Kenny.

Members Present: Trustee Kenny, Michael Sheyker, Drew Gilchrist, Rick McCue, Jim Feeney, Arlene Patek

Member Absent: Lou Loenneke

Also Present: Administrator/Treasurer Kelly Hayden, Village Clerk Dennis Martin, Trustee Micki O'Connell, Village President Arvid Petersen

Visitors Heard

None

General Business

Approval of Minutes for Meeting Held December 16, 2009

McCue/Feeney 2nd made a MOTION to approve the minutes as submitted for the meeting held December 16, 2009, and the MOTION carried without negative vote.

Monthly Review Items

The payables and bank reconciliation reports, revenue/expense statements, balance sheets, vendor report, payroll overtime report, and cash flow statements were reviewed. Hayden stated that there are still some year-end figures to be added to the statements as items are still coming in. Hayden stated that the Village is still negotiating with the insurance company on the amount of legal fees that will be reimbursed to the Village for the Wilkinson claims.

Ehlers Refinancing Options – Jim Mann

Jim Mann of Ehlers and Associates presented refinancing options for the Village's current outstanding debt that could save the Village between \$197,002 and \$188,779 during the term of the borrowing. Hayden stated that Walworth State Bank has indicated that it would like to bid on the new bonds if the refinancing is pursued. Mann stated that the proposal would be to refinance the 1999, 2002 and 2004 General Obligation notes, the 2005 State Trust fund note, and two notes with the Walworth State Bank. Mann stated that if the Village approves refinancing the current notes, it will cost \$3,472,746 in principal and interest. Mann stated that there is \$463,000 in the 2010 budget for bond payments, so the total bond size to refinance would be about \$3,070,000. Mann stated that the interest rates would be between 1.0 and 2.85 percent, based on recent bond sales. Hayden stated that she informed Tobias Steivang at the Walworth State Bank that if the Village decides to refinance the current debt, the bank will be solicited for a bid.

Feeney/McCue 2nd made a MOTION to recommend Village Board approval of the refinancing proposal at the lowest interest rate possible, and the MOTION carried without negative vote.

2010 Water/Sewer Budget

Hayden stated that the proposed budget includes \$300,000 in borrowing for capital improvement projects. Hayden stated that the Public Works Committee has not been able to hold an official meeting the last two months because of quorum problems; however, a majority of the committee members have reviewed the proposed budget and there have been no concerns stated. Trustee

O'Connell stated that she still has concerns with the proposed purchase of computer equipment that is included in the budget.

McCue/Feeney 2nd made a MOTION to send the proposed 2010 Water and Sewer Budget to the Village Board with a recommendation for approval, and the MOTION carried without negative vote.

Water Rate Increase Timeline

Hayden presented a timeline of the Village's water rate increases. Feeney stated that the Village has been catching up since a prolonged period when there were no rate increases. Feeney stated that it would be nice to start saving money for future infrastructure projects and maybe the Village should pursue an increase this year. O'Connell stated that with the recent significant increases in the sewer rates, the Village should wait a year before considering another water rate increase. Hayden stated that the Village would be eligible for a simplified water rate increase of 3 to 3.5 percent if desired.

Service RFPs for 2011

Hayden stated that some of the contracted services agreements are expiring this year and she asked the Finance Committee to let staff know early in the year if RFPs are going to be issued again. Hayden stated that if proposals are going to be sought, the RFPs should go out in March or April. The committee directed Hayden to provide at the next monthly meeting a list of the current service providers and the terms of their current contracts.

2009 Audit Recap

Hayden stated the Certified Public Account Patrick Romenesko and his staff were at the Village Hall for six days collecting information for the annual audit. Hayden stated that audit adjustments will be presented to the Finance Committee in March.

Tax Collection Summary to Date 2009-2010

Hayden stated that the Village has collected about \$8 million in taxes to date. Last year, the Village collected a total of \$10 million in taxes before the Village settled with the county after the January 31 deadline for first installment payments. The second installment for tax payments are collected by the Walworth County Treasurer's Office.

Copy Machine Lease Proposal

Hayden stated that the current three-year lease for the Konica/Minolta copying machine at Village Hall expires in May and she has received three proposals for a new lease. Hayden stated that Martin Business Group in Lake Geneva has offered a lease for the same machine that will save the Village \$917 per year compared to the proposal submitted by Konica/Minolta. Hayden is still obtaining proposals for the new lease.

Next Meeting Date

The committee directed Martin to schedule the next meeting for Thursday, February 18, 2010 beginning at 5:00 pm.

Adjournment

Feeney/McCue 2nd made a MOTION to adjourn the finance committee meeting at 6:13 pm, and the MOTION carried without negative vote.

Minutes prepared by: Dennis L. Martin, village clerk

Note: These minutes are subject to further editing. Once approved by the Finance Committee, the official minutes will be kept on file at the Village Hall.

APPROVED: 2/18/2010