

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

(Final Minutes)

Finance Committee

January 25, 2024

The meeting of the Finance Committee was called to order by Chairman Pat Kenny at 4:00 pm on Thursday, January 25, 2024.

Members: President Pat Kenny, Bob Klockars, Rob Rowe, Tom Marek, Jim Feeney

Absent: Thomas Freytag, Mike Sheyker

Also Present: Treasurer Liz Baumann, Administrator Theresa Loomer, Kevin Day DPW Manager

Visitors Heard

General Business

Approve Minutes for Meetings held on August 24, September 18 & 26, and October 9, 2023

Feeney/Marek 2nd made a MOTION to approve the August 24, September 18 & 26, and October 9, 2023 minutes, as presented, and the MOTION carried without negative vote.

Discussion or Action on 2024 Utility Budget:

DPW manager Day presented the water and sewer capital requests for 2024. Treasurer Baumann presented the business needs and adjustments to the 2024 Utility Budget. Additional information can be found in the January 24, 2024 Public Works Committee Minutes.

Klockars/Rowe 2nd made a MOTION to approve the water and sewer budget for 2024, as presented, and the MOTION carried without negative vote.

Discussion or Action on Ehlers Proposal for Bond Proceed Investment Services:

Treasurer Baumann presented the Ehlers proposal for investment services for the February 6th bond proceeds of \$5.3 Million. The projects and spend down of the proceeds are estimated to take almost two years and with interest rates being favorable at this time, staff are looking into having Ehlers manage and invest the funds. Ehlers' service will cost the village about 2% of the earnings of these investments. Member Klockars inquired if Ehlers would be pledging securities above the FDIC insurance. President Kenny suggested the idea sounded good as long as the funds are safe.

Marek/Feeney 2nd made a MOTION to recommend Village Board approval of the Ehlers Investment Services Agreement pending the securities pledging, as presented, and the MOTION carried without negative vote.

Discussion or Action on Ehlers Arbitrage Monitoring Service:

Treasurer Baumann presented the Ehlers Arbitrage Monitoring service agreement. With interest rates being relatively high lately, there is the potential that the village could be in arbitrage and earn substantial interest on these investments over the next 2 years. Treasurer Baumann explained there are Federal rules that municipals are not to earn excessive interest on bond proceeds. Ehlers will monitor that we don't go into arbitrage. The estimated cost would be about \$2,000 over a two-year period and would include the required IRS reporting along with the monitoring of interest earnings and spenddown. President Kenny expressed interest in putting this all in the hands of the experts.

Marek/Feeney 2nd made a MOTION to recommend Village Board approval of the Ehlers Arbitrage Monitoring Service, as presented, and the MOTION carried without negative vote.

Set Next Meeting Date:

The next meeting will be the joint Board and Finance Committee, Feb 22nd, 4:00 PM

Adjournment

Feeny /Marek 2nd made a MOTION to adjourn the meeting at 4:35 pm, and the MOTION carried without negative vote.

Minutes prepared by: Liz Baumann, Treasurer

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: 02/22/2024