

1. **CALL TO ORDER.** The special meeting of the Village Board was called to order by President Staton at 5:33 p.m. on Wednesday, October 17, 2007.
2. **ROLLCALL.** Present: Jerry Bollig, Darlene Groenier, Jon Lourigan, Eric Poole, Steve Staton and Randy Way. Absent: Phil Harms. Also present: Village Administrator Mike Gracz, Finance Director Renee Hoeft, Public Works Director Mark Below and Clerk Georgia Johnson.
3. **APPROVAL OF MINUTES.** There were no minutes to approve.
4. **APPROVAL OF VOUCHERS.** **Bollig moved, second by Poole, to approve payment of vouchers for the Water and Sewer Utility Funds in the amount of \$68,465.32 per the list dated October 17, 2007. Roll call vote: Staton – yes; Bollig – yes; Groenier – yes; Poole – yes; Lourigan – yes; Way – yes. Motion carried 6-0.**

Poole moved, second by Lourigan, to approve the payment of vouchers for the General Operating Fund in the amount of \$62,189.68 per the list dated October 17, 2007. Roll call vote: Staton – yes; Bollig – yes; Groenier – yes; Poole – yes; Lourigan – yes; Way – yes. Motion carried 6-0.

5. **COMMUNITY INPUT.** None.
6. **PUBLIC APPEARANCES AND PUBLIC HEARINGS.** None.
7. **PROCLAMATIONS AND ANNOUNCEMENTS.** Hoeft noted that the deadline for returning the flyer to change cart sizes under the refuse and recycling program was extended to October 19th, 2007.
8. **COMMUNICATION AND MISCELLANEOUS BUSINESS.**
 - a) **Application for Change of Registered Agent at Kwik Trip #372 (916 Janesville Street) from Apryl Schroeder to Deanna Hafner.** Johnson noted this is for a change in the agent and is routinely done when there is an agent change. Staton noted the agent name should be Stephanie Brady rather than Deanna Hafner. **Bollig moved, second by Poole, to approve the change of registered agent at Kwik Trip #372 from April Schroeder to Stephanie Brady. Motion carried 6-0.**
 - b) **Appointment of Fred Schmidt to Police Board of Commissioners.** Staton noted that Scott Zigler moved out of town and resigned his post on the Police Board of Commissioners and this appointment will fill that vacancy. **Groenier moved, second by Lourigan, to approve the appointment of Fred Schmidt to the Police Board of Commissioners. Motion carried 6-0.**
 - c) **Discussion of Re-scheduling October 22nd Personnel Committee Meeting to November 5th at 5:00 p.m.** There was discussion and it was agreed to hold the next Personnel, Public Safety & Protection meeting prior to the Village Board meeting on November 5th starting at 5:00 p.m.
 - d) **Update regarding Issues concerning changing to cart system for refuse and recycling collection.** Gracz referred to the sample letter in the packet that is being sent to residents requesting to be allowed to opt out of the refuse and recycling collection system. Gracz noted the additional information put together by staff and is just general information regarding the system and he noted that it is not being mailed out. The next flyer will be delivered with the carts (will be inside the cart). There was discussion regarding the concerns residents have expressed about having their water meter removed when they are gone to avoid the monthly service charges. There was discussion including what the extra cost is for, the fact that approximately 750 forms have been returned with 50% of those requesting the 95 gallon carts for both waste and recycling while the remaining 50% are increasing the waste cart only. The additional information is also on the Village's web site, at the Library, Senior Center and Village Hall. There was further discussion regarding the seasonal residents and it was noted there is no additional savings by shutting the water off during the winter months. Hoeft noted local business

owners have the option of utilizing the cart system as well and definitely need to contact Pellitteri if they so choose.

- e) Discussion and Possible Action re: Second Reading and Adoption of Ordinance #07-15. Hoeft referred to the Ordinance that was distributed along with the breakdown of the monthly bill comparison. The plan is to put this in the paper and there will be a notice on the utility bill that the rates will be placed on the utility bill in 2008. Following discussion, **Bollig moved, second by Way, to approve the second reading and adopt Ordinance #07-15 amending Sections to Chapter 13 of the Municipal Code related to Municipal Utilities.** Bollig asked Hoeft to summarize the rate increase. Hoeft stated the increase will be \$.48 per month/per 1,000 gallons for a small residential using 2,000 gallons monthly, \$.63 per month/per 1,000 gallons for a residential using 5,000 gallons monthly and \$.88 per month/1000 gallons for a large residential using 10,000 gallons per month. The last rate increase was in September of 2001, rates are reviewed every two years to determine whether there is a need for an increase, the Village was facing not being in compliance with bond borrowing which could be detrimental to the Village's borrowing. **Motion carried 6-0.**

9. **REPORT OF COMMITTEES.**

a) Planning Commission 10/4/07.

- 1) Discussion and Possible Action re: Notice from Dane County Zoning & Land Regulation Committee regarding the Rezoning Request of Property Located at 904 County Hwy MM. **Bollig moved to take no action regarding the rezoning request of the property located at 904 County Highway MM. Second by Lourigan.** Below stated this property is out in the township, it is in Fahey Heights and they are converting it into smaller lots. In that it is already in a residential area, the Planning Commission is recommending taking no action. **Motion carried 6-0.**
- 2) Discussion and Possible Action re: the Proposed Dane County Comprehensive Plan and Ordinance Amendment to Chapter 74 regarding the Proposed Lot Sizes. **Way moved to take no action regarding the proposed Dane County Comprehensive Plan and ordinance amendment to Chapter 75 regarding the proposed lot sizes. Second by Bollig.** Below stated this amendment to Chapter 75 comes from Dane County and will change the lot size from 35 acres to 160 acres and is being adopted in an effort to stop the rural growth and all the splits that have been taking place. There was some discussion. **Motion carried 6-0.**

b) Minutes Not Requiring Action.

- 1) Cable TV Committee 1/29/07 and 7/30/07
2) Oregon Community Foundation 1/29/07 and 7/30/07

2008 BUDGET DISCUSSION

10. **2008 Budget Overview and General Fund Revenues.** Summary of Section pgs. 1 through 16 and General Debt Service (Debt Service Section pgs. 1-4). It was noted the budget overview is available on the Village's web page and viewers can pull up the document and follow along. The Board will only be looking at the Park Board and Public Works Department Budgets tonight. Gracz went over the budget meeting dates noting that the public hearing is scheduled for November 26th at 6:00 p.m. The tax levy increase is \$232,929. This is the 6th consecutive year there has been no increase in the Village's tax rate. The budget will increase by the net new construction (based on growth). It was noted several repair and maintenance line items were increased due for the most part to age of the buildings and the need for more maintenance. The Village will see a reduction in State Highway Aids in 2008 and in Expenditure Restraint Aid. Hoeft went over the formula for calculating the State highway aids noting that it is a very complicated formula and there was discussion. It was noted this is one of the State items that is always under review because the road builders think the money should go into the State road system—it is not

known what will happen over the next 4-5 years. The Board needs to be aware that the highway aids will drop over the next few years based on the formula. The Village was not eligible to receive expenditure restraint in 2008. The Village is still using tax levy to cover the refuse, recycling and yard waste programs. Approximately \$70,000 of tax levy will be used in 2008—in 2005 the Village budgeted \$60,000. Bollig referred to the expenditures in the recycling budget, that it is going up next year because of the Pellitteri contract and asked if there was offsetting revenue. Hoeft noted that will be covered on pg./slide 11. Gracz noted that the State budget bill may increase refuse and recycling cost but it is recommended that any increases be covered in 2008 with tax levy or fund balance. It is expected that one of the versions of the State budget will include increasing the tipping fee and Pellitteri has a right to pass those fees onto the customer (like Waste Management used to do). Staff feels that residents have been told the charge will be \$9.88 per month in 2008 and that the Village should cover any additional increase. The increase is anticipated to be \$8,000-\$9,000. That amount is assuming the tipping fee is increased at a rate of \$3/ton. There was discussion. It is proposed to add an additional police officer on 7/1/08, a part-time deputy fire chief as of 1/1/08, an additional fire fighter position 7/1/08, create and reclassify the vacant deputy clerk position to a personnel director position (part-time) as of 1/1/08, and adding Sunday hours at the Library during the school year. The Library Board proposed adding additional hours in 2007 but it was not approved at that time. Bollig noted these positions will be discussed at length during those individual budgets. Regarding the 2008 recycling Grant, Hoeft noted she has contacted the State to see if the Village would be receiving any increase in its recycling grant because the costs are going up almost \$50,000 and the answer is no. The grant monies received have not increased since 1999. It is possible there could be a cut which would mean we would get less than the \$43,500 projected. When the Spring forum was held regarding the new system, residents wanted to be able to recycle more and with this new system, that will be possible—this company will take plastics #1-#7 (currently only #1-#2) and mixed papers—wrapping, glossy paper, all kinds of paper will be acceptable. The downside to this is that it increases the cost for recycling pickup. Of the \$9.88 on the utility bill starting in 2008, \$3.34 of that per month is to pick up recyclables. This is reflected in the increased cost of \$50,000 next year. There was discussion. Hoeft then went over the summary of the refuse, recycling and yard waste collection program (pg./slide 11) noting the differences from 2005 – 2008. In 2005 \$53,157 was used out of tax levy to cover the cost, in 2006 \$130,000 was used, in 2007 we budgeted to use \$134,000 but it is projected that will be as much as \$216,000. This will have to come from the tax levy or out of fund balance. For 2008 the amount projected to be used from tax levy is about \$68,000. Hoeft noted that the amounts budgeted in 2005 and 2006 were much different than what was actually spent and the Village has been fortunate in 2007 to have higher interest earnings than anticipated, and in 2006 permits were issued higher than anticipated, so the shortfalls were able to be covered. That is part of what is driving the Village to change the method of pickup. What all this means is that the Village was not covering the shortages with tax dollars, but were using other revenue sources to do that. There was some discussion. Sanitation costs are the amounts paid to the waste hauler. There was further discussion. Residents with questions were encouraged to contact Village Hall if they have any concerns and we will answer any and all questions/concerns. Discussion followed regarding leaf and brush pickup.

Pg./slide #13 summaries the general fund budget—both revenues and expenditures are increasing 7.6%-- this is total revenues and total expenditures. There will be a carry over from 2007 to 2008 of \$23,000 in fund balance which will be discussed further in the budget—to cover projects that did not get done this year but is planned to get done next year. Total revenues and expenditures are \$5,117,000 which is the first time the Village has gone over \$5M. The next several pgs/slides are charts and graphs of the 2008 general fund revenues by category, 2008 general fund expenditures by type, 2008 general fund expenditures by category and by department and Hoeft went over the charts identifying the percentage per fund, category, type and department. Pg./slide #18 talks about debt service—the percentage of tax levy going toward debt service every year has remained between 18%-24% which is pretty consistent. The next page shows the last 5 years payments including principal and interest. Pg./slide #20 is a graph of the tax levy from 2003 through 2008 showing the debt service portion very consistent, the capital project portion which varies a lot depending on where money is needed, with the most of the tax levy going to general fund.

At this point, it was agreed to go to the Park Board portion on the agenda and then come back to the budget overview.

Following the Park Board budget portion of the meeting, the Board returned to pg./slide #21. Gracz noted this lists the 2008 issues and decisions the Board will need to make pertaining to the adoption of a 10-year capital improvement plan and adequate funding of equipment and street improvements account. Hoeft mentioned at the last meeting the concern about being able to borrow for the downtown intersection depending on what happens with the State budget—how do we fund that. Staff is starting to work up some contingency plans to proceed with that. Ehlers & Associates will be working with the Village on adopting a 5-year financial plan which ties into the 10-year capital improvement plan and addressing the potential expenditure and revenue gaps. The Board will need to identify and discuss acceptable service levels during the planning sessions that President Staton has talked about. The Board needs to start talking about what the residents' expectations are for police and fire response, for snow plowing, street improvements and so forth. Gracz noted the Village is one of the few communities that had new growth over 5%. This needs to be discussed at one of the planning sessions—i.e., what are the expectations of the residents. The question to the Board is how long can we continue to provide these services particularly with a property tax cap situation. Pg./slide #22 identifies the 2009 budget concerns and Gracz stated if the Village is limited to 3-4% in net new construction in 2009 the levy would go up by \$115,000 for 3% or \$154,000 for 4%. It is indicated on pg./slide #23 in 2009, the Village will need approximately \$100,000 to cover basic salary and benefit increases. Consequently, if the levy is somewhat flat and the net construction does not go up, the increase in tax levy will be less than in recent years. Gracz noted that although this indicates somewhat of a slump over the next year or so, in 2010 and 2011 when some of the projects being built over the next few years hits the tax roll this will change. One of the things that will be talked about in the budget process will be the additional staff that is being proposed. When Bollig asked if that is the bulk of the \$100,000 referred to, Hoeft noted it does not include those positions—that is just for the current staff. There was discussion. It was noted that personnel and benefits accounts for \$3.3M—65% of the general fund expenditures (pg./slide #15). Gracz stated before the property tax cap was put on by the State, the Village had its own property tax cap for two years. One of the things done at that time was a freeze on operating expenses. If there is a deficit in a budget, how it is generally covered is through personnel by holding positions vacant. The Village was able to cover budget deficits a couple of years ago by holding three positions open. There was continued discussion. It was noted that financially the Village is in good shape, fund balance is in good shape, the budget is balanced—we just need to be aware of the concerns for the next couple of years. Discussion continued. Bollig questioned whether staff is comfortable adding the proposed positions at this time noting that as they review the budget, the questions whether this is the time to be adding positions would be answered. Discussion continued regarding these positions and the need for these positions. Gracz noted that one of the projects the Village is going to have to start working on is the civic campus layout. There is \$30,000 of fees in TIF #3 to start laying out that plan—if we're going to spend fees like that it makes sense to have a planner on staff. Discussion continued.

Poole asked, based on the concerns for 2009 budget, should the Board look to increasing the levy rather than keeping it at the same level—perhaps increasing it by 1%--to help make up for 2009. Hoeft stated it is anticipated that when the State budget is passed there will be a levy cap equal to net new construction which means we are not able to increase the tax levy. Discussion continued. This will be the 6th year in a row there has been virtually no tax rate increase and it was agreed that the Village cannot continue to go on without some increase. Gracz stated there will probably be a State cap for a long time. Discussion continued. Gracz stated this is basically a 2-year budget and throughout 2008 there will be talk about the capital improvement plan, we'll be doing the 5-year financial plan with Ehlers & Associates and the budget will be discussed during the planning sessions—then in July when we have 6 months of numbers, we will review the numbers with the Board and start talking about 2009. Discussion continued. Bollig asked for an explanation on what closing a TIF means to a community. Gracz stated the TIF district

collects all the taxes and when the TIF closes the taxes get distributed to all the taxing entities plus the value of the property can be increased. There was discussion.

At this time Hoeft was asked to go through the Revenue & Summary Sheet Section of the budget pages. Hoeft stated she will give a brief summary—if Board members want more detail they can ask questions as we go along. Pg. 1 is list of tax levy dollars and how much is going into each fund. The majority of it goes to general fund (\$2.8M) and \$706,000 to debt service to pay principal and interest payments, \$145,000 into street improvements (road projects) and street equipment \$50,000, office equipment & Police equipment \$40,000 each and CDA \$5,000 for the Lincoln Street Historic Plaque. Pg.2 is a summary of revenue and expenditures by category as defined by Governmental Accounting Standards. Pg.3 shows revenues over expenditures at zero and shows projected fund balance at beginning and end of 2008—just a little over \$2M. \$2M is total fund balance but some of that is designated—reserved for various projects. The undesignated/unreserved fund balance is about 37% and the Village’s policy states it is to remain between 25%-35%. Hoeft noted the financial advisor brought this up in September—if that fund balance is used under a levy cap it is almost impossible to put money back into fund balance. There was some discussion. When asked how fund balance might be used, Hoeft explained it is set aside to help the cash flow issues to carry the Village through those months when there is not a lot of cash coming in and it is also used as contingency. There was discussion. Pgs. 4-7 are the detailed revenue pages for the general fund. Pg.4 is the only page that lists these by line item. Under taxes the largest item is property taxes; omitted taxes is usually not seen and consists of taxes that are generated when an assessor makes an error. In 2005-2006 a number of properties were missed—2 condo buildings on Alpine Circle and 4 apartment complexes on Marsh Court/Swallow Tail and were assessed only a portion of what they should have been. This amounted to \$71,752 in taxes that were payable in 2006/2007 and Hoeft explained in further depth. Hoeft noted that this is being transferred to the stormwater fund to pay for the Ruckert Mielke study. Fees in lieu of taxes are listed next and then interest and penalties on taxes. Intergovernmental revenues are grant monies that come from the State or County. State Shared Revenue and Highway Aids are the two largest from the State and the largest ones from the County are Library and the Senior Center. Total revenues are \$848,000 with \$600,000 of that coming from the State. Pg.5 is licenses and permits and includes building permit revenue, liquor licenses and operator licenses and totals \$110,000. The 2006 actual was \$196,000 and it was noted this is a dramatic decrease and comes mostly from the decline in building permits. Hoeft noted that in both 2006 and 2007 liquor license revenues included a \$10,000 payment which shows as being refunded under the Village’s Economic Grant later in the budget. Fines and forfeitures is the next category and is generated from the Court. It is anticipated to see that increase in 2008 with the Police Department being fully staffed and with the Court approving the use of credit cards. It is also being considered to hire a collection agency to collect the \$60,000 outstanding in court fines. Pg. 6 is public charges which includes refuse & recycling charges that will be on the utility bill and is budgeted for \$355,000; also included is the cemetery revenue and comes from the sale of cemetery plot or burials; Library and Senior Center revenues are also included. Intergovernmental Charges for Services is what the Village bills other municipalities for services—such as the Senior Center charges to the Town and the School District’s Services for police, the fees that the Village bills the Fire District for providing Administrative services. The Library revenue is going up with the requirement the Library has to bill the other Counties a surcharge—this is a payment coming from 3 different counties and is being charged because their citizens use our library. Miscellaneous Revenue is interest income and rent—the rental of Village Hall, the Senior Center and the Post Office rent. Other financing sources shows general fund transfer in of \$195,000—that is the payment that comes from the water utility to the general fund for payment in lieu of taxes. The continuing appropriations is the \$23,000 that it is proposed be carried over to 2008—so that when the Chamber moves out of the other half of Village Hall, we would like to do some painting, put in new carpet, change out the ceiling tiles and so forth. This would also include enough monies for purchasing office equipment if the Board approves the proposed positions. There was discussion regarding what the Chamber’s plans were. Pgs.9-16 shows the expenditures by category which we will be going through in more detail in the rest of the book. Poole questioned on pg. 7 under miscellaneous revenue that no mention is made of the Youth Center and should it be? Hoeft stated since no cash payment is actually made it does not appear. This came up last year and it was concluded

rather than the Village writing a check for \$6,000 to the Youth Center and then the Youth Center writing the Village a check it was determined to just waive the rent. This will show up in the recreation budget.

Gracz noted they could continue with the overview or to keep on schedule go to the Public Works budget. There was discussion and it was concluded to move forward—item #14. Groenier asked why the bicycle license was done away with? Hoeft stated we do still issue bike license—it is budgeted at \$25 per year. There was a brief discussion.

PARK BOARD BUDGET SECTION

11. **JOINT MEETING WITH PARK BOARD: CALL PARK BOARD TO ORDER.** Chair Jon Blanchard called the meeting to order at 6:30 p.m. and called the roll. Present: Jon Blanchard, Jennifer Skibba, Chad Winklepeck, Jon Lourigan, Ron Novinska and Dan Olson, with Dan Schmidt arriving later. Absent: Ron Novinska and Brett Subach.
12. **DISCUSSION AND POSSIBLE ACTION RE PARK BOARD BUDGET.** 2008 General Fund Parks (pgs. 1 & 2) Hoeft noted that regarding salaries it was found there were too many employees budgeted for and that is the difference in the amount. It was noted the 2008 budget is lower than the 2007 which is not usual but each item was reviewed line by line and it was determined that some items were increased too much. One such item is the gas/oil line item—it is not expected to be as high as \$9,680 so has been reduced to \$8,000. Gas/oil was routinely being increased by 10% and it is found to be too high at this time—at \$6,200. There was discussion. Pgs. 1 & 2 dollars come from tax dollars. Pgs. 3-6 come from designated park funds. (Dan Schmidt arrived at approximately 6:40 p.m.)

Park Fund. (pgs. 3 & 4) Discussion of installing path between Bergamont and Alpine Meadows. There was a question about the \$30,000 being transferred out and it was noted that is to help pay for the Westside Community Park path. It is being transferred out of Park Fund into Keller Alpine Meadows Park Fund. Only one bid was received and was higher than what was anticipated so additional monies have been added to that fund in order to get the path installed in 2008. The plan is to go out to bid in the Spring of 2008 and hopefully get better bids on it. Regarding the \$5,000 budgeted for the outdoor recreation plan, that is just an estimate of the cost. Operating supplies include park signs, trees, wood chips, hand tools and the crack fill at the tennis courts. Park equipment is budgeted at \$17,500. Blanchard noted he has talked to Gerber Leisure Services and that should be the correct amount. Blanchard noted that they did not spend any money on signs this year and would like to carry that over to next year. As part of the bid to put the path in the Westside, a path will go in between the Alpine Meadows Park and Bergamont Park so when we go out for bid in the Spring that will be included and that will be added to the budget. There was discussion on the revenues for use of the lights.

Keller Alpine Meadows Park. (pgs. 5 & 6) This is where construction of the paths appears. The bid document is done—will just have to change the dates and submit it.

When asked if the Park Board was satisfied with the budget, Blanchard stated yes they are. When asked if the Park Board is looking to add playground equipment in any other parks, there was discussion about the Oregon Parks Neighborhood park. It was noted that it is possible to move park equipment if that is necessary. There was further discussion.

Schmidt moved to approve all three park fund budgets as presented. Second by Winklepeck. It was noted this approval is with the changes that were discussed. **Motion carried.**

Way moved, second by Lourigan, to approve the park budgets with the changes discussed. Motion carried 6-0.

13. **ADJOURN PARK BOARD.** At 6:45, the Park Board meeting was adjourned on motion by Olson, second by Skibba. Motion carried.
14. The Village Board will review the following budgets until adjournment at approximately 8:30 p.m. It has been noted following each agenda item if a significant change has occurred or if only salaries/fuel have been adjusted without any other significant change.

Staton noted the Board will be reviewing the Public Works budget and referred to item #42 noting that the Board has a couple of options on how to proceed. It can either approve each budget one at a time or as a group following the discussion with any changes that may have been made. It was agreed to approve the budget items as a group. Staton noted that this is one of three budget workshops that will be conducted prior to the public hearing so that when the hearing is held in November the Board has agreed on the budget. If anyone has questions in the meantime they were encouraged to contact staff for explanations.

PUBLIC WORKS BUDGET SECTION

15. **Public Works & Admin.** (pgs 2 & 3) Salaries, gas/oil, tires, supplies and insurance adjusted. Below stated the budget is presented in this format and if anyone has questions he will answer them. Gracz noted that the process was started last year of trying to summarize after each item and if there was no change which helped move things along. It was noted that this has been done by identifying what the adjustments were for such as salaries, gas & oil, tires, etc. and if there was no change it is identified. Bollig questioned snow & ice control went up considerably between 2006 and 2008, is that due to increased costs of salt. It is the cost of salt, labor, depends on the number of snow falls, fuel costs and so forth. There was some discussion regarding purchasing salt. It was noted that the Village went from about 34 miles of road to over 40 miles of road. There was further discussion. Poole asked if the Department's existing radios will be able to communicate with the Police after they get their new radios? Below said they would be able to communicate between the two departments.
16. **Engineering.** (pg. 4) No change. No discussion.
17. **PW Machine Repair.** (pg 5) Salaries and supplies adjusted. When asked why the benefits' expense went up, Below stated that through the Union contract negotiations we got a position that is tagged mechanic/public works employee and the salary for that position was put in this category. In other words it was an allocation that wasn't there before. Hoeft stated 2006 was the first year and they keep tweaking the % trying to find what it actually should be—should have that worked out by 2008. Gracz noted this was one of the operating supply budgets that the gas and oil was reviewed and it was reduced for 2008.
18. **PW Garage.** (pg 6) Salaries, insurance and water and sewer adjusted; electricity and gas reduced. Again the salaries is a change in the allocation. Gracz stated they are still trying to get a good number for electricity and gas. There was a brief discussion. Lourigan noted there were telephone charges listed on pg. 2 and on pg. 6—is there a difference? Below stated they are broke down into public works general (the office area) and then the phones in the maintenance part of the building.
19. **Snow & Ice Control.** (pgs 7 & 8) Salaries, gas/oil, repairs and insurance adjusted and salt and sand purchase. It was noted salt and sand were both increased. Repair & maintenance also increased due for the most part on the vehicles getting older and needing more maintenance. Discussion regarding the tire cost being reduced and it was noted that was broke down into different categories. Hoeft noted that the State report that is done every year requires a lot of these types of things being broke down and it is being done in the budget process now so it is out there already when the State report has to be prepared.
20. **Traffic Signs.** (pg 9) Budget for four lights rather than three. The fourth light is the one in the downtown. There was some discussion.

21. Street Lighting. (pg 10) Increased due to additional lights.
22. Storm Sewer & Greenways. (pg 11) Salaries, insurance, repairs and fuel adjusted. Bollig asked why the increase from \$6,000 to \$10,000 for repairs and maintenance? Below said because we are spending more money repairing existing storm sewer, basins, inlets and that sort of thing. The infrastructure has starting to age and deteriorate and we need to keep up with that.
23. Sanitation. (pg 12) Discussion of waste/recycling program and levy impact. This is based on the new contract with Pellitteri. Attention was drawn to the footnote regarding the increase in tipping fees in the approximate amount of \$8,000. There was some discussion. It was agreed that the cost of the new system to the individual residents will be the \$9.88 monthly fee as stated earlier. Any increase in tipping charges will be paid for by the Village and the Trustees agreed. There was further discussion.
24. Tree, Brush & Recycling. (pgs 13 & 14) Salaries, tires, insurance and fuel adjusted. Bollig noted this is going up 30% because of the increase in the number of residences.
25. Weed & Nuisance Control. (pg 15) No change. Gracz stated there was discussion regarding increasing the mowing fee to charge residents when the Village has to cut their grass and that will be coming to the Board when the fee resolution is reviewed. There was discussion. It was noted the fee has to be an amount that justifies the cost to the Village of cutting. The biggest problem is the vacant lots—no one wants to cut them because debris and stuff is thrown on the lots and that can ruin equipment. There was further discussion.
26. Inspections. (pgs 16 & 17) Removed part-time inspector position and related costs. It was noted the Village never filled the part-time inspector position. There was a brief discussion.
27. Cemetery. (pg 18) Salaries and fuel adjusted.
28. Recreation Program. (pg 19) Youth Center Payment. Hoeft stated the Youth Center Director is willing to come to the October 30th budget meeting if the Board feels it necessary. There was discussion and it was determined since there is no increase to their budget there is no need for them to appear. Poole asked why the Youth Center is on the recreation budget page. Hoeft stated Youth Center is included in line item 290 and that is budgeted at \$20,000, which includes the \$9,000 payment to the Youth Center and an \$11,000 payment to the School District to handle the recreation programs. There was discussion regarding the School District handling the summer recreation programs and the benefit that is to the Village. It was concluded that it is not necessary for the Youth Center to appear. Poole questioned line item #240 skating rink repair and maintenance and there was discussion regarding whether or not the skating rink was beneficial—it all depends on the weather, and Below said the soil conditions are not prime for building a skating rink out there. There has been some discussion in the past about using a liner but the Park Board hasn't wanted to do that. With the hockey rink possibly coming into the Village, it is felt not to spent too much money on the rink this year. There was further discussion.
29. CDA. (pgs 20 & 21) Second year of historic preservation activities budgeted for Lincoln Street District. This is the façade program. We have to check and see how long we can keep that money and if possible we will want to carry over any façade grant monies.
30. Preserve the Water Tower Fund. (pg 22) No change.
31. Herman Cemetery Trust. (pg 23) No change. Groenier asked what this fund is and Below noted that the Herman family has set up this trust account through the Village so that there would be a guarantee of having flowers on the grave throughout the summer and also a wreath during the holidays. Staton asked

for an explanation of perpetual care. Below stated the entire cemetery has perpetual care and that comes from a portion of the monies that is paid for the graves. There was discussion.

32. Developers Storm Water. (pg 24) No change. This is similar to park fees that the developers pay but is stormwater fees and goes into this account to help pay for stormwater costs. Depending on what comes back from the study being done by Ruekert Mielke we may use these monies to cover the cost of some of their recommendations.
33. Street Equipment. (pgs 25 & 26) Review of equipment purchases. Below referred to the memo he provided and stated he would like to see a capital improvement fund for the purchase of equipment. The problem is that the fleet is aging and the costs for replacement ranges from \$100,000 to \$300,000. The difference between the Department Head's proposed and Admin's proposed budgets was noted and there was considerable discussion including the need to implement a capital improvement fund, the fact that borrowing money to replace equipment is not good business, whether to consider leasing equipment, sharing equipment has been discussed previously and usually doesn't work because both communities need the use of the equipment at the same times, increase in number of miles of road in the Village—i.e., 40 miles (one way), what equipment requested would have the highest priority and so forth. Below stated he would like to be able to replace the 1991 snow plow truck. It was noted the largest proposed cost is the sewer jetter/vac truck for a total of approximately \$310,000. There was further discussion including if the Board wanted to approve the truck replacement where would the funds come from, not wanting to drain street improvement and street equipment funds for that purpose, the increase to gas and oil and repair and maintenance, it was noted the older a truck is the more repairs and maintenance are required, will continue to look at this in conjunction with the capital plan. The question of what does a 10 year capital plan include, Hoeft stated it is for projects that are anticipated over the 10 year period, road improvements, it would include projects like Braun Road, the TIF projects, adding onto the Library and that type of thing. Discussion continued. Hoeft stated the 10-year capital plan will need to be done before Mike Harrigan (Ehlers & Associates) works on the 5-year financial plan. Both of these items will be part of the budget process next year. There was discussion on how it would be handled if the truck dies including it taking 8 hrs. to plow the Village with 4 trucks, it would take 10-12 hrs. with 3 trucks, possibly leasing a truck from the County—that has been done before. Gracz stated that not raising taxes and staying within the cap requires that we pick our priorities and it was felt the priorities are public safety and protection. It was noted that it will be difficult to fund the capital improvement plan and discussion continued. [Bollig left at approximately 8:30 p.m.] It was noted the Board did not have to make a decision on this item tonight. It could be left out of the motion and brought to the October 30th meeting for further discussion. Discussion continued.
34. Street Improvements. (pgs 27 & 28) Review of Street Projects. It was noted that these costs will be part of the capital improvement fund. Gracz stated in 2009 the Village could be faced with not being able to borrow for the TIF and would have to use some of Fund 405 for downtown street work. There was discussion. It was noted that it hinges on the State budget—there are a number of unknowns.
35. Cemetery Land Purchase. (pg 29) No change. These monies were set aside for the possible purchase of more land for the cemetery. It was noted if the Village does decide to purchase more land it would borrow monies for it. There was some discussion.
36. Badfish Creek. (pg 30) No change. It was noted it will depend on the Ruekert Mielke study and its recommendations. We may need to come up with some monies for stormwater projects.
37. Stormwater Control Fund. (pg 31) Continuation of Ruekert Mielke's study in 2008. This is the fund that will be used to pay for the Ruekert Mielke study. It was noted the salary is overtime hours spent for the flooding and repairing the berm. There was discussion. It was noted the Village was not eligible to receive public funds for the flooding.

38. Joint Business Park. (pg 32) No change.
39. Southeast Business Park. (pg 33) Initial TIF#4 preparation and preparing Eastside Master Plan. Gracz stated the Board has implemented a moratorium on annexations. Discussion needs to be started on preparing the next TIF district and monies have been set aside for that. There was discussion.
40. Railroad Bridge. (pg 34) Shows insurance payment for replacing bridge. Gracz noted Fitchburg and Oregon are asking for a June 2009 complete date.
41. Cemetery Perpetual Care. (pg 35) No change. This fund is set up to cover a State Statute governing a municipalities requirement to establish a fund or reserve account should the Village ever decide not to care for the cemetery any longer. A portion of the cost of the lot is put in this fund. There was discussion.
42. Possible Consideration of Agenda Items #15 through #41. **Poole moved, second by Way, to approve budget items #14 through #41.** Staton stated as to item #33, the street equipment, the Board will continue working toward a capital plan. Lourigan stated he is more inclined to look into the street equipment further and asked Below what other pieces of equipment he would like. Below stated he has been working with Gracz and Hoeft and he agreed with their logic. Some of the smaller items Below would like are the barn fan, the hand held radios, and the mats to drive equipment over. Poole asked about replacement of the mower for \$69,000. Below stated there are two mowers that were cut from the budget—the 16' cut one for \$69,000 and then the last item listed—1 mower for \$20,000 and he would like one or the other of the two. There was discussion. Below stated he could get by and will work through it. He stated he would just like to be pro-active. Everyone was in agreement with committing to establishing a sinking fund. There was further discussion regarding whether to pull the street equipment from the motion. It was noted that the Board can choose to review any of the items at anytime throughout the budget process. Way stated he would be comfortable approving it as long as they could come back and review it.

Discussion then turned to pg. 33, the Southeast Business Park Fund. Lourigan questioned with all that was going on downtown should the Board be looking at starting another TIF and there was discussion.

Staton restated the motion and called for a vote to approve budget items #14 through #41. **Motion carried 5-0.**

43. **ADJOURNMENT**. The meeting was adjourned at 8:52 p.m. on motion by Poole, second by Lourigan. Motion carried 5-0.

Submitted by
Georgia Johnson,
Village Clerk