

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

(Official Minutes)

Finance Committee Monthly Meeting

January 18, 2016

The Finance Committee meeting was called to order by Chairman Pat Kenny at 5:30 pm on Monday, January 18, 2016.

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

Members Absent: Tom Marek, Rick McCue, Mike Sheyker

Also Present: Jade Bolack, Village Clerk Theresa Loomer, Administrator Dennis Martin, Treasurer Scott Vilona, Trustee Tom Whowell

Visitors Heard

None

General Business

Approve Minutes for Meeting Held October 22, 2015

Floody/Freytag 2nd made a MOTION to approve the minutes as submitted for the October 22, 2015 meeting, and the MOTION carried without negative vote.

Village Attorney Monthly Bill Approval and Contact Authorization Process

The most recent monthly invoice from Village Attorney Dale Thorpe was brought up at the last Village Board meeting for being over-budget and referred to the Finance Committee for review. Martin stated that as well as the Village Board referring the monthly invoice for legal services to the Finance Committee, there was going to be an agenda item to discuss recommendations from a meeting that he and President Kenny had with Dale Thorpe late last year as directed by the Finance Committee during the annual budget planning process. Kenny stated the one of the biggest problems in controlling the legal services budget that has previously come up is that all Trustees should be going through the Village President or the Village Administrator prior to calling or contacting the Village attorney. Trustee Whowell presented his thoughts as to how to reign in the funds being allocated on the Village Attorney. Whowell stated that the legal fees always exceed the budgeted amount and he is not sure whether that number is to try to keep the Attorney's number from going too far out of line, and if that is the thought, it is not working. He suggested setting a salaried amount that would be disbursed monthly at the same rate as 1/12 of the yearly budgeted amount. Whowell also suggested asking for more itemized statements or hiring an internal legal team for general services and municipal court prosecution duties. Kenny stated that due to the length the current Village Attorney has been working for the Village, it would be difficult to obtain someone that has the same level of knowledge and experience. If a new younger person were to come in straight out of law school, there could be a lot of training expenses involved. Martin said the legal services monthly invoice and total budget currently is divided into three categories including general village services, permitting and planning cost recovery items, and municipal court prosecution services, which should be separated when considering the overall numbers being presented by Whowell. Feeney stated it seems like all contracted service providers get away with increasing their cost every year and because the Village has been with them for so long, no one wants to try something new. Whowell also suggested that legal work for easements and other negotiations with property owners could be completed in much less time and more cost effectively for both parties if a local attorney was hired for less money than currently is being charged on the monthly invoices. Whowell stated that the Village is charged by Thorpe every time he writes an update letter on Village Board and municipal court items, and the letters are never replied to and often not necessary. Martin stated that there have been a lot of drawn out negotiations in the past few years involving almost all of the homeowner's associations and several municipal court matters. Following further discussion on other concerns regarding recent easement and development negotiations that are finally

nearing completion, the committee members reached the consensus that legal services for future individual projects should be contracted on an estimated time and cost not to exceed basis. One of the other big concerns that has been discussed in the past is that the Village Attorney creates additional work for himself at times at Village Board meetings when he concludes he should review a document or contract. Martin stated that as well as emphasizing the past direction that all contact with the Village attorney be approved in advance by the Village Board, that he and Kenny are also recommending that the Village attorney's attendance at regular meetings of the Village Board and Plan Commission be determined monthly by the agenda items. Following discussion, the committee reached the consensus that a resolution that states that policy for contacting the Village attorney should include a provision that directs the Village attorney to not accept any calls if they haven't been approved in advance by the Village administrator or Village President. Kenny and Martin will work together on drafting a Resolution limiting Village Board contact with the Village Attorney and clearly defining the expectations and guidelines. The Resolution will be presented at the February Village Board meeting.

Feeney/Freytag 2nd made a MOTION to recommend that the Village Board adopt a resolution that officially states Village Board members are authorized to contact the Village attorney outside of meetings only after receiving authorization from the Village President or Administrator or approval in the form of a Village Board motion; that directs the Village attorney to not charge the Village Board for any calls or communication not authorized in advance by the Village Board, the Village president or the Village administrator; and that directs staff and the Village president to determine when the Village attorney should attend a regular monthly meeting of the Village Board and Plan Commission. The MOTION carried without negative vote.

2016 Bonding Report and Repayment Schedule

Ehlers financial advisors attended the January 11, 2016 Village Board meeting and presented the 2016 Bond Series report and two options for the repayment schedule. Two options were presented and staff recommended Option No. 2; however, a motion was made to direct Ehlers to go with the Option No. 1 debt payment schedule based on the projected savings of \$250,000 in interest over the term. Martin stated that Ehlers Financial Assistant Maureen Schiel contacted staff the next day when she realized that the "Option 1" spreadsheet presented at the Village Board contained a calculation error and the difference in interest between the two options is actually \$36,916, not \$250,000. The "Option No. 2" plan that was recommended by Ehlers and staff following a staff meeting prior to the January 11th Village Board meeting, levels out the debt service payments and causes less strain on the General Fund in the near future when the TIF District is still recovering. Considering the correction on the projected interest savings, and the initial recommendation from the village's financial advisors, the committee members reached the consensus that the Village Board should reconsider its January 11, 2016 direction on the repayment schedule for the 2016 Bond Series and approve the "Option 2" plan as presented.

Freytag/Feeney 2nd made a MOTION to recommend the Village Board reconsider its January 11, 2016 direction for the 2016 Bond Series and go with Option No. 2, and the MOTION carried without negative vote.

Direction on Insurance Renewal

Martin requested direction on whether to just solicit a renewal quote for the Village property, liability, automobile and worker's compensation insurance policies through the League of Wisconsin Municipalities Mutual Insurance Program or if bids should be solicited. Martin stated that the last two times it was put out for bids the League package came in under the competition and the policy coverage plans were much more favorable. Martin stated he is very happy with the League's property insurance fund representation and policies, which are actually puts out for bids by the League. Martin stated that that this is the first year the League has offered its own property insurance plan, and a health and dental insurance program, and the Village may want to look into those plans in future years.

Feeney/Floody 2nd made a MOTION to direct the Village Administrator to seek a renewal bid from the League of Wisconsin Municipalities, and the MOTION carried without negative vote.

Next Meeting Date

The next meeting date was set for Thursday, February 25, 2016 at 6:00 pm.

Adjournment

Freytag/Floody 2nd made a MOTION to adjourn the meeting at 6:12 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: 02/25/16