

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

(Official Minutes)

Finance Committee Meeting

January 31, 2013

The Finance Committee meeting was called to order at 6:00 pm on Thursday, January 31, 2013 by Chairman Patrick Kenny.

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

Members Absent: Michael Sheyker, Drew Gilchrist

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

General Business

Approve Minutes for Meetings Held October 19, 2012 and November 19, 2012

McCue/Feeney 2nd made a MOTION to approve the minutes as submitted for the October 19, 2012 and November 19, 2012 meetings, and the MOTION carried without negative vote.

Monthly Review Items

Hayden stated that Mike Sheyker did not review the payables and other reports prior to his leaving town. Scott Vilona stated that he will review the items while Sheyker is out of town. Hayden stated that the monthly reports were emailed and distributed. Hayden stated that the room tax report has not been updated because the Abbey Resort and the Fontana Village Inn still have to file their December 2012 payments. Hayden stated the Village collected \$350,000 through November, and the 2012 budgeted amount is \$367,000. Hayden stated that the total amount of room taxes paid by the Abbey in 2012 has exceeded the threshold where the Village paid a portion of the Lake Geneva Convention and Visitors Bureau membership dues, per the terms of the CVB membership agreement between the Abbey Resort and the Village.

Feeney/McCue 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.

Community Research on Legal Retainers

Hayden stated that during the 2013 budget workshop meetings, an inquiry was brought up by Trustee Cindy Wilson on how the other municipalities contract for legal services, with a fixed retainer fee or on an hourly fee basis. Wilson stated that she was at a conference and some officials from other municipalities informed her that their governing bodies saved funds by using the retainer method for their attorney and municipal court prosecution services. Wilson stated that she requested staff to research the local municipalities and she just wanted to provide the information to the committee for their review. Hayden stated that although municipal court prosecution costs have increased in the last few years, so has the amount of fines being levied. Hayden stated if directed, staff can collect more information on the court operations in the other municipalities and also add to the information the total expenses, revenue and number of cases processed by the Fontana Municipal Court. A discussion ensued on the information submitted by the other municipalities, which mainly use the same hourly rate method as Fontana to pay for attorney fees. Kenny thanked staff for completing the research and stated it was a good review.

Credit Card Processing Company

Hayden stated that she solicited quotes from Walworth State Bank and PNC Bank, Lake Geneva, to handle the credit card processing for the Parking Pay Stations, but she has not yet received replies. The committee directed Hayden to also solicit a quote from Talmer Bank, Walworth.

Preliminary Budget Amendments for 2012

Hayden stated that the auditors were at the Village Hall in January collecting the required documentation and the audit is being compiled. Hayden stated that some of the budget items will have to be amended to reflect the adjustments approved during 2012; however, the total budget adjustments can be completely covered with the funds allocated in last year's contingency account, if necessary. Hayden stated that the Village has not yet received the final adjustment totals from Auditor Patrick Romenesko, but they should be ready by the next committee meeting.

2012 Audit Report

Hayden stated that the auditors were at Village Hall for about one week in January collecting the records and data for 2012. The audit should be compiled by May. Hayden stated that one item that came up after the auditors were at Village Hall is the manner in which the debt service payments for the TID are being accounted for by the Village and the different manner they are being accounted for by Jim Mann at Ehlers and Associates. Hayden stated that the Village has been using the initially issued amortization schedule, with the exact percentages of the initial borrowing amounts allocated out to the CDA budget, the Utility Department budget and the General Fund budget, respectively. Hayden stated that Mann recently informed her that Ehlers has adjusted the amortization schedule and for the next several years has allocated a larger percentage of the annual debt service payments for the borrowing to the General Fund and the Utility Budget, and lowered the amount of debt service payments for the CDA budget below the percentage actually borrowed for TID expenses. At the end of the TID lifespan in the years just before 2027, Mann has adjusted the debt service payments with the CDA budget allocating a larger percentage for debt payments than was actually borrowed for TID projects, and the General Fund and Utility Department budgets allocating less than what was borrowed for its budgets. Hayden stated that at the end of the borrowing period the total amounts paid will be correct, but at present, Mann's method makes it appear as though the TID's negative cash balance is not as dire as it actually is.

Next Meeting Date

The next meeting was scheduled for Thursday, March 7, 2013 beginning at 6:00 pm.

Adjournment

McCue/Feeney 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: 4/18/13