

FINANCE, LICENSE & REGULATION COMMITTEE
MONDAY, MARCH 8, 2010 - 6:00PM
COUNCIL CHAMBERS, CITY HALL

Chairman Krause calls the meeting to order at 6:00pm.

Roll Call. Present: Alderman Krohn, Roehrer, Marsala, Fesenmaier and Krause. Also in attendance: Comptroller Pollitt, City Administrator Jordan and Deputy Clerk Roenspies.

Marsala/Krohn motion to approve Finance, License and Regulation Committee minutes of February 22, 2010 as distributed. Unanimously carried.

Comments from the public as allowed by Wis. Stats. §19.84(2), limited to items on this agenda except for public hearing items. Comments will be limited to 5 minutes.

Tom Spellman, 270 Country Club Drive #22, asked them to particularly review the work by Schenk & Associates and Deignan's management letter.

Spyro Condos, 1760 Hillcrest Dr., spoke on the management letter and felt there is some of the same stuff every year; internal controls, budgetary procedures, accounts overdrawn and so forth. You can't take money out of reserved funds without doing a budget resolution. He would appreciate some changes.

Joe Railton, 930 Geneva Street spoke on Ken Wenz' request for liquor for the entire building and feels this needs to go back to PUD; he doesn't understand how he would come to this step first.

Ken Wenz, 1807 Miller Court, said they are requesting people being able to come up and down the steps throughout both floors and no one would be able to leave the building. He feels it will offer something unique to Lake Geneva; he is not setting up a bar in the lower lever.

Fesenmaier/Roehrer motion to allow Joe Railton to speak again. Unanimously Carried. He said he doesn't understand the police giving him permission.

Ellyn Kehoe also felt this needs to be moved to Planning and Zoning.

Bill Cousino, 302 Maxwell St., said once you give the whole building a liquor license, it could be turned into a restaurant some time down the road. He feels it should go to Planning and Zoning.

Marsala/Krohn motion to allow Ken Wenz to speak again. Unanimously carried. They are not leaving one premise and going to another; this is all one building.

Pete Peterson, 1601 Evergreen Lane, spoke on the proposed 0% increase and one-year lease for the three businesses who rent from us. No business can function one year at a time; give them at least a three-year lease. He also said the staff is responsible for the same audit report year after year and they need to make the changes.

Mary Jaros, 927 W. Main, spoke on the Wenz request, saying we were told this was a limited PUD and now they keep expanding and expanding; she is against this extension.

Update on the progress for the Internal Controls Report recommendations by Dennis Jordan. Most cities at the end of the year do budget amendments not because they are over budget but because they have changes within departments; some are over and some are under and they make changes to make various

accounts in the department come out balanced. He has seen audits from surrounding towns and cities and they have similar problems because of their size. We have had a meeting and are restructuring so we have different ways in which we use our staff. People taking in cash will be different from those receipting cash and the different aspects of AR. We are looking into month-end checklists and looking at various things like the bank accounts and property tax receivables. Various committees have already been addressing cash management, for instance the cash at the boat launch. Peg Pollitt said we have started to address the problems; we have some good ideas and are looking at implementing them. Roehrer asked about accounts overdrawing their appropriations; she would like to see the auditor give a detailed accounting of all the accounts that are overdrawn, and said she would make that in the form of a motion. Pollitt said that is already in the audit. Roehrer would like it to be presented so they can discuss it. Fesenmaier asked if the updates that were given are in written form and if the internal controls document is on the website; she quoted the minutes of the February 8 minutes of the FLR meeting at which the Council approved the motion that the internal controls document be provided in a digital format to show updates and be under the direction of the City Administrator and presented before the Finance Committee once a month for an update. Why were these updates not provided in digital format? Jordan said he had asked for it to be put on and will check if it did. Roehrer said what they wanted is to see each item the auditor put there and then underneath each one, the response for what is being done about each item. Fesenmaier wants to look at updates on the website a week in advance. Jordan explained this is a work in progress and is not concrete yet. Krause said we just need to have updates, to have a response to each one of these internal control updates. Fesenmaier said the public would be able to see the progress themselves. Krause said no action needs to be taken tonight, it is just for discussion tonight. Roehrer said she just doesn't want it to fall through the cracks. Krause verbalized that at the first FLR meeting of the month, we will have reviews by staff in dealing with this internal control audit. Roehrer said she would like this piece put on the agenda for the next meeting.

Discussion/Recommendation on Resolution 10-R10 a Resolution to create a budget in the Impact Fee Fund for \$23,000 to purchase shelving units for media and shelving for the children's picture book room. Jordan said that since we hold the funds, they make a recommendation to us to do a resolution. You can have impact fees for fire, park, water, sewer and library. As people keep moving into the City, you can put impact fees on new homes for these services. The legislature recently put a limit on how long you have to spend those. Pollitt said approximately \$120,000 is in the Library impact fee fund. Fesenmaier asked if it is in the budget. Pollitt said that is what this resolution is doing, setting a budget for the Library's portion. The fire and parks currently have no budget to spend for this year. Krause added that these impact fees were set in 2004 for water, sewer, fire and park and 2005 for Library. Pollitt explained that by law, this money has to be in a separate account for this use. Jordan said there was not a need at the beginning of the year and all of a sudden, this need came up; that's why they are asking for it. If they had know back in the fall, they would have asked us to put it in the budget. Fesenmaier referred to a February 4, 2010 revenue and expense report and wondered why we don't have an exact number. Pollitt said because we are not closed for 2009; once the audit is done, we know the exact numbers. Fesenmaier wondered when we will know the exact amounts. Pollitt said the audit starts March 22 and she hopes it will be finished by the end of April. Fesenmaier/Roehrer motion to table this to the next meeting. Yes: Krohn, Roehrer and Fesenmaier. No: Marsala. Motion carried.

Discussion/Recommendation on a request from Andrew Fritz, Agent of the Baker House, for an extension of the licensed premise for 327 Wrigley Drive to reflect the new conditional use of outdoor dining and alcoholic beverage consumption. It was noted that Andrew is the owner, not the agent, and this is acceptable. Marsala/Fesenmaier motion to approve. Unanimously carried.

Discussion/Recommendation on a request from Ken Wenz, Agent of Bistro 220, for an extension of the licensed premise for 220 Cook Street to reflect use of the entire building for alcohol consumption. Marsala/Krohn motion to approve for discussion. Marsala asked if there are internal entrances to the other stores, and was told yes. Krohn asked about the liability. Jordan doesn't feel this needs to go back to Planning and Zoning and they should ask the City Attorney. Attorney Draper explained we have a bit of a dilemma. The Baker House had a conditional use for serving liquor in and outside. When he looks at the liquor law statutes, he doesn't feel Planning and Zoning has any business in describing the premises where

liquor is being served. This is reserved to the Council which needs to make this decision and rule on this. The specific provisions they are going under is 125.043(h) saying the licensee or permittee can make a written request for any changes. The liquor license is separate and apart from the Conditional Use. Draper said the liability for any injury is the restaurant's, not the city's, responsibility. Roehrer expressed concern about the monitoring of this. Yes: Marsala. No: Krohn, Roehrer, Fesenmaier. Motion fails.

Discussion/Recommendation on the Street Use Permit Application, and Park Board Application filed by Michael Garrison of Breakaway Event Productions, LLC for the International Cycling Classic to be held on July 14, 2010 from 8AM until 8PM with staff recommendations. *(Park Board Application was forwarded with no recommendation)*

Jordan reported that the Police Chief said this is up to the Council and there are certain fees the applicant would need to pay, such as the cost for Full-time and Reserve officers totaling at least \$1587.04; the Street Dept. would need \$200-500 for their services. There are also permit fees, \$20 Park fees, approx. \$800 for parking meters and possibly a stand-by ambulance; Jordan said they would need to pay for all expenses incurred. Krause/Marsala motion to move this to Council without recommendation. Unanimously carried.

Discussion/Recommendation on a Massage Establishment License for Martha Doolittle, Healing Muscle Therapies, at 201 Broad Street, Suite 1D.

Roehrer/Fesenmaier motion to approve. Unanimously carried.

Discussion/Recommendation on a Taxi Cab Driver License application for Steven Retzlaff, 307 Tyrrell Ct., Delavan.

Roehrer/Marsala motion to deny per the Police Chief's recommendation. Unanimously carried.

Renewal of commercial slips and buoys for Marina Bay, Lake Geneva Boat Lines, and Gage Marine for one year with a 0% increase.

Marsala/Krohn motion to forward this to Council without recommendation. Unanimously carried.

West End and Lagoon Slip and Buoy Rates for 2010 each a one year lease at 0%

Marsala/Roehrer motion to approve. Motion carries 3 to 2. Krohn, Fesenmaier opposed.

Prepaid Bills in the amount of \$8,554.78

Marsala/Krohn motion to approve. Unanimously carried.

Regular Bills in the amount of \$144,701.54

Krohn/Roehrer to approve. Unanimously carried.

Marsala/Roehrer motion to adjourn. Unanimously carried.

/s/ Artis M. Roenspies, Deputy Clerk