

1. **CALL TO ORDER.** The special budget meeting of the Oregon Village Board was called to order by Board President Jerry Luebke at 5:30 p.m. on Wednesday, October 11, 2006.
2. **ROLL CALL.** Present: Jerry Bollig, Phil Harms, Jerry Luebke, Hans Noeldner, Eric Poole and Steve Staton. Absent: Jon Lourigan. Also present: Administrator Mike Gracz, Finance Director Renee Hoelt, Police Chief Doug Pettit and Clerk Georgia Johnson. Library Director Vicki Cothroll attended for the Library Budget portion of the agenda.
3. **APPROVAL OF VOUCHERS.** It was noted there are no vouchers for approval.
4. **2007 BUDGET OVERVIEW.** Luebke noted he had requested this be put back on the agenda to allow for any questions Board members might have. There were no questions at this time.
5. **2006 BUDGET TRANSFER #5.** The major transfers are to move tax levy and to carry the expense for the laptops over to next year and for the damage done to the post office when it was damaged by a vehicle hitting it. The Village was reimbursed the amount in excess of \$500. **Noeldner moved, second by Staton, to approve budget transfer #5 as presented. Motion carried 6-0.**
6. **POLICE DEPARTMENT AND BUILDING, POLICE EQUIPMENT FUND, EMERGENCY GOVERNMENT.** Luebke emphasized to Board members that if they have questions regarding particular budget items they should contact staff previous to the meeting and get those questions answered—which would reduce the length of the budget meetings.

Gracz stated an email was distributed just prior to the meeting which is from Chief Pettit and summarizes some budget items that Pettit felt needed further clarification. Pettit spoke to the digital radial platform for Dane County stating that Dane County will have to move to a digital band by 2012. That means that all users will have to move to radial also. The Village has not started to put funds away for that purpose—the estimated cost is between \$50,000,000 and \$60,000,000 for Dane County. Each municipality will have to purchase radios, modems, etc., and that includes Public Works and the Fire/EMS District. The Police Department's estimated cost will be approximately \$75,000.00. There has been discussion regarding how to pay for it—whether to put it in sinking funds or borrow for it when the time comes. The Fire Chief for the Fitchburg Fire Department presented this issue to the Dane County Police Chief's Association's last meeting and it was an excellent presentation given in such a way that it was understandable and in layman's terms. Dane County is going to have to come up with the money—they are looking at federal funding. It appears that this will take place sometime in 2008 when they will start to switch over to the digital spectrum and the Village will need to start buying in devices (radios) for the Police Department. It has been discussed previously rather than carry it on the books in sinking fund but to borrow the monies—along with some other project in the Village. Pettit noted that in order to have a complete closed system and not have any inoperability issues resulting from a large scale operation where Public Works would be involved, they would have to come onto the digital spectrum which Chief Pettit explained in further detail. There was some discussion. A consultant is supposed to be making a final report at the end of the year but the target date is 2008 when municipalities will be asked to purchase the devices. Discussion continued including 700 or 800 megahertz spectrum, concern with rural areas, need to be operable with everyone on the same radio frequency, and so forth. It was noted that if the Fire/EMS Department has to go this route that the Village will have to pay 60% of that cost as well. Discussion continued.

Referring to the equipment and vehicle 2007 budget requests, Poole asked about the two new radios listed and whether they would be capable of handling the radial specs and Pettit stated they would

not. There was discussion regarding radios not being able to go VHF and digital. Pettit noted the two listed are just replacement radios. Staton asked about the tasers and Pettit noted this will be the last of the implementation of that tool for the patrol officers. With the purchase of the tasers, there will be enough for all the officers on duty. There was some discussion regarding the use of the tasers and whether or not the Police Department reports that use. Noeldner asked about traffic enforcement and noted he would prefer to see some stealthier equipment for catching speeders. There was discussion. Pettit stated if the Village wanted something more unnoticeable to the public to just collect data then something like what the Highway Department uses would be required. Again all that does is collect the data giving volumes of traffic. Pettit stated the Village could purchase equipment other than the big board and flashing and if the Board wanted him to he could look into it. Noeldner stated he would like to see something as unnoticeable as possible. There was further discussion about traffic control, traffic enforcement, the shortage of staff to accomplish a higher level of traffic control and so forth. Pettit noted some of the staffing issues at the Police Department and referred to Stoughton's use of a traffic officer. That officer answers only to traffic issues and Pettit noted he will be watching how that goes for Stoughton. Discussion continued regarding staffing needs and the need for officer supervision.

7. **CONSIDERATION OF POLICE DEPARTMENT AND EMERGENCY GOVERNMENT BUDGETS.**

Bollig moved to approve the Police Department and Emergency Government Budgets. Second by Staton. Noeldner asked if any changes discussed modify these budgets and there was discussion including whether grant monies could be obtained for any of the items. Pettit will check into the availability of any grant monies. **Motion carried 6-0.**

8. **SENIOR CENTER, AND LIBRARY.**

- a) **Senior Center and Senior Center Building.** It was noted there has been little changed in the Senior Center budget and the fact that the building was paid off earlier in the year. There was some discussion. **Staton moved to adopt the Senior Center and Senior Center Building budgets. Second by Bollig. Motion carried 6-0.**
- b) **Library, Library Building and Library Special Fund.** Gracz referred to the library budget distributed just prior to the meeting wherein the Library is asking for an increase in staffing hours. The chart attached shows the Library's request for an increase in FTE's (full-time equivalents) versus the Administrator's budget amount. There was not enough money to grant the increase for the whole year so the Administrator's shows the increase mid-year so that by the end of the year the request is met except for the Sunday hours. The amount of \$11,000 is being requested for wages for Sunday hours. There was discussion regarding the need for the increase in the budget and the fact that the Library has fallen behind on staffing. Staton noted there has been a change in dollars for the AV materials and the books which is about \$4,000 off each of those. Cothroll advised there is a concern particularly with the book budget because there have been problems in the past meeting Dane County standards. Twice Cothroll has had to ask for an exemption and if an exception is requested a third time, that will be the last time the Village can request one. This is over a 10-year period and Cothroll could not recall exactly when the first request was made but the second request was made about 2-3 years ago. Cothroll referred to a comparison chart turned in with the original Library budget which compares the Village's libraries for expenditures for library materials with libraries that are comparable in Dane County—i.e., McFarland, Monona, Mt. Horeb, Stoughton, Verona and Waunakee, and Oregon has the lowest amount of money spent in 2004. Cothroll noted that staffing is the biggest concern at the Library right now, but it was felt it was necessary to bring the materials budget concern to the Board's attention. Not being in compliance with Dane County standards could impact the

amount the Village receives from the County or whether or not the Village is exempt from the County tax. Staton asked the Board to keep these issues in mind as they work on the budget. There was discussion including whether or not the Library should increase the library fines, [Cothroll noted the Village is the second highest in the County], the use of donations and what those monies are used for.

9. **CONSIDERATION OF SENIOR CENTER AND LIBRARY BUDGETS.** Following discussion, **Staton moved, second by Bollig, to approve the Library budget. Motion carried 6-0.**
10. (#15) At this point, the Board will continue its review of budgets. These items include General Fund (items #16 - 36).

It was noted that budget items #10 through 14 were reviewed at the last meeting (Oct. 4th) and to start with Item #15 tonight. Gracz suggested if the Board preferred to they could approve items #10 through #36 under one vote. It was agreed.
15. Elections. There is nothing significant in this budget. It was noted only 2 elections in the spring are included in the budget.
16. Computers. (pg. 22) This was discussed at the last budget meeting. There was discussion regarding whether or not there would be any savings by the use of laptops and how it would work. Gracz stated he would like to meet with the School District and see how they utilized the use of their laptops. The mechanics of it still need to be worked on. This will be discussed further at a future Finance Committee meeting.
17. Accounting. (pg. 23) Hoeft indicated this was discussed at the last meeting regarding moving wages from pg. 19 to pg. 23 in order to put them where they need to be for the State report.
18. Assessor. (pg. 24) Johnson referred to the State Statute that was distributed just before the meeting indicating that each taxing district shall assess property at full value at least once in every 5-year period. She noted that the need for a revaluation has been discussed previously but no monies have been budgeted for it. State Statute indicates that a municipality must be within 10% of the full value of the same major class of property during the same year at least once during the 4-year period consisting of the current year and the preceding 3 years and the Village has met that requirement. Hoeft noted that the 5-year period ends 1/1/2007. She referred to the assessment ratio breakdown attached noting the highlighted percent of equalized value. Hoeft noted that the first 2 years following the last revaluation which was in 2002, the ratio was above the 90%; in 2004-2006 the ratio was below the 90% mark. The Village will not get a letter from the State Department of Revenue regarding this issue this year, but they will get one in November of 2007. Staff is recommending monies be put aside for a revaluation to be done by that time. Gracz stated that it was thought with the State mandates that we would not be required to do the revaluation but that is not going to happen and monies need to be found for it. There was discussion. Staff will be meeting with the Assessor to find out what the Village's options are including looking into the possibility of inspecting one-quarter of the Village properties each year. It was noted that any increase in the assessed value is not considered "new growth" under the State's tax levy. Discussion continued. This will go to the Finance Committee.

Hoeft noted that a couple of years ago the Village had the assessor audit ¼ of the personal property tax blotters and they came up with about a \$250,000 increase in assessed value. This brought the Village an additional \$1,500 in taxes. The audit itself cost \$1,200 to do. The question is does the

Board want an audit done on another ¼ of the personal property? Staff is recommending doing the audit one more time and \$1,200 has been included in the budget for it. There was discussion and it was concluded to go ahead with the audit in 2007.

Noeldner asked for clarification on how this would be dealt with when it comes to approving the budgets? Gracz noted it would not be included in the motion and would be sent to the Finance Committee.

Gracz noted that if there are questions with regard to some of the following budget items, he would ask that they be held over to the next budget meeting in that Below is not at the meeting tonight.

19. Village Hall/Post Office. (pgs. 25-29) Gracz noted there is a proposal attached from H&H Electric Company for lighting improvements in the post office. Hoeft noted that staff has talked about doing this project in 2006 since it is felt it would reduce the energy bills which would be a cost benefit. Money has been carried over from the post office fund (\$4,400) so that leaves a \$900 shortage. There was discussion regarding where to come up with the \$900 and Hoeft stated it would probably taken out of contingency. There was further discussion. Hoeft noted that there is approximately \$300 remaining in the post office repairs account that could be used toward the total estimated cost of \$5,225.64. It was concluded that the remaining \$600 could be found in the budget from other accounts—such as Village Hall repairs.

Hoeft noted that the post office lease expires on June 30, 2007 and staff is recommending asking for an increase in the lease amount. The lease amount has not increased since 1984. When the 20 year lease expired in 2004, the Village worked at getting an increase but that was not successful. There was some discussion. It was noted that a 3-year lease will be negotiated with a consumer price index increase and that will go to Finance Committee.

20. Other General Government. (pg. 31) Gracz stated this includes a discussion of 2006 downtown holiday lights. The Chamber of Commerce had been putting up the holiday signs and although they have not advised that they will not be doing it this year, Gracz has received calls from different companies that have indicated the Chamber has referred them to Gracz. Gracz advised that tax dollars have not been set aside to buy or put up holiday lights this year. It was concluded to bring that to the meeting when the Chamber budget is discussed.

Regarding the Section 125 Plan/COBRA, Hoeft explained that staff has met with three companies over the last month about a Section 125 Plan and she explained that such a plan would allow the Village employees to have that portion of the health insurance premium they pay taken out pre-tax. Employees would also be eligible to put monies into the medical reimbursement and dependent care which would also be pre-tax. Hoeft advised that all reimbursements of those monies would be administered by the company selected. There would be an annual fee of approximately \$450 and an additional \$5.00 per month fee for participating employees. It is anticipated that initially there will not be a large participation—it is felt that one-third participation is good. There was some discussion. A benefit to the employer is that the Village would not have to pay tax on the amount of money the employee puts into the plan and the amount of taxes saved offsets the cost of hiring someone to manage the plan. In addition to that, Hoeft advised that staff would like this company to handle the COBRA requirements (staff currently administers the COBRA). The first year they would charge a set-up fee of \$200 and an annual administrative fee with a minimum of \$25.00 per month after that. The Village does not have a personnel director so Gracz, Hoeft and Johnson are all handling personnel issues. Staff does not have the time it will take to administer this plan. It is estimated to cost somewhere between \$400 and \$500 per year. There was some discussion. It was noted this has

been included in the budget and staff is asking the Board for approval. The contract for this service will go before the next Board meeting.

Regarding collaboration council funding, Gracz advised this addresses Noeldner's question from the last budget meeting—the \$750.00 is in the budget. This account also includes the Dane County Cities & Village Association dues. It was noted Gracz generally attends these meetings as does Luebke when available. The next meeting is scheduled for November 8th.

21. Insurance. (pg. 33) Gracz noted there will be a slight decrease due to allocation.
22. Inspections. (pg. 43 & 44) Because building permits are down it is not necessary to keep the part-time inspector in the budget.
23. Public Works & Admin. (pg. 47 & 48) Indicates salary adjustments. It was noted the road maintenance agreement with the Town of Oregon has been eliminated and the Village is now maintaining Netherwood Road. There was some discussion.
24. Engineering. (pg. 49) Gracz stated the 2006 expenditures over budget is a reflection of having to bring a new engineering firm in. Ruekert Mielke had to come in and review the Village's files and those charges were not passed onto the developer so the Village has to pay for it. This information will be provided to the Village Attorney and taken into consideration when considering the Earth Tech issues. There was some discussion including whether the Village would be doing a request for proposal for 2007. Gracz advised that there really is not time to do that in 2006 but will be looked at in 2007 at Public Works Committee.
25. PW Machine Repair. (pg. 50) There was discussion on how budgeting the gas amount is figured out. It was noted that it was figured at \$3/gallon.
26. PW Garage. (pg. 51) Increase to electricity and gas. Luebke requested Gracz provide the Board members with a summary of the Public Works Department budgets. [It was suggested to make this the lead-in page for the Public Works budgets.] There was some discussion including the need to wait to discuss the sanitation changes to the next meeting when Below will be there.
27. Snow & Ice Control. (pgs. 52 & 53) Indicates salary and fuel adjustments. There was some discussion regarding the gas/oil budget and the difference between the actual cost and the budgeted amount.
28. Traffic Signs. (pg. 54) This shows a slight decrease with reference to the footnotes on pg. 54. Noeldner asked what the contracted services are? Hoeft advised the County reimburses the Village 1/3 of the cost of the traffic sign on Wolfe Street, for Netherwood they pay 50% and nothing is paid for the light at Richards Road. Gracz advised the warrants will be reviewed next year and it will be determined if the warrants meet the County standards. There was some discussion.
29. Street Lighting. (pg. 55) Gracz noted this is an increase due to the additional lights in the Village. Hoeft advised that the Village has to pay a "rent" on each street light in the Village and that runs over \$6,000 per month. Noeldner stated that although Trustee Lourigan is not present, Lourigan has expressed that he feels the Village is paying through the nose and would like a chance to speak to this—he has some ideas on this. Luebke suggested Lourigan speak to that next Wednesday at the budget meeting the 18th.

30. Storm Sewer & Greenways. (pg. 56) Salaries and fuel adjustments.
31. Sanitation. (pg. 57) This is with regard to the waste/recycling program levy impact and has become an issue every year. Hoeft referred to the 2006 projected budget and 2007—that is where additional fees are built into the Village’s contract. She feels this needs to be held off and discussed when Below is present. Luebke advised that the Village will be raising the sticker price by \$.25 and there was some discussion. [The sticker price will be \$2.50.] Noeldner asked if anything should be included in the budget for the transition next year? Gracz indicated that is under Acct #340--\$2000 for publicity, etc. There was further discussion. It was noted that the revenue for the stickers is \$232,000, the cost of the contract is \$345,000, leaving a shortfall. It was noted that there is \$80,000 for tree & brush in this budget. Gracz stated for example: if there is \$150,000 in the budget, \$80,000 of that \$150,000 is for tree & brush that is hitting the levy. Discussion continued regarding the tree & brush pickup, the free garbage pickup day and possibly having only one pickup a year, the volume would not be reduced so that would offset cutting one of the free pickups, other communities having the same difficulties and so forth. It was noted that this will be looked into further in mid-2007 and the decision made on a new program and whether to charge on the tax bill or through tax levy. Gracz stated he is reluctant to say that the Village will go with the cart system because everyone is not convinced that is the way to go. He feels it needs to go back through the process. Discussion continued regarding the need to publicize if a change is going to be made and if the cart system is chosen, when the carts would be delivered and so forth. There has been discussion in the past about having a public forum on this. The sanitation program will go to the Public Works and Finance Committee. Hoeft advised there is \$2,000 in the budget for publicizing whatever the changes are and that by June/July mailings should be sent to the residents to make them aware of that change. Discussion continued.
32. Tree, Brush & Recycling. (pgs. 58 & 59) This was included in the discussion under #31 above. Noeldner asked if this includes storm damage and it was noted that it does.
33. Weed & Nuisance Control. (pg. 60) Salary and fuel adjustments.
34. Cemetery. (pg. 62) Salary and fuel adjustments.
35. Recreation Programs & Events. (pg. 75) Gracz advised this is for the Youth Center Funding. That budget was approved at the October 11th budget meeting.
36. Consulting Planner. (pg. 76) Gracz advised this is for Vandewalle’s services and is used when the Village Planner is consulted when town matters come to the Planning Commission meeting. The Village cannot charge those individuals so the Village Planner’s fees are paid out of this account. It was noted there is \$5,000 in the budget for planner. TIF projects goes into individual TIF budgets. There was some discussion.
37. **CONSIDERATION OF AGENDA ITEMS #10 THROUGH #36 INCLUDING SELECTION OF SECTION 125/DEFERRED COMPENSATION PROVIDER**. **Bollig moved to approve budget items #10 through #36 with the exclusion of the Assessor’s budget (item #18). Second by Staton. Motion carried 6-0.**

Gracz noted that a question came up today about the seed money that is in the administrator’s budget column to work on the welcome sign on the north side of the Village, that is in fund #405 under Street Improvements. Luebke noted that we will try to get the Rotary Club involved. There was some discussion regarding the need to get an easement.

38. **DISCUSS HOLDING POT LUCK DINNER FOR BOARD MEMBERS ON OCTOBER 18TH.**

Staton indicated that staff used to provide food and he thought it would be a good idea to have a pot luck before the meeting for socializing. There was discussion.

39. **AGENDA ITEMS FOR OCTOBER 18TH BUDGET MEETING.**

- a) Chamber of Commerce Request. Gracz noted that on the 18th they will be reviewing the Chamber's request. A number of items have been requested of the Chamber and it is requested to receive the materials by October 12th allowing the Trustees to review prior to Monday night's meeting: (1) balance sheets; (2) profit & loss statements to date; (3) membership roster for 4 year period; (4) confirm the only 2 events Chamber sponsored next year include the raffle and Summerfest; and (5) what the money requested will be used for and discussion of the holiday lights.
- b) TIF #3 Budget.
- c) Review of Sewer Rates. This has been talked about the last couple of years.
- d) Update regarding Oakhill Agreement. Will provide status of the agreement.
- e) Water and Sewer Utility Budgets.
- f) Fire/EMS District. Gracz and Hoeft will be attending the Fire/EMS Commission meeting on October 12th to go over their budget.
- g) Any budget follow-up from October 11th meeting.
- h) Adoption of Preliminary Budget and set November 20th as public hearing date.

There was some discussion.

40. **ADJOURNMENT.** Noeldner moved, second by Bollig, to adjourn the meeting at 7:19 p.m. Motion carried 6-0.

Respectfully submitted,
Georgia Johnson,
Village Clerk