

FINANCE, LICENSE & REGULATION COMMITTEE

MONDAY, FEBRUARY 8, 2010 - 6:00PM

COUNCIL CHAMBERS, CITY HALL

Chair Krause called the meeting to Order at 6:05pm.

Roll Call: Alderman Krohn, Roehrer, Marsala, Fesenmaier, and Krause, Clerk Dykstra, Comptroller Pollitt, and Administrator Jordan.

Marsala/Krohn motion to approve Finance, License and Regulation Committee minutes of January 25, 2009 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.

Bethany Suiza, 327 Wrigley Drive, commented they are the new owners of the former Gilbert's property that they now call the "Baker House" reflecting the original owners name. They are looking to bring back a grand home. They will be living and working there and they would like to open it up by having an upscale inn for six rooms, hotel lounge. They aren't looking for a fine dining sit down, but they will serve their hotel guests three meals. The seating will be similar to that of 125 years ago. They look forward to opening in late spring. It will not be out of their range, but their rooms will be a bit higher than the normal hotel room rate.

Ellyn Kehoe, 222 Warren Street, commented on the Library request to build shelves. She discussed the capital project accounts and questioned the funding for the Library. She also questioned the \$1,000 security deposit for the non-profits.

Terry O'Neill, 954 George Street, speaking on item #15 for the payment of von Briesen. He noted that Attorney Draper appointed the attorney and asked they table this item.

Discussion/Recommendation on the Analysis and Assessment of Internal Controls report previously presented by Schenck, S.C.

Chair Krause noted there are recommendations to look into in this report. He noted in order to be more efficient he questioned how they would like to proceed.

Alderman Marsala noted that the cash handling at the Beach is being addressed at Piers and Harbors Committees.

The Comptroller noted the new software will assist with the timing of reporting.

The items referred to in the agreement included: Opportunities to Assign financial duties to other employees, Receipts revenues and accounts receivable procedures, Maintain Separate bank accounts, Maintain Petty Cash Accounts

Alderman Krause noted with the first item, this was partial responsibility for the delay of the 2008 audit because of the transition from the old Comptroller and the new software.

Alderman Fesenmaier questioned if reconciling is caught up for 2009. Krause noted they are and the bank reconciliations will be done this week and reconciling other accounts would occur then.

Comptroller Pollitt's timeline would be March to start the field work of the 2009 audit. Her goal is to have everything done by April.

Alderman Fesenmaier questioned if they would be keeping up on 2010. Pollitt noted payroll and paying bills will be, but won't have 2010 reconciliations done. Once the audit is done, catching up will occur that next month and on a monthly basis.

Alderman Fesenmaier made a suggestion that a digit copy of the Internal Controls report and the staff responses in another color once they are completed and be posted on the web page. The document would increase until we meet all the recommendations, instead of receiving verbal reports. That is the main duty if the City Administrator to oversee the document

Fesenmaier/Roehrer 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 Alderman Fesenmaier noted she would like to see a copy on the web page to see the updates each month. unanimously carried

Discussion/Recommendation on the Park Donation Policy as recommended by the Park Board. (Alderman Fesenmaier) (Continued on 12/14/09, 1/11/10, Tabled 1/25/10)

Fesenmaier/Roehrer motion to remove from the table. Unanimously carried.

Fesenmaier/Marsala motion to accept the park donation policy. Alderman Fesenmaier asked to change on Page 3 “other donations” cross off “and/or” and replace with “and” so they would go through the City Council each time. On Page 4 “Other Memorials and Donations” to delete the last sentence “Staff will add to this list as necessity dictates.” Unanimously carried.

Marsala/Krohn motion to remove from the agenda the Discussion/Recommendation on the revised request to approve the Library Impact Fee Budget for the Library not to exceed \$27,500 and request from the Lake Geneva Public Library for Library Impact Fees to purchase additional shelving units for the library collection, as recommended by the Library Board. (Tabled 1/11/10, left on Table 1/25/10) and the Discussion/Recommendation on the Impact Fee Budget for 2010. (Tabled 1/25/10). Unanimously carried.

Discussion/Recommendation on Resolution 10-R05 a budget resolution to designate the WE Energies property purchase from TID and undesignated reserves. (Administrator Jordan) (Tabled 1/25/10)

Marsala/Roehrer motion to remove from the table. Motion carried. Alderman Fesenmaier opposed.

Administrator Jordan noted this is the purchase of the WE Energies properties. Chair Krause noted this is significant to the City of Lake Geneva and when the City Attorney arrives he can further clarify. In order to enable this and qualify to get the \$600,000 from Target, he would ask this get approved and move forward. It was noted the money from Target has a deadline of the \$600,000.

Fesenmaier/Roehrer motion to forward to Council without recommendation. Unanimously carried.

Discussion/Recommendation on Resolution 10-R06 a budget resolution to authorize \$140,000 for the demolition and abatement of the WE Energies property. (Tabled 1/25/10)

Marsala/Roehrer motion to remove from the table. Motion carried. Alderman Fesenmaier opposed.

Administrator Jordan noted this is part of the same situation as the last resolution.

Alderman Roehrer noted that one of the problems she has is that it notes to authorize up to \$140,000.

Administrator Jordan noted parts of the abatement have quotes on them, but the exact amount is not known.

Alderman Roehrer questioned if this has to be done in order for the Edwards Boulevard project to be done? She doesn't believe the road will not go through the building.

Administrator Jordan stated there is soil to be removed and they would use that to make the parking lot the same level as the buildings. It would make it a much more valuable piece of property then. He further noted the property was offered at \$1,900,000 and it is now assessed at \$1,350,000 and the City offered \$169,000 and they came back with another figure plus some additional for the tear down. We kept negotiating with them and they came back offering the City \$550,000 for the entire piece. The City further negotiated and got it for \$423,000 for a little over 20 acres. The TIF portion is the \$169,000 which is for the road and the rest is the unreserved. At such time the Council wishes to sell that property they put all those funds back into the unreserved fund balance.

Fesenmaier/Roehrer motion to send to Council with no recommendation. Unanimously carried.

Discussion/Recommendation on Accounts Payable Regular Check Policy and Accounts Payable Prepaid Check Policy as recommended by the City Comptroller. (Tabled 1/25/10)

Fesenmaier/Marsala motion to remove from the Table. Unanimously carried.

Fesenmaier/Roehrer motion to accept the Accounts Payable Regular Check Policy and Accounts Payable Prepaid Check Policy. Comptroller Pollitt noted the goal was to get the similar accounting processes by all departments. It was basically good accounting practices for controls.

Fesenmaier/Marsala motion to amend recommend bottom of page one regular check policy “any exceptions to this must get written approval from the Comptroller.” Fesenmaier also noted it would be nice to have the purchasing manual on the agenda at a future date to make changes possible.

Unanimously carried.

Discussion/Recommendation on Original Operator License for Chadwick Hove, 1321 Main Street, Lake Geneva.

Roehrer/Marsala motion to approve. Unanimously carried.

Discussion/Recommendation on Original Class B Fermented Malt Beverage License and Class B Liquor License for Stone Soup, LLC d/b/a Baker House, 327 Wrigley Drive, Lake Geneva, Wisconsin, Ken Hnilo, Agent.

Roehrer/Krohn motion to send on to the Council without recommendation. Unanimously carried.

Discussion/Recommendation on an Agreement with Health Payment Systems for prompt payment of health care bills. (Administrator Jordan)

Administrator Jordan noted this is a contract to get bigger discounts for prompt payment of services. They will be now doing a charge for their services and refunding us the deposit amount. The rate of savings is 7.15 % and could mean about \$20,000 in savings a year.

Marsala/Roehrer motion to recommend approval.

Alderman Roehrer noted when this was approved they asked if their was going to be a charge and there was no charge.

Krohn/Marsala motion to allow a representative from HPS speak. Unanimously carried.

Tom Henning VP of HPS, noted when they started the program things were a bit different in the economy. The reserve system was set up as a means to finance the self pay receivable. What they have experienced is changes to the benefit plan and the reserve would require more money. There is a dramatic shift of employees coming forward and asking for a payment plan. They have seen more installments going to nine months.

Motion carried. Alderman Krohn opposed.

Discussion/Recommendation on Resolution 10-R07 a resolution to transfer \$25,529.78 from Contingency to Outside Attorney Fees for the retention of von Breisen & Roper for legal representation. (Attorney Draper)

Roehrer/Marsala motion to send to Council without recommendation. Roll Call: "Yes" Alderman Roehrer, Marsala, and Krause. "No" Alderman Krohn, and Fesenmaier. Motion carried.

**Discussion/Recommendation on CDARS investment renewal or options. (Comptroller Pollitt)
Comptroller Pollitt provided rates.**

Roehrer/Marsala motion to recommend approval of \$350,000 in a 6 month CD at Community Bank, roll Over the CDARS Community Bank Delavan in the amount of \$1,500,000 keeping it in a CDARS, and M&I Bank up to \$650,000 for six months. Unanimously carried.

Discussion/Recommendation on Changing the Non-profit rate across the board to \$400 and the regular security deposit of \$1,000 and direct the Harbormaster to change the application and policy to reflect these changes.

Alderman Marsala noted the non-profit rates were those in the Badger School district. The idea is to increase the rate slightly for non-profit and not limit to the area to make this available to all non-profits for this rate.

Marsala/Krohn motion to recommend approval. It was noted if they fail to clean up it will come out of their security deposit. Alderman Fesenmaier noted she did not support this because they should differentiate between resident and non-resident.

Roll Call: "Yes" Alderman Krohn, Marsala, and Krause. "No" Alderman Roehrer and Fesenmaier. Motion carried.

Discussion/Recommendation on Request Attorney Draper to draft an ordinance to reflect restricted trailer parking signs and make the fine \$150.

Marsala/Krohn motion to recommend approval. Alderman Marsala noted he put a copy of the sign for each Alderman. They compared the rates of surrounding communities. The rate was determined to be \$150 and post the fine on the sign. State Statutes say they can only fine up to \$100. He would recommend that be the limit plus court costs and include on the sign. Both motion and second accept as a friendly amendment.

Unanimously carried.

Discussion/Recommendation on Setting the Kayak rack rental agreement at \$175 and charge a \$5 wait list fee with first renters being chosen by lottery and remaining names being put on a list by seniority.

Marsala/Roehrer motion to recommend approval. Unanimously carried.

Discussion/Recommendation on Commercial Buoy and Slip Lease Agreement renewals for Marina Bay, Lake Geneva Boat Line, and Gage Marine for one year with 0% increase.

Marsala noted there was some discussion regarding having a business person having a one year lease. Fesenmaier/Roehrer motion to forward to Council without recommendation. Unanimously carried.

Discussion/Recommendation on Request the City Attorney to draft an Ordinance prohibiting U-turns at all of the City's signalized intersections.

Marsala/Roehrer motion to recommend approval. Unanimously carried.

Presentation of Accounts

Discussion/Recommendation on Purchase Orders. None.

Discussion/Recommendation on Prepaid Bills in the amount of \$46,682.24.

Marsala/Krohn motion to recommend approval. Unanimously carried.

Discussion/Recommendation on Regular Bills in the amount of \$417,627.15.

Marsala/Fesenmaier motion to recommend approval. Unanimously carried.

Marsala/Roehrer motion to Adjourn at 7:10pm. Unanimously carried.

/s/ Diana Dykstra, City Clerk