

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

**(Official Minutes)**

**Finance Committee Monthly Meeting**

February 25, 2016

The Finance Committee meeting was called to order by Chairman Pat Kenny at 6:00 pm on Thursday, February 25, 2016.

**Members Present:** Village President Pat Kenny, Karl Floody, Jim Feeney, Tom Freytag

**Members Absent:** Tom Marek, Rick McCue, Mike Sheyker

**Also Present:** Village Clerk Theresa Loomer, Administrator Dennis Martin, Police Chief Steve Olson, Trustee Arvid Petersen, Trustee Dave Prudden

**Visitors Heard**

None

**General Business**

**Approve Minutes for Meeting Held January 18, 2016**

Feeney/Freytag 2<sup>nd</sup> made a MOTION to approve the minutes as submitted for the January 18, 2016 meeting, and the MOTION carried without negative vote.

**Lake Geneva Convention and Visitors Bureau Name Change – Room Tax Reimbursement Agreement**

The Geneva Lake Area Chamber of Commerce and Lake Geneva Convention and Visitors Bureau organizations recently made administrative and name changes and now is called Visit Lake Geneva and promotes only the Lake Geneva area and not the Geneva Lake west area. The Village has had an agreement since 2008 with the Abbey Resort to reimburse it for the membership fee for the Lake Geneva Convention and Visitors Bureau. Staff is suggesting that the Village Board terminate or renegotiate the agreement since the Village is now funding the entire membership fee due to an escalation in the total Room Taxes being collected by the Village. Martin stated that the agreement calls for the Village to reimburse the Abbey for the annual membership fee at a rate based on the total room taxes collected by the Village. Since the agreement started and the room tax receipts have escalated, the Village has gone from reimbursing a small percentage of the fee to now paying the entire fee. Martin stated that the Abbey Resort management has claimed that they receive benefit from being a member of the organization in the form of internet room referrals; however, the Abbey general manager has not supplied Village staff with copies of the analytic reports since the Finance Committee starting questioning the reimbursement agreement a few years ago, before the recent unannounced or communicated name change to Visit Lake Geneva. Martin also stated that if the new Room Tax state statute goes into effect in 2017, it will also have an effect on how the room tax revenue must be allocated. Kenny stated the Village is not necessarily looking to end the agreement but would like to sit down with the Abbey management and negotiate new terms. Kenny stated that the Abbey staff reportedly does not look at the name change as a hindrance since they still receive some publicity; however, the Village name change nor membership in Visit Lake Geneva has no benefit to the rest of the Village. Martin stated Abbey General Manager David Lindelow said he would provide him with stats regarding the number of internet referrals that generate room reservations from Visit Lake Geneva's website, but Martin said staff has not been presented with anything yet. Chief Olson and Jim Feeney agreed it does not make sense to financially support the promotion of the community on the other side of the lake.

**Fire and Rescue Dept. Equipment Purchases Authorization and Pay Back Schedule**

Martin stated \$24,000 was transferred from the Fire and Rescue Dept. Boat Pump Donation Account for the down payment on the new fire boat pump. The minimum required amount of \$1,000 was left in the Donation Account in order to keep it active. The total cost of the pump is

\$99,700, leaving a balance of \$75,700. The Jaws will cost \$22,000. Martin said the Village is \$800,000 above the benchmark in the Contingency Fund according to Moody's, and recommended allocating the remaining \$75,700 from the Contingency Fund. Feeney questioned the priorities of the Fire Department since they purchased an \$800,000 fire truck prior to asking for the new Jaws equipment. Kenny provided an overview of the most recent Village Board meeting where the priorities of the equipment were questioned. Finance did approve the purchase of the Jaws at last year's budget meeting but it was struck down, amongst many other things, once it went to the Village Board for approval. Kenny said he wants to see some sort of repayment schedule and updates from the Fire Department regarding the repayment of equipment purchases and reports at least twice annually, or when there is a major change in the account. Martin added that Vilona and the Fire Dept. officers also track the Pump Donation Account monthly through financial statements.

### **2016 Bonding Report**

The bids on the bonding came in lower than projected which saved the Village almost \$200,000. Kenny said there was competitive bidding and Martin said the Village was able to maintain its Aa3 rating, which according to Maureen Schiel is great for a Village of our size.

### **Resolution Authorizing Representatives to Declare Official Intent to be Reimbursed**

The proposed resolution authorizes the Village to use bond revenues to reimburse itself for project expenses in case future project planning commences prior to a decision to bond for those projects. Martin stated that if adopted, the Village Board would still have to adopt enabling resolutions at the time of any future bonding that proposes the allocation of funds for previously paid for project expenses; however, the initial resolution provided by bond counsel Foley & Lardner has to be adopted first.

Feeney/Floody 2<sup>nd</sup> made a MOTION to recommend Village Board approval of the Resolution Authorizing Representatives to Declare Official Intent to be Reimbursed, as presented, and the MOTION carried without negative vote.

### **Next Meeting Date**

The next meeting date was set for Thursday, March 24, 2016 at 6:00 pm, if necessary.

### **Adjournment**

Freytag/Floody 2<sup>nd</sup> made a MOTION to adjourn the meeting at 6:21 pm, and the motion carried without negative vote.

Minutes prepared by: Theresa Loomer, 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: 04/28/16