

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

(Official Minutes)

Finance Committee Meeting

July 25, 2013

The Finance Committee meeting was called to order at 6:00 pm on Thursday, July 25, 2013 by Chairman Patrick Kenny.

Members Present: Trustee Kenny, Rick McCue, Arlene Patek, Jim Feeney, Scott Vilona, Michael Sheyker

Member Absent: Drew Gilchrist

Also Present: Administrator/Treasurer Kelly Hayden, Village Clerk Dennis Martin

General Business

Approve Minutes for Meeting Held July 1, 2013

Sheyker/Feeney 2nd made a MOTION to approve the minutes as submitted for the July 1, 2013 meeting, and the MOTION carried without negative vote.

Monthly Review Items

Scott Vilona reviewed the June 2013 payables and other reports which were distributed and emailed. Hayden stated that the current Ruckert-Mielke engineering services bills are being reviewed by Utility Department Director Dennis Barr.

McCue/Patek 2nd made a MOTION to acknowledge the receipt of the reports and to place them on file for the annual audit. The MOTION carried without negative vote.

Summer Operations Revenue/Expenses Report

Hayden distributed a spreadsheet with the revenue and expense totals through June for the beach, launch ramp, parking lot and mooring rentals. Hayden stated that the totals are still above water, but not as good as last year at this time. Hayden stated that the Fourth of July period was very busy, but those numbers have not yet been posted. Hayden stated that staff has sold almost all the resident parking passes and municipal beach passes that were ordered for this season.

PNC Banking

Hayden distributed the proposal she received from PNC Bank, Lake Geneva, for handling the Village utility accounts currently deposited at Talmer Bank, Walworth. Hayden stated that checks could be deposited remotely, through a scanner; and if necessary, cash deposits can be picked up at Village Hall by bank employees. Kenny asked the Finance Committee members to review the proposal and it will be discussed at the next monthly meeting. Hayden stated that the utility funds would be pooled into a checking account at PNC Bank, and the interest earned would offset the expenses charged by the bank. Sheyker stated that with regard to the interest rates, the money markets at PNC Bank and currently paying a little better than the Talmer Bank interest rates.

TID Annual Report

Hayden stated that the report is prepared after the annual review of the TID is completed by the state, and it is distributed to the taxing jurisdictions. Feeney stated that the Village should start budget planning for the projected \$400,000-plus CDA borrowing shortfall in 2015.

Debt Management 2013

Hayden stated that with the proceeds from previous bonding still not spent on pending construction projects, including \$1.7 million for the Abbey Springs water main project, the

village may not have to borrow any additional funds this year. The Finance Committee members stated that although it's a good thing that more funds are not needed to finance this year's construction projects, the interest rates are bound to go up in the near future, and if borrowing will be necessary, it would be a better deal for the Village to borrow the funds before the interest rates start escalating. Hayden stated that the Finance Committee could recommend that funding for construction costs could be allocated from some or all of the \$400,000 surplus that is currently in the Debt Service account but has been recommended by the auditor to be transferred into the General Fund account. The Finance Committee directed Hayden to keep an eye on the interest rates for borrowing and to contact Ehlers and Associates for bonding expenses breakdowns. The committee will review the borrowing scenarios and projected interest rates at the next meeting. Feeney/McCue 2nd made a MOTION to recommend that the Village Board hold off on approving the transfer and allocation of the \$400,000 surplus in the Debt Service account until after the Finance Committee reviews the bonding options and projected construction expenses and makes a recommendation on where the funds would be best transferred. The MOTION carried without negative vote.

2014 Budget Process and Schedule

Hayden distributed the preliminary budget schedule for 2014, which will commence at the next monthly meeting with a review of the guidelines and any necessary modifications to the schedule.

Next Meeting Date

The next meeting was scheduled for Thursday, August 15, 2013 beginning at 6:00 pm.

Adjournment

Feeney/McCue 2nd made a MOTION to adjourn the meeting at 6:36 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: 8/15/13