

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

(Official Minutes)

Finance Committee Meeting

September 9, 2010

The Finance Committee meeting was called to order at 6:00 pm on Thursday, September 9, 2010 by Village Clerk Dennis Martin.

Members Present: Arlene Patek, Rick McCue, Jim Feeney, Drew Gilchrist, Michael Sheyker

Members Absent: Trustee Kenny, Lou Loenneke

Also Present: Municipal Court Clerk Jan Armonda, Mary Kay Frazier, Administrator/Treasurer Kelly Hayden, Municipal Court Judge David Jensen, Library Director Nancy Krei, Village Clerk Dennis Martin, Joseph McHugh, Genie Murphy, Fire Department Chief Wolfgang Nitsch, Trustee Micki O'Connell, Trustee Peg Pollitt, Dolly Schneidwind

Elect Chairman Pro-Tem

Feeney/Gilchrist 2nd made a MOTION to elect Rick McCue as the chairman pro-tem for the meeting, and the MOTION carried without negative vote.

General Business

2011 Budget Review for Library, Municipal Court, Building Inspection & Fire Department

Krei and four members of the Library Board presented the preliminary budget for the library, which calls for a 10.24 percent increase from last year, or a net dollar increase of \$3,089. Krei stated that it should be noted that reimbursement from Walworth County has increased, as well as the library's automation costs from the Lakeshores Library System, which increased over 6 percent, so that is why the board is proposing an increase. Krei stated that the net increase is 6.74 percent. Genie Murphy, the Library Board president, stated that the operating costs are pretty much set, with the exception of material acquisitions. Murphy stated that after a couple years of slashing the materials budget, they are proposing a 33 percent increase this year. Regarding acquisitions, Hayden stated that Krei was directed to keep track of periodical subscriptions on a spreadsheet that was provided to her by the village processing clerk. Hayden stated that the spreadsheet has not been submitted yet this year and it is needed to ensure that subscriptions are not being unnecessarily renewed and to avoid double payments. Feeney stated that the Library Board should consider what items could be cut from its preliminary budget if necessary. Murphy stated that the state has announced it has received a grant to have fiber optic lines installed to every public library and the project was going to commence in 2010; however, it has been delayed to 2011 or 2012 because of logistical problems with many of the libraries. The Finance Committee directed Hayden to get the grant figures straightened out in the preliminary library budget and to find out if the Village has to match the grant funds, and to make sure the expenditures are correctly listed in the budget. Hayden then presented the preliminary budget for the Building and Zoning Department. Hayden stated that the village staff salaries have not been increased for a couple years; however, the line item for the 2011 Building and Zoning Department has been decreased slightly because the village has not been using part-time inspectors Tim Yorgey and Barney Brugger as much as in past years. Hayden stated that some of the fringe benefit figures are estimates at this time; that the department and village as a whole is saving money on its cellular telephone expenses by switching services and by cutting out some unnecessary lines; and revenue proceeds are up in all three municipalities served by the department. Hayden stated that the revenue figures should exceed the 2010 budget estimates. Feeney asked if the budgets for all the Village departments could be combined for one total figure on the various expense categories, such as for computer support services and for the other

contracted services. Feeney stated that it would be prudent for the committee to review the total numbers when considering the overall budget. Pollitt stated that she would like to see technology expenses all put into one account that can be monitored instead of being separated out into all the various departments. Pollitt stated that expenses for IT services and copy machine maintenance each should be just one line item. Hayden stated that separating out the actual portion of the services used in each individual department helps the village monitor the bottom line of each department; however, she can prepare a cumulative total for all the expense accounts in the budget. The committee directed Hayden to provide the expense account figures in both methods – broken down by department and all totaled together for the entire Village. Chief Nitsch presented the preliminary Fire Department budget, which calls for no increase from last year with the exception of the communications account, which was increased by \$8,400 for the purchase of two new portable radios. Nitsch stated that as he warned the committee last year, the new radios must be purchased to adhere to a federal mandate. Nitsch stated that there is a state bid available for the purchase of the radios; however, the quote he received from Bandt Communications, Janesville, is lower than the state price. Nitsch stated that the department also will be required to purchase one or two new radios next year to keep up with the terms of the mandate. Nitsch stated that the department is still investigating possible grants for the new radios. Municipal Court Judge David Jensen and Court Clerk Jan Armonda presented the preliminary budget, which was increased by \$1,181 from last year's total of \$20,414 up to \$21,595. Jensen stated that the judge salary account was increased by \$1,000. Jensen stated that as far as his research has determined that the judge salary has not been increased in 20 years. Jensen stated that the court operates at no cost to the Village and the proposed raise comes out to \$35 more per court session. Jensen stated that legislative changes also require an increase to the education account to cover additional continuing education seminars that he must attend, and continuing education that is now required for court clerks. McCue stated that Jensen proposal for a raise in his salary is not up to the Finance Committee, the decision is up to the Village Board which sets all the salaries.

Report on Village Board Directive Regarding First Banking Center Deposits

Hayden stated that the Village Board approved a motion at its last monthly meeting to transfer all but \$200,000 of its funds from a money market account at First Banking Center to the State Investment Pool. A lengthy discussion ensued on the process to wire transfer funds for the Wastewater Treatment Facility improvement project, on credit card and utility account automatic payments and transfers, and on the checking accounts at First Banking Center and Walworth State Bank being insured by the TAG program. Pollitt stated that the Village could open a Utility Account at Walworth State Bank and start looking at other area banks to transfer the current accounts from First Banking Center. Hayden stated that the State Investment Pool probably is not the long term answer because of the extremely low interest rate. Hayden stated that the village will be able to negotiate with a new bank and make more interest on the deposits than from the state. Hayden stated that the Village's checking account deposits are completely insured as long as the funds are not earning more than .25 percent interest. The committee directed Hayden to closely monitor the First Banking Center money market account to make sure that there is never a balance greater than \$200,000 so that the Village deposits are completely insured. The insured limit through the FDIC is \$250,000 for the accounts deposited in one bank by the same entity.

Adjournment

McCue/Sheyker 2nd made a MOTION to adjourn the finance committee meeting at 7:27 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: 9/30/10