

1. **CALL TO ORDER:** The special meeting of the Oregon Village Board was called to order by Board President Jerry Luebke at 5:03 p.m. on Thursday, September 22, 2005.
2. **ROLL CALL:** Present: Jerry Luebke, Hans Noeldner, Mark Mortensen and Steve Staton. Absent: Jerry Bollig, Darrell Klimke and Eric Poole. Also present: Administrator Mike Gracz, Finance Director Renee Hoefl, Public Works Director Mark Below and Clerk Georgia Johnson.
3. **SELECT ACTING CHAIRPERSON:** This was not necessary since Luebke was present.
4. **PUBLIC APPEARANCES:**
  - a) **Review of Refuse/Recycling RFP-s – Waste Management Representatives.** Ken Corbett was present from Waste Management to address the Village's concerns with refuse/recycling pickup. There are concerns with the fact that revenues are not enough to cover the expenses of this program and the Village is looking for different options for pickup. Corbett had brought carts in the different sizes for the Board members to see. There were questions and answers as well as discussion regarding these concerns. Q: If the Village switched from the current sticker program to another program such as placing the cost on the tax bill, would the prices quoted on the RFP change? A: It would have to be recalculated and they would have to provide a different proposal. The current proposal is based on the current usage and by volume and number of hours. There was discussion regarding the 2895 units used in the RFP while the Village has only 2600 units. Q: Who would pay for the cart(s)? A: WM provides the carts and delivers them to the residences. Anyone needing or wanting a larger cart would contact WM. Corbett went over how that program works and noted it is what is being used in the City of Madison. Q: Would items not in the cart be picked up? A: Items would have to be placed in the cart. The 35 gallon is generally large enough for small families—a family of 4 or more would probably need the 64 gallon. WM bills directly to anyone with the larger than 35 gallon. Recycling products are all put together in one cart. With this program WM usually sees a 25-30% increase in recycling. Q: Could the Village use the sticker program in 2006 and then switch to the single sort program in 2007? A: Yes. Q: How much lead time is needed to educate the residents? A: There are a number of things that WM does to educate the public and it could probably be done. There was further discussion regarding the per unit cost, how often pickup would occur, the effect on the budget if we switch to a different program, and free clean up days. The free pick up this week was conducted on Wednesday and with 9 trucks in the Village they picked up between 150,000-170,000 tons. Large bulky items could be picked up—a resident would contact WM and make arrangements for that pick up and they would have to pre-pay for the pick up.

Q: If the Village was hit by a storm with lots of tree damage and limbs down, would WM pick up that and would they charge for that pick up? A: Each situation is looked at by the circumstances and something worked out with the municipality. There was further discussion regarding whether it was possible to put a new program into effect by 1/1/06, whether the decision could be made mid-year to switch to a different program, and where the revenue would come from if the sticker program was dropped mid-year.

Hoefl explained the problems the Village has experienced with trying to collect personal property taxes owed by Affordable Waste and which the Village has been trying to collect from Waste Management in that they bought Affordable Waste. There was discussion and it was concluded that Corbett would follow up on the matter and get something in writing to the Village.

It was agreed to take item #5c) up next.

- b) **Mike Foth of Hawkins, Ash, Bapti & Co., - 2004 Audit Reports.** Mike Foth, the Village Auditor from Hawkins, Ash, Bapti & Co., presented the 2004 audit reports. The financial statements are

changed significantly from previous statements and that is due to the GASB 34 requirements. This is a draft of the statements although there are only a few minor modifications to be made and the final will be provided. Starting at pg. 7 is the MD&A—Management’s Discussion and Analysis which is written in laymen terms. Not all data in the statement is comparable as this is new this year. The MD&A includes an overview of the financial statements, a budgetary section, and a financial analysis of the Village’s funds, pg.10 shows financial highlights, pg. 11 fig. 2 is the statement of net assets, pgs. 13-14 capital assets and long-term obligations and economic factors. The assets of the Village exceeded its liabilities at the close of the fiscal year by \$14.6M. The total net assets increased by \$3.9M primarily due to increases in the business type activities net assets. The statement reports combined ending balances of \$3.9M which is an increase of \$258,134 in comparison with last year and is due primarily to operating expenditures being kept down and not filling the vacant positions. Pg. 14 shows total revenues of \$5.485M—last year was about \$5.8M. Pg. 41 shows combined statement of revenues, expenditures and changes in fund balances and is one of the GASB 34 requirements. Budgetary procedures start on pg. 43. Pgs. 44-47 are the individual funds. Pg. 48-51 are detailed general funds and these totals tie in from one report to another. Foth stated the Village has done a good job and is in a good financial position. Pgs. 52-73 are individual funds compared to budget. Pg. 74 is the statement of fiduciary assets re fiduciary funds. Pgs. 75-76 are debt schedules. Pgs. 77-80 are water and sewer details and are similar to what was seen in the past.

Foth referred back to pg. 10 and went over the capital assets shows in the amount of \$20M. This is a new line item and the Village has worked very hard to determine historic cost values and put an inventory together for this purpose. Villages had the choice to go back and pick up values and although it was a long involved process, staff worked hard to get that done. The “business-type” column refers to water and sewer. Pg. 10 shows the total net assets of governmental activities plus business-type activities at \$34M. Pg. 11 is a new statement—different report for the same information as pg. 10 and then summarizes under general revenues section. There was some discussion. It was emphasized that because this is the first year with this form of reporting there are no comparables to look back on. Discussion continued. Pg. 13 is a reconciliation of the funds balance sheet. Pg. 15 a reconciliation of revenue, expenditures and changes in fund balances. There was discussion regarding the almost \$1M for depreciation expense reported. Foth explained how the amount of interest paid could be more than the interest accrued at the bottom of pg. 15. Pgs. 16-17 is a balance sheet for water and sewer (enterprise funds). There was some discussion.

Following Foth’s presentation he noted that there are no internal control measures reported by the auditor.

## 5. NEW BUSINESS.

- a) Acceptance of 2004 Audit. Hoelt stated this report has to be sent out by Tuesday of next week and is looking for approval by the Board. There was some discussion regarding changes made to the draft. **Staton moved, second by Noeldner, to accept the 2004 Audit report. Motion carried 4-0.**
- b) Update re: Repairs to Post Office Building. Below had provided two different proposals regarding the post office building repair just prior to the meeting. One is for a total cost of \$59,750 and the other for \$26,100. It was noted that the Board had approved a cost of \$70,000 for this repair work at an earlier meeting. There was some discussion regarding the funds being used for this repair. This was before the Board for informational purposes and no action was necessary.

- c) Approval of Vouchers. Luebke noted that he would be abstaining on approval of the vouchers as it relates to payment of legal fees to the Boardman Law Firm. It was concluded to approve the vouchers with the elimination of that payment. That particular voucher could be approved for payment at the meeting next Wednesday (the 28<sup>th</sup>).

**Mortensen moved, second by Noeldner, to approve payment of vouchers for the Water and Sewer Utility Funds in the amount of \$17,233.86. Roll call vote: Staton – yes; Noeldner – yes; Mortensen – yes; Luebke – yes. Motion carried 4-0.**

**Mortensen moved, second by Staton, to approve the payment of vouchers for the General Operating Fund in the amount of \$10,559.88. Roll call vote: Staton – yes; Noeldner – yes; Mortensen – yes; Luebke – yes. Motion carried 4-0.**

6. **EXECUTIVE SESSION**. Noeldner moved to adjourn into Executive (Closed) Session per the exemption under Wis. Stats. Sec. 19.85(1)(c) and (f) to discuss a personnel matter in the Clerk's Office. Second by Mortensen. Motion carried 4-0.
7. **ADJOURNMENT**. Noeldner moved, second by Staton, to adjourn at 6:41 p.m. Motion carried 4-0.

Respectfully submitted by,  
Georgia Johnson,  
Village Clerk