

VILLAGE OF FONTANA ON GENEVA LAKE
WALWORTH COUNTY, WISCONSIN
(Official Minutes)

SPECIAL JOINT SESSION MEETING of the VILLAGE BOARD OF TRUSTEES
and FINANCE COMMITTEE

2010 Budget Workshop Meeting
Monday, October 19, 2009

Village President Arvid Petersen and Finance Committee Chairman Trustee Pat Kenny called the special joint session meeting of the Village Board and Finance Committee to order at 5:00 pm in the Village Hall, 175 Valley View Drive, Fontana, Wisconsin.

Trustees present: Roll call vote: President Petersen, McGreevy, Kenny, Turner, O'Connell, Spadoni
Trustee absent: Lewis

Finance Committee members present: Trustee Kenny, Michael Sheyker, Rick McCue, Jim Feeney, Drew Gilchrist, Lou Loenneke
Finance Committee member absent: Arlene Patek

Also present: Village Administrator Kelly Hayden, Library Director Nancy Krei, Village Clerk Dennis Martin, Joseph McHugh, Fire Department Chief Wolfgang Nitsch, Police Chief Steve Olson, Public Works Director Craig Workman

General Business

VOF Budget 2010 Workshop

Hayden presented the updated revenue and expense budgets. The estimated revenue projections included \$150,000 for a possible sale of Village land. Hayden stated that revenue is a concern in the budget as is the negative balance the working capital fund is facing at the end of 2009. Hayden stated that the budget includes borrowing for \$753,000 for construction projects, which includes \$654,000 for road and stormwater utility construction projects in the Country Club Estates subdivision. The construction area in the Country Club Estates subdivision has been identified as Hot Spot No. 3 in the stormwater management study recently completed by Ruckert-Mielke. Following discussion, the Village Board members were in consensus that in order to raise more revenue, the Village should increase its parking fee to \$1 an hour, and an increase in the current \$10 fee for resident "F" parking passes also should be considered. At the request of some of the Trustees, the preliminary budget included a proposal to cut the salaries of the Village Board members by 10 percent. President Petersen stated that the Village Board members have not had a salary increase in several years, and the compensation barely exceeds the expenses and time demands of the position. Turner stated that the proposal was kind of symbolic as the salary amount is insignificant in relation to the \$5.3 million budget. Following discussion, Hayden stated that the salaries for the Village Board members could be left the same as this year, and if desired, the individual members could donate the money back to the Village. The Village Board directed Hayden to budget the salaries at the same level as this year. Hayden stated that the employee salaries were all kept at the same level, with the exception of the police department union officers and the administrative assistant. The Department of Public Works Union contract expires this year, and the salaries will be part of the renewal negotiations. The police department union contract, which expires next year, calls for a 3 percent salary increase for the officers. The administrative assistant's salary is tied into the terms of the union contract. Hayden stated that the \$6,000 annual expense to publish the quarterly newsletter was taken out of the budget. Hayden stated that the proposal is to distribute the newsletter via the Village website and through email. Hard copies also can be printed out at Village Hall if requested. Turner stated that the newsletter distribution proposal is a good idea that can be expanded to include all Village communications. Turner stated that using the email technology will be more cost efficient and effective. Hayden stated that other budget cuts this year proposed by the Finance Committee include reducing over-time expenses and summer intern hours; closing the Park House in the winter months; and reducing the number of LTE police officers. Hayden stated that by relocating the card clubs

from the Park House to other available locations would save the Village \$2,000 in cleaning and heating expenses. Following discussion, the Village Board members stated that they should keep the card club members happy since the heating expense was only \$1,200, and the Park House should be kept open all year. The preliminary budget included the proposal to cut some over-time hours at the Police Department, and to remove one LTE officer position. Chief Olson stated that by removing the one LTE position, the department will not be able to have a walking patrol officer during the summer season. Olson stated that the summer schedule will include three officers on duty during weekend nights, and one officer on duty during the day. Hayden stated that the request for the purchase of a new SUV, and the new flooring proposal for the Safety Building were removed from the budget. The only capital item in the budget for the Police Department is the new computer server. Hayden stated that the budget includes a \$42,465 appropriation to the Geneva Lake Law Enforcement Agency, which is the same amount as this year. Hayden stated that the Finance Committee recommended no additional funds be added to the budget for the purchase of a new boat because the budget recommended by the GLLEA Board includes 5 percent salary increases for all the seasonal personnel. Hayden stated that all the Village departments have adhered to a zero percent increase this year, and the committee members do not feel it would be appropriate to fund a salary increase for the seasonal GLLEA employees when the Village employees are not getting salary increases – with the exception of the police department union officers. Hayden stated that the committee members budgeted for either the purchase of the boat or the funding of the employee salary increases. McGreevy stated that there is not a need for two armed guards to be patrolling Geneva Lake. McGreevy stated that the Geneva Lake Water Safety Patrol crew members provide life-saving services on the lake and the GLLEA services are exorbitant. Turner stated that most of the lakes in the state are patrolled by the Wisconsin DNR one-person crews at no extra cost to the local taxpayers. Turner asked why the GLLEA has two officers on patrol boats. President Petersen stated that he will inform the GLLEA Board of Directors that the Village of Fontana has approved a zero increase budget and he will request that the boat patrol crews be reduced to one officer as a cost saving initiative. Hayden stated that the Finance Committee cut the Fire Department total expenses to \$4,000 for capital items, and allocated the rest of the dues revenue to pay back the loan for the new fire truck. Fire Chief Wolfgang Nitsch stated that he Fire Department members voted to allocate some of its equipment donation funds for the purchase of the new Jaws for Life rescue equipment, and he asked if the budgeted funds could be used to purchase new protective gear, uniforms and radios. Nitsch stated that the department understands the budget crunch, and the initial equipment request was reduced from \$6,000 to about \$4,000. Hayden stated that the Finance Committee held several meetings and ended up making about \$360,000 in cuts to the initial budgets. Hayden stated that the insect control budget was taken out, at a \$20,000 savings for the Village; the Library budget was cut by \$6,000; the Ball and Glove Program appropriation was removed; the annual donation for the East Egg Hunt was reduced; the fireworks appropriation was removed; and the Music in the Park funding was removed. Hayden stated that the cuts were dictated by the projected \$600,000 budget shortfall in 2009. Turner and Spadoni stated that the Village should bond for the funds that were paid for the land purchase for the Wilkinson lawsuit lots. Hayden stated that the proposed budget calls for the mill rate to increase from \$2.07 to \$2.15 for the Village portion of the tax bill. Hayden stated that the budget has to be published in the October 29, 2009 edition of the Lake Geneva Regional News in order for the public hearing to be held on Monday, November 16, 2009. Following discussion on the Finance Committee's recommendation to budget \$150,000 in revenue for the sale of Village land, the Village Board members were concerned if a sale could take place in 2010. Sheyker stated that the proposal to bond for the funds for the Wilkinson land purchase would help alleviate the need for the Village to budget funds to replenish the working capital balance. Turner stated that before the Village Board considers bonding for the funds for the Wilkinson land purchase, they should review a 12-month cash flow projection. The Village Board will review the cash flow projection and consider bonding the money for the Wilkinson land purchase in lieu of allocating the working capital funds at the monthly meeting on Monday, November 2, 2009. Trustee Turner/Trustee Spadoni 2nd made a MOTION to direct Hayden to publish the preliminary budget as presented with the following changes: increase the projected parking revenue by \$6,500 to reflect an increase in the parking fees; increase the salaries for the Village Board members back to the same level as 2009; increase the Park House budget to accommodate year-round operations; increase the Advertising and Tourism budget to include the annual appropriation for the purchase of fireworks; increase the supplies item for the Fire Department by \$1,000; and reduce the working

capital appropriation from \$250,000 to \$100,000. The MOTION carried without negative vote.

Next Meeting Date

The public hearing for the 2010 Budget will be held Monday, November 16, 2009 at 5:00 pm.

Adjournment

Trustee Turner/President Petersen 2nd made a MOTION to adjourn the Village Board meeting at 6:50 pm, and the MOTION carried without negative vote.

Finance Committee member Rick McCue/Finance Committee member Jim Feeney 2nd made a MOTION to adjourn the Finance Committee meeting at 6:50 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 Village Board and Finance Committee, the official minutes will be kept on file at the Village Hall.

APPROVED: 11/2/09 – VB; 12/16/09 – Finance