



1 **Item No. 4. Consider a motion to reconvene into open session:**

2 *At 5:52 P.M. a motion was made by Lienau, seconded by Duffy that the Finance Committee*  
3 *reconvene into open session. Another roll call vote was taken on that motion and the Committee*  
4 *members again voted in the following fashion:*

5  
6 *Bhirdo – Aye; Duffy – Aye; Lienau – Aye.*

7  
8 *Motion carried.*

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10 **Item No. 5. Consider a motion to take action, if required:**

11 *A motion was made by Lienau, seconded by Duffy that the Finance Committee accepts all the*  
12 *recommendations which were made by the Personnel Committee, and recommends that the financial*  
13 *data included on the document which was provided to the Committee members during the previously*  
14 *mentioned closed session be incorporated into the 2017 budget. Motion carried – All ayes.*

15  
16 **Item No. 1. Discussion regarding the General Revenue, General Government, Debt**  
17 **Service, CIP and TIF #1 sections of the draft 2017 budget; Consider a motion for action if**  
18 **appropriate:**

19 Draft copies of the General Revenue, General Government, Debt Service, CIP and TIF #1  
20 sections of the 2017 Budget for the Village of Sister Bay were included in the meeting  
21 packets, and the Committee members jointly reviewed those documents. Basically if the  
22 budget is approved as presented there will be a 5% tax increase. During the review process  
23 Rass gave explanations for all of the following significant budgetary changes from 2016 to  
24 2017:

25  
26 **REVENUES**

- 27  
28 1. Account #41110 – General Property: The increase in property tax allocation to the general  
29 fund is the result of less property tax being allocated to the Debt Service fund. Due to higher  
30 than expected revenues in the Debt Service fund, (room taxes), and less principal paid on the  
31 2005 bonds during 2016, the fund balance in debt service at the end of 2016 is expected to be  
32 higher. Therefore, less tax revenue will be needed in this fund in 2017.
- 33 2. Intergovernmental Revenues: Final numbers for intergovernmental revenues will not be  
34 known until the end of September.
- 35 3. Account #44110 – Liquor: Liquor licenses are expected to return to more normal levels in  
36 2017.
- 37 4. Account #46741 – Festival Events/Fees: With the new agreement with the SBAA, funding  
38 for some festivals and events has shifted to them. As a result, this line item was decreased  
39 for 2017.
- 40 5. Account #46900 – Misc. Charges for Services: The high fees in this account in 2016 are  
41 related to the terms of the Development Agreement with Keith Garot.
- 42 6. Account #48300 – Sale of Property & Equipment: The \$75,000 budgeted is related to the sale  
43 of the Dahlstrom property.

1 **GENERAL GOVERNMENT**

- 2 1. Account #51105 – Salaries, Board Members: The increase in budget for 2017 is the result of  
3 anticipated increased frequency of Board meetings.
- 4 2. General Government – Utility Costs: Budgeted amounts for utility costs have been lowered  
5 based on 2015 and 2016 actuals.
- 6 3. Account #51505 – Engineering: Engineering fees were raised in this line item to account for  
7 expected fees related to the sale of the Dahlstrom site.
- 8 4. Account #51515 – Legal Services: The budget was increased due to law suits that are  
9 currently pending.
- 10 5. Account #51525 – Property Insurance: In 2015 property insurance schedules were reviewed  
11 by Department Heads and Suppanz to ensure that all Village property was accounted for.  
12 They identified a number of additional items that had not previously been covered. With  
13 the addition of these new items, property insurance costs rose. In 2016 Rass allocated  
14 property insurance costs based on the values shown on the schedules and attributed those  
15 costs accordingly.

16 **ADMINISTRATION**

- 17 1. Account #52101 – Salaries & Wages, Full Time: The increase in the amount of the estimated  
18 costs for 2016 is related to an increase in the salary of the Finance Director as well as an  
19 April-approved increase in Suppanz’s salary.
- 20 2. Account #52125 – Medical Insurance: In 2016, the budget reflected a 65/35 split between  
21 premiums paid by the Village versus the employee. In actuality, it was an 85/15 split on  
22 employees and a 65/35 split for dependents. Therefore, less expense is estimated in 2016.  
23 However, insurance rates are expected to increase 18% in 2017.
- 24 3. Account #52145 – Insurance, Work Comp: The mod. factor for workers comp. will rise from  
25 1.19 to 1.59 resulting in an increase in expenses in 2017.
- 26 4. Account #52201 – Travel/Training: Two Village employees will be continuing education at  
27 the Wisconsin Clerks and Treasurer’s Institute. Therefore, the budget has been maintained  
28 at an elevated level for 2017.
- 29 5. Account #52502 – Accounting Support: As a result of the move from “Caselle Classic” to  
30 “Clarity”, the support fees associated with the new software are higher.
- 31 6. Account #52510 – Consulting: 2016 estimated expenses are expected to be high related to  
32 consulting from Bob Kufirin on certain Village activities.

33 **DEBT SERVICE**

- 34 1. Account #41110 – Property Tax: Due to higher than expected revenues in the Debt Service  
35 fund (room taxes) and less principal paid on the 2005 bonds during 2016, the fund balance in  
36 debt service at the end of 2016 is expected to be higher. Therefore, less tax revenue is needed  
37 in this fund in 2017.
- 38 2. Account #41210 – Room Taxes: Based on the increased traffic in the Village this year, a  
39 budgeted value of 105% of the 2016 estimated taxes was input.

- 1 3. Account #48110 – Stony Ridge Interest Income: Stony Ridge interest income in 2016 is less  
2 than budgeted because the loan was not drawn on until today. The budget was predicting  
3 two quarters of interest on the full value of the loan. In actuality, it is likely that four months  
4 of interest on a portion of the loan will be redeemed. In 2017 Rass has budgeted for interest  
5 income on the full value of the loan for all four quarters.
- 6 4. Account #49250 – Transfer from TID: The proceeds from sales of Braun property lots has  
7 been transferred from the TID to Debt Service to pay additional principal on the loan. Some  
8 of the sale proceeds were retained in the TID to cover expenses.
- 9 5. Account #49300 – Debt Issued, Account #56930 – Transfer to TID, and Debt Service – 2005  
10 Bonds: These accounts off-set one another. The bonds were refinanced. Therefore, Debt  
11 Service reflects the full out-going payment for principal, plus one additional principal  
12 payment in 2016, while the proceeds from the refinancing are shown as a revenue. The  
13 Stony Ridge Loan proceeds will come into Debt Service and be transferred to the TID where  
14 they will be shown as capital outlay.

15 Outstanding debt levels for 2017 and into the future include the full amount of the Stony Ridge loan  
16 and a loan for the Quarry property. As of December 31, 2016, the Village is expected to have debt of  
17 \$15.1 million outstanding, with a debt capacity of \$20.372 million. The Village's available debt  
18 capacity is less than most other municipalities in the area.

#### 19 TAX INCREMENT FINANCING DISTRICT

- 20 1. Account #41110 – Tax Increment: The 2017 amount is an estimate based on new  
21 construction values. The final amount will not be known until November.
- 22 2. Account #48300 – Sale of Property: The figures shown reflect the accepted offers on the  
23 Braun lots in 2016 and the estimated sale of remaining lots in 2017.
- 24 3. Account #49210 – Transfer from General Fund: A transfer from the general fund was made  
25 to cover engineering on the Dahlstrom site and the completion of infrastructure and other  
26 work at the Braun site.
- 27 4. Account #49230 – Transfer from Debt Service: These figures reflect the movement of loan  
28 proceeds and interest income from the Debt Service Fund to the TID for Stony Ridge.
- 29 5. Account #56515 – Legal Services: The budget for legal services has increased to account for  
30 assistance with pending or threatened suits.

31 *The Finance Committee members requested that Rass just budget for interest income on the full value of the*  
32 *Stony Ridge loan for two quarters in 2017. A few other revisions were also suggested, and Rass took*  
33 *note of all of them.*

34 *Discussion then turned to Capital Outlay, and it was the consensus that a proactive road*  
35 *maintenance program which takes all the roads within the Village into consideration shall be*  
36 *established and complied with. It was also the consensus that:*

- 37
- 38 • \$50,000 shall be appropriated for the Canterbury Connection.
- 39 • \$8,500 shall be withdrawn from the Various Parks Projects Account for a new lawnmower.

- 1 • *In 2017 no additional funds shall be added to the Various Parks Projects CIP Account, but*  
2 *\$6,000 shall be appropriated for a Tarzan Boat and \$3,000 shall be appropriated for a slide on*  
3 *the swim dock.*
- 4 • *Because several of the Village's street signs need to be replaced as they are faded and*  
5 *unreadable, in 2017 no additional funds will be added to the Wayfinding Signage Project CIP*  
6 *Account, but the funds for replacement of street signs shall be withdrawn from the*  
7 *Wayfinding Signage Project CIP reserves. That account shall then be renamed*  
8 *"Wayfinding/Village Signage".*
- 9 • *The funds for a snow making machine shall be withdrawn from the Sledding Hill CIP*  
10 *Account, and after the snow making machine has been paid for the Sledding Hill Account*  
11 *shall be totally depleted.*
- 12 • *Depending upon budgetary constraints some "CIP seed money" shall be appropriated for*  
13 *creation of sidewalks along Country Walk Drive.*
- 14 • *Revenues and expenditures for transportation and parking, (the "big blue trolley" which was*  
15 *mentioned at the CIP Strategic Planning Session), shall be included in the Revenues and*  
16 *Parks sections of the Budget for 2017.*
- 17 • *\$1,000 shall be appropriated in the TIF CIP for infrastructure for the Dahlstrom property.*
- 18 • *The 2017 appropriation for Village Hall Rehab shall remain, but the Parks Committee shall be*  
19 *asked to address Village Hall rehab options during the winter months.*
- 20 • *The 2017 appropriation for information technology upgrades shall be reduced to \$5,000.00.*
- 21 • *\$22,000 shall be appropriated for Fire Department capital needs.*
- 22 • *\$45,000 shall be appropriated for a replacement vehicle for the Parks Department.*
- 23 • *\$120,000 shall be appropriated for street resurfacing.*

24  
25 **Item No. 6. Matters to be placed on a future agenda or referred to a committee, official or**  
26 **employee:**

27 *The next meeting of the Finance Committee has been scheduled for Wednesday, September 14, 2016 at*  
28 *5:30 P.M. At that meeting discussion will take place regarding a fuel dock at the Marina. The Parks*  
29 *Committee will be asked to address Village Hall rehab. options during the winter months.*

30  
31 **Adjournment:**

32 *At 7:40 P.M. a motion was made by Bhirdo, seconded by Lienau that the September 6, 2016 meeting*  
33 *of the Finance Committee be adjourned. Motion carried – All ayes.*

34  
35 Respectfully submitted,

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37 Janal Suppanz,  
38 Assistant Administrator