

Special Budget Meeting of the Oregon Village Board,  
Wednesday, September 21, 2005

1. **CALL TO ORDER.** The special budget meeting of the Oregon Village Board was called to order by Board President Jerry Luebke at 5:04 p.m. on Wednesday, September 21, 2005.
2. **ROLL CALL.** Present: Jerry Bollig, Jerry Luebke, Darrell Klimke, Hans Noeldner and Steve Staton, with Mark Mortensen arriving at 5:07 p.m. Absent: Eric Poole. Also present: Administrator Mike Gracz, Finance Director Renee Hoeft, Police Chief Doug Pettit, Police Lieutenant Craig Sherven, Police Sergeant Dennis Geske, Library Director Vicki Cothroll and Clerk Georgia Johnson.
3. **2006 BUDGET DISCUSSION.** There was some discussion regarding attendance at the meeting Thursday night to determine whether a quorum would be present. Hoeft advised of the computer problems experienced last week and noted that portions of the budget are being provided to insert in the budget document before the Board tonight. [Mortensen arrived at 5:07 p.m.]
  - a) **Budget Overview.** Gracz referred to the budget memorandum including 2006 goals and budget information. Some of the goals are consistent with the last couple of years but new goals include the installation of the sewer and water infrastructure for the first phase of the Oregon Business Park, to begin the initial projects for the redevelopment efforts in the downtown area, for installation of Alpine Parkway, and the installation of some of the paths in the Keller Alpine Meadows Park within the conservancy area.

It is being proposed to keep the tax rate at a flat rate as has been done in the past three years. Hoeft referred to the 2006 levy increase worksheet and went over the factors that the levy limit is based on. The levy limit is made up of many factors the first of which is a minimum 2% increase or from the net new construction growth. Since the Village's equalized value net new construction went up 8.678 % from 2004 to 2005 that is what the Village can increase the levy limit. In addition to that the Village could increase the levy limit for 2006 for debt service payments over 2005 debt service. The Village could also increase it for any land annexed from the Town of Oregon—picking up the Town portion only. This would mean the amount the Village could levy would be approximately \$187,000. Hoeft went over the effect this would have on 2006 levy. Depending on which way the Board decides to go this could mean a \$9.00 decrease up to a \$50 increase. It is being proposed to increase by 9.6227 which is the same amount the equalized value increased in 2004-2005 which would mean the Village's portion of the tax bill would remain virtually the same. The Board needs to make that determination—to go with a \$3,347,578 levy or up to a \$3,534,961 levy. There was discussion including the decline in debt payment, expenditure restraint, etc. Hoeft emphasized that in the future the Village would not be able to do this based on debt issued prior to 7/1. It was noted that this legislation covers a two year period and it is not known what will happen from here. Discussion continued including concerns with raising the tax levy, what the monies would be spent on, and so forth. Bollig requested to see a 5-year forecast before making a final decision. Luebke noted concern with any increase in taxes. Discussion continued. [Mortensen left at 5:40 p.m.] It was agreed to move on with review of the budget with Hoeft to provide different options for the Board to look at and with the understanding that changes can be made on the budget at anytime up until it is adopted.

Gracz continued with presentation of the budget information highlighting specific items as listed in the memorandum. The operating expenses address the gas and oil increases. The budget figures were based on an estimated \$2.50 per gallon amount. Included in the 2006 budget is a proposed staff village planner. If approved, that person would be utilized to begin the preparation work for the Southeast Business Park. The budget includes significant infrastructure costs related to the new Business Park. Capital projects scheduled for 2006 include the N. Alpine Parkway

project and new sidewalk and bike path along Hwy CC. There was some discussion regarding the debt service and the use of impact fees that were implemented last year. It was noted that the impact fees have helped tremendously and the decision to institute impact fees a good one. Staff will be working with the Village's Financial Advisor to develop the debt service policy. Gracz advised they are looking at a joint meeting with the Community Development Authority at the October 12<sup>th</sup> budget meeting. The CDA and TIF#3 budgets would be reviewed. He noted that on September 26<sup>th</sup> he would be appearing before the Dane County committee which is reviewing CDBG grants for both the streetscape design and façade grants. Regarding the fire protection fund, numbers need to be provided by the Town of Dunn before this can be finalized. The Street improvement program will be reviewed at the next budget meeting—September 28<sup>th</sup>. There was some discussion. The Board will need to make a decision regarding purchasing additional property for the cemetery and that will be discussed at the next meeting. The sewer rate study is being worked on. The sewer rates are impacted by the negotiations on the sewer interceptor project's change order. An increase in staffing hours for the Senior Center and Library Director's budget will be reviewed. Vehicle acquisition and equipment purchase requests are addressed in the respective memos in the packet. Gracz noted that a conscious effort is being made to increase the levies in capital equipment funds to get back to the 2004 levels. Initial projects to be done in the conservancy part of Westside Community Park (Keller Alpine Meadows Park) were put in at \$180,000. There was some discussion. The Youth Center is requesting \$11,200 and that is the amount in the 2006 proposed budget. Cable TV and Municipal Court budgets are included with no significant changes. It was noted that the only thing in the budget re the Chamber is the holiday lights (under other general government). There was discussion.

Hoelt went over the 2006 proposed budget (pink pages) that shows the mill rate with no change from last year. She highlighted some of the significant changes in the budget including the increased gas and oil costs. Hoelt went over the equipment funds and noted the increases stating that in 2005 fund balances were being used in those funds with this being tax levy going into those funds. The Senior Center Debt Service Fund showing a levy of \$33,250 in 2006—that is the last year there is debt payment on this building. Hoelt stated in total the Village's tax levy is budgeted to go up 9.62% and that is the same as the increase in the assessed value—thus a mill rate that stays the same. The 3<sup>rd</sup> page shows revenues over expenditures and that was hoped to be zero but at the last minute changes made it came up to \$221—that will be adjusted in the final budget. It shows the ending fund balance in **2006 of \$1.6M**. [**The \$1.6M was in my notes for both 2005 and 2006 and when I listened to the tape, it is what was said at the meeting. Should they be different amounts?**] It is projected to be *\$1.6M at the end of 2005* which would give a total fund balance of 37% of 2006 general fund expenditures and undesignated unreserved fund balance of 35% if we only have an advance of \$75,000 to the TIF. In addition there are \$5,000 for Explorer Post, Community Policing and Crime—things like that. The yellow pages show the gas and oil which is going up 51.98%. The electricity and gas sheets follow and that's for heating and air conditioning of the buildings. Street lighting is also included. That number is expected to go up 5.61%.

There were no further questions on the overview and it was agreed to move onto the Library budget next.

- b) Police Department. Pettit referenced an email he sent out to Board members encouraging them to submit any questions they might have to him prior to the meeting and he did receive responses from three Board members. The questions presented were for the most part regarding specific equipment. (Police budget starts on pg. 29 (white) and pg. 27 (green)). The increases re personnel are due to health insurance and workers comp insurance costs. The budget includes 14

officers. Hoeft noted that the Union is negotiating the new contract and consequently some figures are not shown in the budget. The benefits have been included but not the wages. It is not known when the contract will be negotiated but it is likely back wages will have to be paid out. There was discussion regarding overtime and whether that has been adjusted from 2002, the cost of overtime for any given holiday, whether to use sinking funds and whether some of that amount could be put in sinking funds from overtime. It was requested that the Board be advised if any change is made. Noeldner expressed concerns he has received from residents regarding crossing the street in the downtown areas and stated he would like to see that policed. Discussion followed including staffing, the reduction in number of hours in the department by contract, pulling the officer on duty off one thing to report for another, etc.

Regarding vehicle repair and maintenance, Pettit stated they have two vehicles he is looking to rotate out due to the high cost of keeping them running. There was discussion including the high cost of maintenance, reducing the gas usage in police vehicles by not letting them run and so forth. Pettit advised that the policy is not to let vehicles run unless extreme inclement weather and that is due to the temperature sensitive equipment in the vehicles. Discussion continued. The contractual services are for the New World Program which will be implemented this year. They did not run the Police Academy this year and will be looking to do two academies in 2006—one for officers' families and one for the public. There are concerns with the Public Safety Building's heating and air conditioning costs. Pettit advised he has contacted Alliant Energy and they will be conducting an energy audit on the building. There was discussion regarding the long standing issues with the heating and air conditioning, where to go from here and so forth. It was noted that Gracz will be getting the Village attorney involved. Regarding Emergency Government, Pettit stated they will be asking to carry over the funds to conduct a live exercise next year to test the Village's emergency plan. There was some discussion.

**Klimke moved, second by Staton, to approve the Police Department budget as presented.** Budgets are approved with the understanding that there may be changes made and brought back to the Board. **Motion carried 5-0.**

- c) Library. (pgs. 76-78 and pgs 1 & 2) Cothroll noted that the only increase is the one in salaries which is to add an additional ten hour/week position. Professional services indicate a \$580 increase and that is to cover the charge for automation charged the Library by South Central for check in/check out. Staton (the Library Board representative for the Village Board) stated this is what the Library Board has approved and is consistent with the needs for 2006. There was discussion. Gracz noted there are staffing issues the Personnel Committee will be looking at over the next couple of months. Regarding the special accounts, the Library has indicated an expenditure of \$25,500 part of which will be used for doing a strategic plan. A strategic plan has not been conducted at the Library for at least the past ten years and it really needs to be done. There have been dramatic changes in the community over the past ten years and that needs to be looked at—what kind of programming is needed, what kind of staffing, etc., in order to provide the community needs. The plan will include input from the community and a facilitator will be hired to complete it. There was some discussion. It was noted that this is a 1.78% in the Library operating budget. **Bollig moved, second by Staton to approve the Library budget as presented. Motion carried 5-0.**

Due to time constraints and another Board member having to leave the meeting, it was determined to take up the remaining fund budgets at another meeting.

- d) General Fund Budgets. Will be rescheduled.

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- e) Special Funds. Will be rescheduled.
  - f) Discussion of Upcoming Budget Meetings. Meetings are scheduled for September 28<sup>th</sup> and October 12<sup>th</sup>. The September 28<sup>th</sup> meeting will go over Park Board, Senior Center and Public Works budgets. There was some discussion regarding the start time for tomorrow night's meeting.
4. **ADJOURNMENT**. At 7:15 p.m., Staton moved, second by Klimke, to adjourn. Motion carried 5-0.

Respectfully submitted,  
Georgia Johnson,  
Village Clerk