

City of Fox Lake
Committee of the Whole Synopsis
May 16, 2018

The May 16, 2018 committee of the whole meeting was called to order by Mayor Tom Bednarek, at 6:30 p.m., in the Council Chambers. Those in attendance were alderpersons John Mund, Dan Ault, Dennis Linke, Peter Hartzheim, Robert Jenswold and Don Zilewicz. Also attending were city attorney Mike Devitt, city clerk Susan Hollnagel, city administrator Dean Perlick, police chief Jim Rohr and street superintendent Gene Huettnner.

In the audience were Jodi Dobson, John Rader and Cameron Sawyer from Baker Tilly, Richard Quirk and treasurer Meagan VandeBerg.

2017 water/sewer audit

Appearing before the committee of the whole was Jodi Dobson, of Baker Tilly, to present the 2017 water/sewer utility audit report. Dobson said the Public Service Commission (PSC) figures a rate of return, which should recover all of the operating costs of the water utility. She said in 2015 the water utility's rate of return was 5.25% and for 2017 is was 9.25%, which is good. She said there were minimal changes in the capital structure and operating costs have decreased. Dobson said she doesn't feel the city needs to adjust their water rates. She said it is recommended to have three months of cash on hand and the water utility had 7.68 months on hand, which is another good thing. Dobson said the sewer department's revenue versus expense creates operating income and in the last 4 years the sewer department has improved. She said over the years the general fund has advanced a large sum of funds to the sewer department and that advance was paid off in 2017. Dobson said the water department is in a stable position and the sewer department is moving in the right direction. The Mayor thanked Dobson for her positive report.

2017 general fund audit

John Rader and Cameron Sawyer, of Baker Tilly, presented the 2017 general fund audit. Rader said there is a lot going on in the city so there was a lot to work through. He said they give the general fund a clean, modified opinion, which he said is the best and highest opinion to get from CPA's. Rader gave out handouts to show the data for the last three years and how we compare. He stated the TIF projects need to be self-sufficient and pay their own capital costs. He said the general fund does not have that much to give. The Mayor said the RDA has worked hard on this to get a 5-7 year rate of return on the improvements in the TIF districts. Rader said the amount of outstanding debt jumped and he explained it was because of the TIF projects. He said the city is using 27% of their debt capacity.

Rader said the management letter deals with internal controls. He said this year reviewing the Library's investment accounts went better. He reminded the committees of the TIF advances from the general fund, as the TIF did not borrow money but the general fund gave them the funds. He said the City needs an agreement to charge interest on the general funds that are advanced to the TIF. Rader said the city did this with TIF #1 and the city recovered all of their advances and the interest. He said there is a lot going on and they need to stay on top of it, (TIFs and capital projects). He reminded them not to overspend, as the utilities are recovering and the general fund does not have a lot to give. Rader said it was easy working with the city and its' employees. The Mayor thanked Dobson, Rader and Sawyer for their work on the audits and their presentations.

E. Cherry Street vacation

Devitt said he had been contacted by a Waupun attorney, asking if the city couldn't just give the street to the property owners or if the city is going to follow the state statutes on street vacation. Devitt told him the city would be following the state statutes and he hasn't heard anything since.

License applications for the period ending June 30, 2019

Operator, cigarette, Class A and Class B intoxicating liquor and fermented malt beverage license applications will be acted upon at the June 6 city council meeting.

Library minutes

In the absence of a library director, Ault said things are going pretty well, as the library is open and the hours are being covered. He said the library will be closed a couple of days at the end of the month for the shelving installation. Linke asked if they have started looking for a new librarian. Ault said not yet, as they plan to start the search after the memorial for Paula Torgeson, sometime in the first part of June.

Personnel policy proposed changes

Perlick said a review of the personnel policy manual came about because of the police department secretary's sick time. He said the sick leave should be relative to how many hours she works. He said she is currently 4 hours per month and should probably be getting 7 hours per month. Perlick said the policy also had a mandatory retirement age, which should be removed. He said he looked at Beaver Dam, Fond du Lac, Watertown and Dodge County personnel policies. Perlick said he corrected errors, cleaned it up and justified the paragraphs.

He said he took out personal time and birthday and added it as 3.5 days of vacation. He said there were no rules on taking personal time. Huettner said we could take 4 hours of vacation at a time. Perlick said he took that out as well and can use 1 hour at a time. He said on page 15 regular part time employees are eligible for paid holidays and would get paid the same number of hours as their normal work day. He said the same is under vacation and sick leave. Perlick said the municipal judge needs to terminate the clerk of courts agreement and then she would go with the new personnel policy as proposed. He said everyone has a couple of weeks to review the proposed changes before action is taken at the June 6 council meeting.

Planning Commission updates

Perlick stated the city can sign a petition to have zoning changed and as part of the developer's agreement, for the construction of the apartments, the zoning needs to be changed to multi-family zoning. He said the Plan Commission got the petition started and will act on it at the July Planning Commission meeting. He said the city's comprehensive plan's future land use map will be amended at that time also.

Transfer station land-lease agreement

The Mayor stated he was contacted by John and Barb Reчек, regarding the lease agreement for the land at the transfer stations. He said they would like a longer term to ten years. Mund said we don't have any plans there. The Mayor said they have taken good care of the land. The clerk suggested a 5 year agreement. Jenswold said that sounded ok. Zilewicz suggested a 5 year agreement with the option to renew for another 5 years. The consensus was to go with 5 years with the option of renewing.

Huettner stated he has received the blessing of DNR for bringing the transfer station into compliance and the city can burn again.

The Mayor said Becky Bussian told him the Crocker Street Park committee has received a \$5,000- grant from the Beaver Dam Community Hospitals Inc. Foundation. He said with the \$5,000-, the committee has raised over \$11,000- for the park. He thanked the committee on all their work for the park.

With no other business to come before the committee of the whole, the meeting was adjourned at 7:20 p.m.