

**Village of Fontana-on-Geneva Lake
Finance Committee Meeting
Thursday, January 24, 2008
5:00 p.m.**

The Finance committee meeting was called to order by Chairman Ron Pollitt at 5:01 p.m. in the Village Hall conference room.

Present: Feeney (Jim), Patek (Arlene), Pollitt (Ron), McCue (Rick), and Gilchrist (Drew).

Absent: Loenneke (Lou)

Also Present: Treasurer Peg Pollitt, Trustee Micki O'Connell, Administrator Kelly Hayden-Staggs, CDA Director Joe McHugh and DPW Craig Workman.

Approval of the November 15, 2007 meeting minutes:

McCue made a motion to approve the November 15, 2007 Finance meeting minutes as distributed, Feeney seconded and the motion carried without negative vote.

Financial and Court Reports:

Feeney made a motion to table this item, McCue seconded, and the motion carried without negative vote.

Water Rate Increase:

Administrator Hayden-Staggs had e-mailed to members the PSC's preliminary results from the water rate study. The PSC gave a range of rate increases from 20% to 30% depending on what rate of return is used. Discussion was held on what water rate increase to recommend. Auditor Pat Romenesko felt his recommendation would be a 5.5% rate of return that would result in a 23% increase. Discussion was held on taking the increase to the top 30% limit and lowering the sewer rates to cushion the hit to residents. In this option we get the most out of the rate study (cost \$2,500) and the water fund will be on firm financial ground. It was determined that the sewer fund makes money (\$165,000 in 2006). Feeney made a motion to recommend to the Village Board to suggest that the PSC use the rate of return of 6.5% which results in a 30% increase. McCue seconded and a roll call vote followed:

Feeney – Yes

Patek – Yes

Gilchrist – Yes

McCue – Yes

Pollitt – Yes

The motion carried with a 5 – 0 vote with Loenneke absent.

Recycling RFPs:

John's Disposal was the only bid. The bid was for \$68,666.40 for a two year contract with a yearly CPI increase. Feeney made a motion to recommend the John's Disposal contract to the Village Board, Patek seconded, and the motion carried unanimously.

Computer Services RFPs:

There were four bids for computer services: THz3-\$1,840.00/month, SNC-\$79,940.00/year, Manage Point-\$2,090.00/month, and Nyquist-\$1,875.00/month. McCue made a motion to recommend the two year contract with THz3 for computer services to the Village Board, Feeney seconded, and the motion carried without negative vote.

CDA 2008 Budget:

CDA Director Joe McHugh presented the CDA 2008 budget. Discussion was held that the Finance committee has no authority over the CDA budget. They requested that it be presented in the same format as other Village departments which shows two years of past history. Feeney made a motion that the Finance Committee had no objection to the presented CDA 2008 budget, Gilchrist seconded, and the motion carried without negative vote.

Utility 2008 Budget:

Administrator Hayden-Staggs and DPW Director Workman presented the first draft of the 2008 utility budget. At this time, it is not complete since we are waiting on the PSC for the water rate increase. Workman discussed capital outlays. McCue made a motion to table this item until the February meeting, Feeney seconded, and the motion carried without negative vote.

Set next meeting date & adjournment:

The next Finance committee meeting will be held on February 28, 2008 at 5:00 p.m. McCue will be the chairman as Pollitt will be absent. Patek made a motion to adjourn the Finance committee meeting at 6:45 p.m., Pollitt seconded, and the motion carried without negative vote.

Minutes prepared by Peg Pollitt, Village Treasurer

These minutes are subject to further editing until approved by the Finance committee.