

Village of North Fond du Lac
OFFICIAL MINUTES- Meeting of June 15, 2009
COMMITTEE OF THE WHOLE

PRESENT: James Moore, Village President
Jim Scharf, Trustee
Keith King, Trustee
Mike Will, Trustee
Mike Streetar, Trustee

STAFF PRESENT:
Chuck Hornung, Administrator
Donna Richards, Village Clerk
William Lamb, Police Chief
Paul Nelson, Fire/EMS Chief
Nick Leonard, Director of
Engineering and Planning

Meeting called to order at 6:00 PM by Chairman King.

Chairman: KING

Citizens wishing to be heard may address the committee on any agenda issue after the committee discussion has been completed, but prior to consensus. Please raise your hand to be recognized by the chair. Citizens wishing to be heard on topics not listed on the agenda may speak under item B.

A. ADMINISTRATIVE ITEMS.

1. Discuss 2008 Audit Reports with Baker Tilly (Virchow-Krause) John Rader. This is a rough draft, they will have a review with one more partner and will finalize it after the Board or staff makes comments.

Roman numeral i.: The Financial Statement is Unqualified, this means that financial statements are prepared according to the accounting rules, and it takes a long time to get to that point. Kris did a great job, and we hope to continue with that clean audit opinion. It also allows for better rates for financing debt.

Roman numeral iii.: Summarizes the last two years, an is required to be in here.

Pages 1,2, and 3: Includes capital assets, debt, depreciation expense. If we were running a business here, this would tell us how we stand. Pages 2 and 3 is income statement, -\$394,000, most is depreciation of assets, including roads. The positive number is all on the utility side; \$561,000 is a positive change in net assets.

Pages 5, 6, and 7: Governmental funds. General Fund has \$1.2 in cash, last year was \$1.5. Two advances: one to other funds is the new advance, loaning money to TIF #2, to finance the deficit, which is real common for a new TIF. Debt to purchase land, and other costs were part of the general fund. TIF #2 in the future hopefully to repay the balance. Have been collecting back funding from TIF #1, also. Some will be accrued interest, which will also help the Village's bottom line down the road in the general fund. On page 6, Fund Balances top four numbers are gap requirements, not available to be spent elsewhere. The designated amount is for the 2009 budget, and the \$616,549 is for other operating needs. If you take the \$616,549 and divide into the budget it is 17% down from previous year. This is the cushion, and different municipalities see this differently, most say this should be 15-25%, and you are on the lower end. Shouldn't go too much lower in your budgeting. Ambulance fund had a slight deficit at the end of the year. Had more write-offs this year, and their entire operating costs, but receivables are up, too, so that is a good indicator, up about \$15,000 from last year. Debt Service is exactly the same as last year, broke even, take in the money and pay your debt, this is a flow through. Capital projects has \$772,000, unspent bond proceed, to be spent.

The majority is designated (see page 7). Now they have designated funds to pay for projects, as in the past you did not. That got cleaned up a couple of years ago. TIF #1, extra funds pay off debt. TIF #2 was discussed earlier.

Income: Pages 9 and 10, will see negative \$90,144. But Village actually came out ahead compared to what anticipated. Most funds broke even. Add all debt service on page 10, what paid for principle and interest, take that and divide by expenditures less capital outlay. Want to be around 20% or less. 2008 was 23.1%, so it's a little high. Without CDA would be within range. Nothing to be concerned about, in good shape.

On Utility side: Pages 11 and 12, water and wastewater cash positions and assets all went up this year compared to last year. Stormwater had a negative cash flow, and this needs to be monitored, to establish rates to pay for operating and capital costs. Negative was due to capital acquisitions.

Also, audit looks at investments and their risk. Ours is very good, we are not exposed.

Page 35 is the TIF advance that is beginning to gain interest, the \$179,236 will become a revenue for us.

Internal control reports: Not too many comments in here. Most are common for small communities. Internal controls. Didn't find any problems, however, staff have a lot of responsibilities, not just one function. So, multiple roles lead to segregation of duties issues. Perhaps some could be focused on and improved, but trying

to do all of them would probably cost more than it is worth. Willing to consult with anyone at any time with ideas of how to deal with a few of these.

Page 2 of Internal Controls- Auditing standards require that these statements be in here, to make sure that there aren't any material changes once the audit is completed.

Pages 3 and 4 emphasizes what we are doing here: open communication and dialogue. Let us know if you have concerns any time during the year, and we will do the same.

Page 5 – Utility points from Public Fire Protection. This statement will be updated based on some concerns. What we are doing is good. Make sure new rates get monitored when they are entered.

Page 6 – Top statement will be taken out. Bottom of Page 6 has been in the audit for awhile, would be an easy fix.

Page 7 – Operating results of utility funds. Water will change. Rate of return is fine. With new upcoming projects, the recent forecast anticipated a 9%, 3%, 3% increases in the next years. Wants us to forecast ahead, as it takes the PSC a few months for approvals. Mike Will asked about the statement of authorized return. John Rader will have them look at this statement.

Audit went really well, has improved over the years, cut way back on the number of auditor's statements.

Mike Will talked about adjustments to accounts on page 9. John explained that these are adjustments that Kris and Chuck will talk about. Don't know which are adjustments up or down. They might be netted. John Rader said he could provide the whole list and go over them with the Board and others if they wanted him to.

Mike Will asked about how we do purchase orders. We have purchase orders and Jim Moore and Chuck Hornung sign off on checks, but not purchase orders. Purchase orders are for budgeted items.

Mike Will asked about what we are doing better: definitely the special assessment area don't have a lot of adjustments anymore. Utility amounts being charged, looking for problems, whether systematic or not, has improved. Need review of journal entries posted by Kris, and that has come a long way.

If you have any questions, stay in touch.

2. Discuss the following applications for NON-INTOXICATING BEVERAGE LICENSES FOR THE JULY 1, 2009-JUNE 30, 2010 LICENSE PERIOD:

ACY International Freight House John Genske Xinzi (Ginger) Genske-Yuan	283 Doty Street Fond du Lac, WI. 54935	44 Marcoe Street North Fond du Lac, WI 54937
Charlie's Banquet Hall and Pub Charles H. Balthazor Robin R. Balthazor	N7930 Van Dyne Road Fond du Lac, WI. 54937	1348 Wisconsin Avenue North Fond du Lac, WI 54937
Rumours Tavern Karen Beesley John Beesley	231 East Scott Street Fond du Lac, WI 54935	727 Wisconsin Avenue North Fond du Lac, WI 54937

3. Discuss a Village Pool Pass allowance to accommodate the Arts for Kids Childcare Center. Administrator Hornung explained that this Child Care Center asked that their children be able to come over to use the pool. They have been doing it in the past. Using our fee structure, there are 20 children using the pool, so it doesn't really apply. Family rate is 9 or more people in a family for \$90. \$50 a child would be \$1,000. Several Board members felt \$100 is a fair rate, as was recommended. This is only for while they are at the Center during the day.

CONSENSUS to take it to the Board.

4. Discuss the approval of a grant application for construction of a Fire Station. Fire/EMS Chief Paul Nelson shared a grant opportunity that has come available. He provided a handout to the Board to explain the grant, which is part of the stimulus package (attached). \$210 million available nationwide, available for about 100 projects. Is competitive, to improve firefighter safety, locate to provide better response time. No cost share requirement in this grant, although it is good to show a contribution. Problems with the existing building include diesel exhaust migrating into the building, and ice problems in the winter (ice flying off the roof), along with others. Also, we have cramped space in the areas of fire, police, and administration. There are additional safety issues: ability to respond with larger vehicles in residential areas, especially when parked on both sides of the street, is a particular problem. Also, proximity to the railroad and number of trains that may hold hazardous materials, with prevailing winds from the southeast, creates a hazard with this building in line with possible toxic substances. Also, another location would improve response times and enhance mutual aid to other communities. We would also potentially have an emergency operations center whenever needed. We could also create housing, and sell the existing Fire-EMS house.
- Paul has spoken with communities that have tried various buildings or additions to stations that did not work for them, until they built a new station. The building itself will likely last 100 years, as it is built to accommodate future growth. We are looking at 16,000 sq. feet, estimates \$2.2 to \$3.4 million. Operating/utility costs for the building might be \$3,000 a month in the worst month, or about \$25,000 a year.
- Timeline is short, announced just two weeks ago. This is an opportunity. Information needed is similar to the recent grant, so we have the application about 70% complete at this time. Costs to the Village would be about \$300,000 for land and site preparation. Some would be borrowed for this. Would sell the EMS house, so net we are looking at about \$30 per household per year in our costs.
- Awards announced by September 30, as this is 2009 fiscal year money. Quick turnaround on decisions. We have as good a shot at it as anyone. Hard to know on this short timeframe how many communities will apply. Bringing to Board, as need Board approval. Jim Scharf expressed that when funds are available we should go after them. Jim Scharf talked about the 2005 facility study that provides the same basic data for recent history and attempts to try to get facilities built, and they fell through for various reasons. Asked what \$300,000 needed would cover. Purchase of property, utility hookups and landscaping. Jim Moore asked about estimates on land, site identified for purchase yet. Paul Nelson thinking northwest side, but haven't looked at it yet. There is \$210 million available nationwide for roughly 100 projects. \$2.2 million would be what it might cost, but this is negotiable with the government. Mike Will asked about cost to apply. Paul Nelson answered that engineering has been provided free so far, and designs can be provided with costs. There has been no charge so far. Mike Will asked whether we would want to remodel or add to the current municipal building. Chief Nelson said that is possible. Will expressed concern of loss of the shared staff capacity that we currently have. Mike Will also asked if this would require a referendum. The answer is no, that a referendum would not be required as it is not over \$1 million in Village funds for the project.
- Would be 5 bays, 3 offices, sleeping quarters for 8, kitchen, dining area, living area, showers and rest rooms and a training room.
- Chuck said we have four or more vehicles that sit outside right now, as we have no garage space for police and all of the Fire/EMS vehicles. Also, talked about the mock disaster, and over half of our people and equipment never made it out of the vicinity due to proximity to the railroad.
- Mike Streetar said he thought that during a large disaster no volunteer fire department would work sufficiently, regardless of the location. Had a referendum in Eldorado that was hard to sell. Mike Will reiterated that for the once in 50 to 100 year event, that is when we would share resources across communities. Paul Nelson said we would certainly get the help, but if we put ourselves in a position of not being able to respond to our community, we are not doing our job, collectively, to provide the best service to our community.
- Chuck talked about the difference between us and Eldorado being that this is roughly \$2.40 a month that it would cost a household, not the whole cost of the building, due to the large grant.
- Keith King talked about the \$210 million in grants, which the whole country will have to pay back. \$900 trillion in spending countrywide, \$100 trillion for healthcare. He knows the money is there. He does not agree with the stimulus money being there. Eventually it will have to be paid back. Chuck said it will go somewhere. Keith King said spending your way out of a deficit does not work.
- Jim Scharf talked about 1991 revamp, putting band aids on this dilapidated building, and for the amount spent, could have had a new building. Did not think it was a good idea to put an extension on a dilapidated building, as the systems of this building need to be improved. We have a chance to go get money for a new building with new facilities in it, why not try it? Jim Moore said he felt the need for a little community input at the time. The deadline is July 10, so we have time for some input. Mike Streetar said that the proposal looks good on paper, but

being on the Board for a long time, costs never stay where you think they are. Mike Will asks if you have to identify what your project is in the proposal, new or renovation. What if remodeled or updated? Chief Nelson said this grant would have to describe the project at new or renovation or reconstruction, and that this proposal would have to be for the fire station (only). Mike Streetar said discussions of where fire station should be, for example it might be located near elderly housing, should get input. Jim Moore said we should find out what people think. Mike Streetar said the same thing. Thought we could get input at the Special Meeting on the 29th that is planned to approve paying bills. Jim Moore said maybe we could put it on the Zoch property which we already own. TABLED. CONSENSUS to get input at the Special Meeting of the Board on the 29th.

5. Discuss invisible fencing, for later possible legislation. No action at this time.

Mike Streetar spoke to the staff report as written by the Administrator, and said this is a very sensitive subject in the Village, and that he likes option 1. Jim Scharf said he thought that the fence would have to be 6 foot off the property line, to comply with the leash law. Mike Streetar thought there should be some signage on each end of the invisible fence. Chief Lamb says that the existing ordinance already says dog cannot run free in the front yard. Jim Scharf says the invisible fence then becomes like a leash, keeping animals six feet off the sidewalk line, as required in the front yard when a dog is tied up. Nick Leonard suggests that the fence must be at least two feet off the property line, on both the front and the sides of the property, so neighbors and utility easements become an issue. We own six inches behind the walk. Six feet on the front would be great, and two feet on the sides. Chief Lamb also pointed out that there needs to be one accessible entrance without interference from an animal. Persons installing invisible fences would need to be made aware of this. Nick Leonard thought there should be a permit to install, so that the installation is inspected and easements are identified. We may or may not want to charge a fee. Let's say we have a stormwater easement and they put their fence in it, then what happens.

Jim Moore asked about current permitting for fencing. There is a permit with fee currently. Mark Beveridge has a daughter with an invisible fence, and if the dog has a full head of steam, he runs right through the fence. If they want to get through it, they will. Jim Moore wants them on a leash. Administrator Hornung wants some direction on what to bring back. Want Option 1, want permit, may be a fee or not, have setbacks. If dog gets through or goes to the edge, can't be grandfathered if less than six feet from the right of way. Probably acts as an enclosure, but if charged by a dog, doesn't meet the ordinance. Dog may charge the line, and if they want to get loose they will. Directions should include whether not in compliance with code. Six foot issues might be grandfathered on a charging dog issue with an acceptable restraint.

6. Discuss parking of semi-trailer trucks and buses in the Village. No action at this time.

This issue relates to the exceptions of existing ordinances (related to buses mostly, but also semi-tractor-trailers) that exist at this time. Mike Streetar likes the Administrator's recommendation, option #2. Jim Scharf says we might have exception during the day, but not at night. Jim Moore feels the same way. Mike Will also said he thinks they should be able to park on the street during the day, #2. Some park at the Village Park parking lots at certain times. These are smaller buses at Village Park. Do they have permission? One at Village Park may be an exception, and another on Minnesota Avenue was 24 hours. Garfield started out at daytime only and has turned into 24 hour parking. Need to address heavy truck route issues when allowing this, where no truck route. Also, any large buses near the corner would have vision triangle issues. And this could be a problem with snow banks and other times when the vehicle blocks a car's ability to see on turns or into the street. Nick Leonard said he is not worried about the axle load on the buses, but if includes semis this can affect the life of a parking lot. Are we talking about a designated area of where allowed? It should be limited to certain places. Administrator Hornung said that we cannot limit which residents are doing this once we start this. May work with the schools for a better permanent parking solution. Keith King said he likes the current law, and says people may need to go several miles to get their bus. Truck drivers currently get their trucks when they need them, and may drive 20 minutes to do so. Clerk Richards points out problems with people parking in front of other people's homes and in the parking lots when larger events are scheduled in the park. Jim Scharf said there is a hazard when people come out of their driveways in front or behind a bus. Jim Moore and Jim Scharf are now looking at option #1, continuing to approach this as a case-by-case. Mike Will asked where currently allowed, as exceptions for individuals with buses, they are on Minnesota Avenue, Garfield Street, and Julie Court, 24 hours a day.

7. Discuss the options related to having Committee of the Whole meetings continue, or combining the COW with the Board. No action at this time. Administrator Hornung talked about this topic. (Battery died on TV coverage). Discontinuing the COW will not allow rotation of the chair, as the President is required to preside over the Board

meeting when present. Also complicated by needing language for a motion prior to discussion. Currently, after discussion, the motion tends to be cleaner. Jim Moore said he likes two meetings, as the motion might really change over the course of the discussion. Jim Scharf said that he, too, likes two separate meeting. Mike Streetar likes the idea to combine the meetings, and might take a little time to get used to it. But, he thinks it will look more professional. Mark Beveridge said that he came to address this one when he came tonight. We started televising the committee of the whole at his suggestion. At the City, they have one meeting. City has motion and second to discuss it. Whether the discussion takes five minutes or a half an hour, they will vote on the amendments, sometimes up something not, and they get used to it. Keith King asked Mark Beveridge why it matters. Mark Beveridge said they are separate, why not have the vote at the same time? Might wait for better language, and have another meeting or hear from the people on an issue. Mike Streetar concurred. Before the COW was televised, the Board meeting meant nothing, as people just saw the vote only. Administrator Hornung will place it on the next agenda.

8. Discuss a waiver of the Dance Hall License fee for North Fondy Fest, June 20, 2009. Mike Streetar said this is a group of volunteers who save the Village lots of money, and we get money out of them. He disclosed that he is part of that group. Said we don't want to discourage volunteers for something like a small license fee. **CONSENSUS** to take it to the Board. Village Clerk mentioned that she could not find a Village Ordinance for this. If we have a license ordinance, then the Village is required to charge the fee in order to cover public costs of security. The license by State law allows underaged persons to be near an area where alcohol is served, so it does have a function. We'll have to look into it further for better information.

9. Discuss Special Board Meeting on June 29, 2009, needed to approve invoices. (Other possible dates in the year needed.) Chuck Hornung explained that rather than go three weeks between meetings, we'd like to have this extra meeting to approve payment of bills. We will have at least one operator's license approval as well, for someone needing to get in before the June 30 license expiration date. Do we want the public input on the Fire Station application at the same time, or on the 6th? Several as well as Chief Nelson thought the 29th is better for this discussion, so that there is time to refine and complete the proposal before the deadline and after approval by the Board to proceed with the application. Chief Nelson mentioned that the short timeframe is to our advantage, as many departments will not be prepared to submit an application in this short timeframe. Will also have on this agenda whether to proceed with the application. Mike Will asked about whether a location has been or will be identified before the application would be submitted.

B. CITIZENS TO BE HEARD. Mark Beveridge wanted to discuss his area of the Village on the other side of the railroad tracks and blighting influences that have gotten worse. It has become a trashed car lot from the triangle all the way up to the road construction lighting place. Lots of places have filled up with junk cars, and it is embarrassing. Most of this is town property, but there must be some way to lean on the town. Chief Lamb mentioned which of the businesses are in and out of the Village, and that there are some actions the Police Department can take, when there are limitations as to when or how long certain vehicles can remain. Mr. Beveridge said someone has a trailer with the sides all pulled out, and it blocks people's ability to see where they are going. Mark Beveridge thought that in the spirit of cooperation, some of this would be cleaned up.

C. UNFINISHED BUSINESS. None.

D. NEW BUSINESS. None.

E. CLOSING OF MEETING.

Meeting closed at 7:55 P.M.

Respectfully submitted,

Keith King, Village Trustee