

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

SPECIAL JOINT SESSION of the VILLAGE OF FONTANA  
BOARD OF TRUSTEES with the FINANCE COMMITTEE

**Thursday, October 11, 2012**

Village President Arvid Petersen called the special meeting of the Board of Trustees to order and Finance Committee Chairman Pat Kenny called the meeting of the Finance Committee to order at 6:00 pm in the Fontana Safety Building, 190 Fontana Boulevard, Fontana, Wisconsin.

**Village Board members present:** Roll call: Rick Pappas, President Petersen, George Spadoni, Pat Kenny, Tom McGreevy

**Village Board members absent:** Bill Gage, Cindy Wilson

**Finance Committee members present:** Roll call: Chairman Kenny, Mike Sheyker, Arlene Patek, Jim Feeney, Scott Vilona, Rick McCue, Drew Gilchrist (arrived at 6:01 pm)

**Also present:** Jade Bolack, Anne Catlow, Mary Kay Frazier, Administrator/Treasurer Kelly Hayden, Library Director Nancy Krei, John Maier, Village Clerk Dennis Martin, John O'Neill, Dale Thorpe, Zoning Administrator Ron Nyman, Director of Public Works Craig Workman

**Village Board Business**

**Approval of Village and Utility Payables**

Hayden stated that as well as the distributed list, there also is a \$125 invoice from Chicago Title. Trustee Spadoni/Trustee McGreevy 2<sup>nd</sup> made a MOTION to approve the payables as presented, and the MOTION carried without negative vote.

**Triathlon Event Final Payment**

Hayden stated that event organizer Russell Larsen dropped off a \$5,000 check that day and stated that he will pay the \$5,000 balance due by October 31, 2012.

**Consider Plan Commission Recommendation on Utility Easement and Deed Restriction for Lot Line Adjustment for Cantalupo Trust Lots, 754 S. Lakeshore Drive**

Spadoni stated that the Plan Commission recommended approval of the utility easement with conditions as advised by Village Attorney Dale Thorpe. Trustee Spadoni/Trustee McGreevy 2<sup>nd</sup> made a MOTION to approve the Utility Easement as recommended, with the conditions that language is added to provide the Village with emergency and non-emergency access to the easement area from the nearest abutting road; that a Title Commitment is completed; and that a closing is scheduled to execute the easement document. The MOTION carried without negative vote.

**Tarrant Drive Storm Sewer Contract Pay Request No. 2**

Workman stated that the Village engineer reviewed the \$102,542 Pay Request No. 2 submitted by S&L Underground and Trucking, Inc., Merrimac, for the Tarrant Drive Storm Sewer Contract and approval is recommended.

Trustee Spadoni/Trustee McGreevy 2<sup>nd</sup> made a MOTION to approve the \$102,542 Pay Request No. 2 submitted by S&L Underground and Trucking, Inc., Merrimac, for the Tarrant Drive Storm Sewer Contract, as recommended, and the MOTION carried without negative vote.

**Consider Finance Committee Recommendation on 2012 Nonunion Employees Wage Increase**

Hayden stated that the Finance Committee approved a motion to recommend approval of 3 percent

retroactive wage increases for the nonunion employees, and \$100 bonuses for the nine seasonal municipal beach and launch employees who were not first-year employees. Hayden stated that the Village Board had to provide direction on the Police Department administrative assistant, who already received a raise in 2012. Following discussion, the Village Board members reached the consensus that the raise was an increase from the probationary period salary level and the administrative assistant should also receive a 3 percent wage increase at this time. Pappas stated that he would like the Village Board to also consider a raise for Municipal Court Judge David Jensen, and that Police Chief Steve Olson also should be given a greater increase in wages than 3 percent or an additional bonus. Pappas stated that Chief Olson picked up a lot of duties of the former lieutenant after he resigned and before the new sergeant position was created and filled. In response to a question from Hayden, the Village Board members came to the consensus that the wage increases should be raises as recommended by the Finance Committee, and not lump sum payments. Following discussion, Spadoni and Kenny indicated that the motion on the floor did not include the salaries of the municipal court judge or the Village Board members.

Trustee Spadoni/Trustee Kenny 2<sup>nd</sup> made a MOTION to approve Resolution 10-11-12-01, amending 04-02-12-01 setting exempt salaried and hourly nonunion personnel rates for the 2012 calendar year, with 3 percent retroactive wage increases for the nonunion employees and including the Police Department administrative assistant, and to approve \$100 bonuses for the nine seasonal municipal beach and launch employees who were not first-year employees, as recommended. The MOTION carried without negative vote.

### **Joint Session General Business**

#### **Infrastructure Plan & Bonding/Funding Decision**

Workman presented the updated Infrastructure Improvement Plan spreadsheet. Workman stated that the Village will have to borrow \$1.7 million in 2013 to fund the proposed construction projects, and the current list does not include the Indian Hills subdivision projects that initially were planned for 2013. Sheyker stated that with the \$952,000 the Village needs to borrow to fund the Abbey Springs water main and standpipe project, the total borrowing for 2013 would be just under \$3 million. Spadoni stated that the Village Board decided last year when the Infrastructure Improvement Plan was approved that the option for a five-year aggressive plan would be pursued and that the Village would have to borrow about \$20 million over the five years. Hayden stated that because of the street improvement plans and the CDA increment shortfall, the Village will have to consider borrowing as well as increasing the tax levy to its state imposed limit. Hayden stated that other potential revenue that may be realized if the Shabbona Drive reconstruction project is completed as currently planned by selling the two village owned lots on Pottawatomie Drive for a couple hundred thousand dollars. Workman stated that the current work schedule would have the two lots available to be sold for residential development purposes by the middle of next year. A lengthy discussion ensued on what the total revenue will have to be for the proposed borrowing and the tax levy in order to fund the current capital improvements and purchases in the preliminary budget.

#### **VOF Budget 2013 Workshop**

Hayden stated that with the Village setting the maximum allowable tax levy, the preliminary budget would have to be cut by about \$450,000. Spadoni stated that with the tax levy set at its maximum, the tax rate would only increase by about 42 cents per \$1,000 of assessed valuation, or \$42.00 per \$100,000. Petersen stated that the CDA increment shortfall on the TID borrowing debt service, and the need to address the road reconstruction plan are forcing the Village to propose an increase in the tax levy. Feeney stated that maybe the Village should remove the purchase of the new plow truck from the budget for 2013 and only purchase the new vehicle if the two lots on Pottawatomie Drive are sold. Hayden stated that the Village also could consider reducing by \$200,000 the \$415,000 budgeted to add to the working capital fund; however, the village would have to amend its working capital policy and it could adversely affect the village's bond rating. Hayden presented four budget scenarios to initiate discussion that included taxing options for the \$375,000 CDA shortfall and

raising the levy limit to its maximum allowable level. A lengthy discussion followed on possible cuts of the capital expense items in the preliminary budget, including the new vehicles and beach groomer; on what amount to allocate for the undesignated fund; on the street improvement schedule of projects; and on the bonding level.

Trustee Spadoni/Trustee Kenny 2<sup>nd</sup> made a MOTION to direct staff to amend the preliminary budget to reflect 2013 Budget Scenario No. 4 as presented, with the Shabbona Drive reconstruction project cut back to remove the Jenkins Drive portion, and with an additional \$130,000 added to the projected revenue for the sale of the two lots on Pottawatomie Drive. The MOTION carried on a 4-1 vote, with Trustee Pappas opposed, and Trustees Gage and Wilson absent.

### **Next Meeting Date**

Hayden stated that she will incorporate the changes discussed and send out the updated preliminary budget prior to a special joint session meeting on Friday, October 19, 2012. If favorably reviewed, the preliminary budget will have to be approved for publication of the public hearing notice for the Monday, November 12, 2012, hearing, which will begin at 6:00 pm.

### **Finance Committee Adjournment**

Chairman Kenny/Sheyker 2<sup>nd</sup> made a MOTION to adjourn the Finance Committee meeting at 7:05 pm, and the MOTION carried without negative vote.

### **Closed Session**

Trustee Spadoni/Trustee Kenny 2<sup>nd</sup> made a MOTION at 7:06 pm to adjourn into Closed Session pursuant to Wis. Stats. Chapter 19.85 (1)(e), to deliberate or negotiate the purchasing of public properties, the investing of public funds, or conducting other specified public business, whenever competitive or bargaining reasons require a closed session, specifically Abbey Springs Water Main Project Land Acquisition Issues, and AFSCME Union Contract Renewal Direction, and the Roll Call vote followed:

Trustee Kenny – Aye

Trustee McGreevy – Aye

Trustee Pappas – Aye

President Petersen – Aye

Trustee Spadoni – Aye

The MOTION carried on a 5-0 vote, with Trustees Wilson and Gage absent.

Trustee Spadoni/Trustee Kenny 2<sup>nd</sup> made a MOTION to adjourn the closed session and reconvene in open session at 7:10 pm, and the MOTION carried without negative vote.

### **Village Board Adjournment**

Trustee Spadoni/Trustee Kenny 2<sup>nd</sup> made a MOTION to adjourn the Village Board meeting at 7:10 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 on file at the Village Hall.

APPROVED: 11/5/12 – V.B.; 11/19/12 – Finance