

1. **CALL TO ORDER.** The special meeting of the Village Board was called to order by President Staton at 5:31 p.m. on Tuesday, October 30, 2007.
2. **ROLLCALL.** Present: Jerry Bollig, Darlene Groenier, Eric Poole, Steve Staton and Randy Way. Absent: Phil Harms, Jon Lourigan. Also present: Village Administrator Mike Gracz, Finance Director Renee Hoeft and Clerk Georgia Johnson, with Senior Center Director Alison Koelsch, Library Director Vicki Cothroll available for that particular portion of the budget meeting.

It was agreed to take certain items out of order to accommodate members of the audience. For ease in reading, items appear in the same order as listed on the agenda.

It was noted that President Staton will be leaving the meeting for a short time and there may be concern with having a quorum present in that Trustee Way will be abstaining from voting on certain portions of the budget.

3. **APPROVAL OF VOUCHERS.** Poole moved, second by Bollig, to approve payment of vouchers for the Water and Sewer Utility Funds in the amount of \$4,502.05 per the list dated October 30, 2007. Roll call vote: Bollig – yes; Way – yes; Staton – yes; Groenier – yes; Poole - yes. Motion carried 5-0.

Poole moved, second by Groenier, to approve the payment of vouchers for the General Operating Fund in the amount of \$75,187.73 per the list dated October 30, 2007. Roll call vote: Bollig – yes; Way – yes; Staton – yes; Groenier – yes; Poole - yes. Motion carried 5-0.

4. **DISCUSSION AND POSSIBLE ACTION RE: REQUEST FOR AN EXTENSION OF COMPLETION FOR THE WWTP LAB BUILDING.** Below stated the contractor is requesting an extension of 2 weeks. This was discussed at the Public Works Committee meeting on October 22nd and it is recommended the extension be approved. **Poole moved to approve the contractor's request for an extension of completion until November 9, 2007. Second by Bollig. Motion carried 5-0.**

5. **DISCUSSION AND POSSIBLE ACTION RE: POLICE DEPARTMENT PURCHASE OF VARDA ALARM SYSTEM (\$5,000) IN 2007.** Pettit noted this was discussed at the last meeting when the request was made to purchase a portable alarm system which could be used as a preventative for various crimes. In light of all the business burglaries that have occurred recently this system could be used in different ways. The current system has broken down and is too antiquated to be repaired. Pettit requested approval of the purchase of the Varda alarm system using monies from the 2007 police budget. There was discussion. **Way moved to authorize the expenditure of \$5,000 from the 2007 police fund to purchase the Varda alarm system. Second by Poole.** Bollig asked if other communities have this system and Pettit stated yes, it is preferred over other systems and utilizes wireless technology. This would not preclude local businesses from having their own system. There was discussion. **Motion carried 5-0.**

6. **2008 Budget Overview.** Hoeft noted there will be an increase in the recycling grant (about \$10,000). There will be an increase in highway aids. There will also be an increase in the tipping fees—it is thought to be about \$2/ton. Approximately \$8,000 is included in the budget—that will be paid through levy or recycling grants. The debt was taken out of the levy limit so the Village can borrow for the downtown intersection next year. State shared revenues were not changed. The amount the levy can be increased is 3.8% or the net new construction. The Village's net new construction is 6.445% so that is what the levy is going up—that is staff's recommendation which would still generate a decrease in the tax bill to a residential unit. Hoeft explained that is due to the total assessment going up more than the net new construction. We are still waiting for the levies from the other entities. There was some discussion regarding the tipping fees and how that was figured, the expense cap increase, staying within the allowable percentage, the increase is covered by the new growth and so forth.

a) Impact of 2007-2009 State Budget. Included in previous discussion.

7. Library. Adjusted for salaries and increased staffing hours. Reference was made to the email including information on Sunday hours at the Library. Library Director Cothroll highlighted some substantial increases in the budget and went over some of the other libraries in the area that are open on Sunday. Stoughton is a good comparable to Oregon although it is larger, DeForest gets more money from the County because it is heavily used, Oregon's use has not increased so will lose some of the market share. Cothroll noted there is increased circulation at the Library, more supplies are needed, the Youth Library use has increased (i.e. with story time) and the Sunday hours are included in the budget. There was discussion including the Library Board supports Sunday hours, will be monitoring Sunday usage and reporting back to the Board, Sunday hours would be 1:00 p.m. to 5:00 p.m. during the school year, whether there is still concern with losing County funds due to lack of purchasing new books, have been able to use donations to fill the book cost and so forth.

Staton left at 6:15 p.m. and Vice President Bollig took over chairing the meeting.

Library Building. Salaries and utilities adjusted.

Library Special Fund. Equipment purchases and use of impact fees. It was noted in 2011 the Board will need to start using the impact fees.

Wackman Trust Fund. No change. This fund is used for literary materials. The Library Board has determined these funds can be used for the purchase of books on tape—that falls under the category of literary materials.

8. Consideration of Library Budgets. **Way moved to approve the Library budgets. Second by Groenier. Motion carried 4-0.**

9. Senior Center. Adjusted for salaries and some specific operating lines. Sr. Center Director Koelsch noted the Village of Brooklyn is facing a deficit in their budget this year and will not be contributing. Koelsch and President Staton plan to appear at the Village of Brooklyn's Town Board meeting tonight regarding this matter. It was noted that Brooklyn pays the least of the communities. Hoeft referred to the contribution summary sheet from 2002 noting that expenses have gone up \$100,000 of which \$40,000 comes from contributions from the other communities and \$60,000 from the Village. Contributions are based on general population under the contract. Staton noted he will leave and go to Brooklyn's Town meeting with Koelsch to discuss the matter. There was discussion including the fact that the Assistant Director retired and the possibility of changing that position to 40/hr. week. Hoeft referred to the allocation worksheet indicating that the proposed increase of \$17,190 would come from the contributions from other municipalities. There was discussion.

Senior Center Building. Adjusted for salaries, utilities and repairs.

Matson Fund. No change.

10. Consideration of Senior Center Budget. **Bollig moved, second by Poole, to approve the Sr. Center budget. Motion carried 5-0.**

11. TIF #2 Budget. Gracz referred to the cover sheet (pink sheets) noting it includes the extension of Braun Road and construction of a regional pond system for the business park. Bollig asked for an overview of TIF districts. Gracz stated the Village has 2 TIF's—the Alpine Business Park is TIF#2 and the Downtown TIF #3. The increment helps pay for debt incurred in the TIF. It is rather complicated but simply when taxes are paid (by Oregon residents as well as from the other taxing

entities) these monies go into TIF funds (except for the State's portion). When creating TIF districts the other taxing entities have to approve of the creation. Gracz noted Mike Harrigan has a lot of experience with TIF's. Any increment above the base is then available after the TIF is dissolved. The TIF #2 (the Alpine Business Park) balance is \$11,789,000 and that is the value that has accumulated since its inception in September of 2003. TIF #3 (Downtown) has a balance of \$2,335,000—it was created in August 2005. These two properties that were tax exempt are now taxable. The TIF pays for projects within that district. It is proposed that preliminary work be done for the extension of Braun Road in 2008 with actual road construction to take place in 2009—that will have to be approved. With concerns regarding stormwater it is proposed that in the business park the Village construct a regional pond system. This would address concerns of potential businesses of the park being required to purchase additional property for stormwater detention as well as giving the Village more control of the stormwater. It is felt that long term a regional pond would benefit the Village. There was discussion including the fact that the stringent stormwater regulations in the Village may be a deterrent to new businesses coming into the Village, what the extension of Braun Road would cover, the cost of a regional pond system (total of \$575,000), how much runoff there is from the north and west that would flow to the pond, whether the Village should bear the cost rather than the developer and including this in Ruckert Mielke's stormwater study. Hoeft stated based on the School District's tax levy the 2008 Admin tax levy increment will need to increase from \$200,000 to \$218,500. There was discussion. Bollig noted a fund balance of \$730,000 and asked what that will be used for. There was discussion.

12. Consideration of TIF #2 Budget. **Poole moved, second by Groenier, to approve the TIF #2 budget. Motion carried 4-0.**
13. TIF #3 Budget and Consideration of Amending MSA's Contract for Brownfield Work and Developing Estimates for the Hitching Park and Spring Street Projects for Bonding Purposes. This is the downtown TIF area and includes the budget for the 2008 downtown improvements. The project is estimated to cost approximately \$1.5M with a contingency of 10%. Reference was made to the language taken from the TE grant that notes what is included and a specific dollar amount. This grant will allow for the purchase of historic period lighting. In 2009 it is proposed to use any remaining funds to finance the streetscape and lighting for the hitching park, Spring Street and from Jefferson Street to the railroad bridge. It was noted the hitching park would be used as the detour route. The railroad bridge needs to be done before other areas. There was discussion regarding the status of the bridge and it was noted the insurance company has extended the deadline to June of 2009. This will be on the November 5th Board agenda for discussion. Discussion continued. When Poole asked about moving the sewer south of Maria's, Below stated the plan is to do that now as part of the project. There was discussion. It was noted MSA is working with the State to comply with TE grant requirements to ensure the specific steps are followed, \$200,000 is for bridge construction, it is possible they could find contaminated soils so money is included in the budget, and amending the contract with MSA to include filling out an application to the State regarding the bridge. Discussion continued.
14. Consideration of TIF #3 Budget and Amendment to MSA's Contract. **Poole moved to approve the 2008 TIF#3 budget. Second by Way.** It was noted the amendment to MSA's Contract will be approved at another meeting. **Motion carried 4-0.**
15. Review of Water and Sewer Utility Budgets. (The blue sheets are water utility, the yellow are sewer.) Hoeft stated the sewer utility shows an estimated amount for the increase in rates next year. There are no significant changes, there are some standard changes—for example power for pumping. The water utility the projected 2007 revenues are higher than what is budgeted for in 2008 and the reason for that is because of the lack of moisture over the summer and the amount of watering being done by residents—that is not included in the 2008 budget. There was discussion regarding changing out all the transponders noting it is being done in phases. This comes as a result of Badger Meter discontinuing transponder batteries and eventually they will not be available. There are approximately 3300 responders to be changed—replacing about 80 per month. There was discussion. Regarding the sewer

budget revenues, Hoelt noted reflects the increase in the sewer rate. She pointed out that line #5 under expenditures—interest on debt to muni is done considerably from prior numbers (\$16,000 for next year) and that is because the Village made a large pre-payment on the \$1.2M loan for the sewer interceptor—when we got the payments from the developers that was prepaid to bring that balance down and that helped reduce the interest expense. There are no major changes in the line items. There was some discussion. Hoelt went over the effect of the sewer rate increases. There was discussion regarding why Oakhill has dropped including the fact that the usage has dropped off but otherwise it is not known. Below stated there is an air hammer unit that needs to be replaced for approximately \$10,000 and that will come back to the Board and would come out of the 2007 building account. Discussion continued.

16. Consideration of Water and Sewer Utility Budgets. **Poole moved to approve the water and sewer budgets. Groenier seconded. Motion carried 4-0.**

17. General Debt Service. (Debt Service Section pgs 1-4). Reduces use of Impact fees. Hoelt stated in governmental accounting the debt payments are recorded in a general debt service and this shows all principal and interest payments except for TIF. The Village took out a loan for the Fire/EMS District in 2001 to build the new building. The payment for the Village's share of that debt is \$89,000. Under revenues it shows \$706,000 received from tax levy, special assessments and impact fees total about \$50,000. The payment from the Fire District is \$154,000. The Fire District bills all the municipalities for the debt payment and then they pay the Village the day before the debt payment is due. About \$20,000 is estimated in interest income. This budget tax levy is increasing about \$10,000 over next year. The debt payment will start to drop off in 2014. Hoelt referred to the summary sheets of what has been received to date from impact fees and went over how it was calculated how much to budget. Impact fees for the Fire, Public Works and Police can be used for the percentage of excess capacity built into each of those buildings. When the Public Works and Police buildings were built they were built with excess capacity of 39%; the Fire District was built with excess capacity of 19%. That means that the Village has that amount of capacity available before it would have to add on due to growth. By going out 20 years for the public works and policy buildings the debt will be paid off before the Village had to borrow for that again. Hoelt went into detail and noted the total principal paid on the debts, the amounts taken from the impact fees and the calculation of what is to be reimbursed from the impact fees yet for those payments and noted the need not to drain the accounts.

18. Consideration of Debt Service Budget. There was some discussion at this time regarding Way abstaining from the vote on this item and it was agreed to consider this budget later in the meeting after President Staton returns. [That vote is recorded between items #44 and #45 below.]

Administrative Section

19. Administration Overview. (pg. 1) Gracz stated it is indicated where there are major changes, pg. 6 is a summary, #43 suggests adopting item numbers 20 through 42 at one time rather than individually.

20. Village Board. (pg 7) Adjusted League's dues. Gracz noted the only adjustment includes framing for Board President's photos.

21. Legal. (pgs 8-12) Adjusted for fees. It was noted with the flooding legal fees are over budget by \$25,000. There was discussion.

22. Administrator. (pg 13) Eliminated part-time position from budget for Administrative Services for Fire/EMS District. The biggest change is the elimination of the part-time position—it is being considered to do that internally. When asked about the lap tops, Gracz stated they have been approved and purchased but there are some things that need to be done before they can be put into use. The

email policy is being reviewed at the Personnel Committee meeting on November 5th. There was discussion.

23. Clerk. (pgs 14 & 15) See Johnson's memo regarding goals and elections (pgs 1-5). Reference was made to the Clerk's memo. There was discussion regarding the 2008 elections. The Clerk will also act as the Census 2010 point person, is handling the Safety Committee matters and works with the assessor regarding the revaluation. There was some discussion regarding the recruitment process and how that is going. Trustee Groenier volunteered to act as a pollworker.
24. Personnel Director. (pg 16) Proposed re-classifying Deputy Clerk position to Personnel Director at 30 hours per week. Gracz stated it is proposed to re-classify the deputy clerk position to a personnel director position at the 30 hours a week the former position was and would fit into the budget. All department heads are supporting the hiring of a personnel director. There was discussion. It was noted this position is listed under item #44(d) as being referred to Committee for discussion and approval. All the proposed positions will need to go through the usual procedure.
25. Elections. (pgs 17 & 18) Budgeting for three polling places and four elections including a presidential. There was some discussion including the need for pollworkers, and the possible use of Village employees as pollworkers in 2008, etc.
26. Computers. (pg 19) Minor adjustment for equipment.
27. Accounting (pg 20 & 21) Reclassify accounting wages; adjustments to operating and for five year financial plan funding. Includes the cost of Ehlers & Associates 5-year financial plan which ties in with the capital improvement plan. This is scheduled for January and February 2008.
28. Assessor. (pgs 22) Re-evaluation. There was discussion regarding the cost of the revaluation and the cost of \$42,500. Bollig asked if that would be the annual rate from hereon. Hoeft stated it would be that plus an increase every year because we are going to the full value and there was discussion. It was noted Accurate Appraisal will try to get 50% of the revaluations done prior to the notices going out in the Spring of 2008. It was noted the 2007 projected budget included \$17,000 for the normal contract plus an extra \$25,000—that is because they are trying to get through as many homes as they can this fall (for up to \$25,000) and then will do another \$42,500 next Spring that will be another 25% of the homes. Normal maintenance includes the assessor going through any house that had a building permit pulled on it or any property that was sold in the last year. In addition they will be auditing about ¼ of the personal property taxes. There was discussion.
29. Village Hall/Post Office. (pgs 23 & 24) Possible approval of replacement of lights at post office in 2007 and budgeting for Village Administrative Offices moving into former Chamber offices. It was noted the lights are the original lights (from 1983) and they are outdated and inefficient. Replacing them would cost approximately \$5,789. There is about \$4,430 in a fund balance for the post office that could be used. There was discussion including what the plan is for the Chamber offices when the Chamber moves out in December and it was noted the election equipment will be moved from the basement upstairs into one of the areas and possibly some administration offices will move over there.
30. Soda Machine. (pg 25) Small adjustment. This is the soda machine located in the Village Hall.
31. Other General Government. (pg 26) Continue to budget for Safety Program, Section 125 Plan/COBRA, Employee Assistance Program and Adjusted for Strategic Plan. It was noted \$5,000 is for the focus group and the long and short term planning. President Staton wants this started. There was discussion. It was noted except for the strategic plan the other programs would be handled by the personnel director position. There was some discussion regarding the weights and measures program and the policy the Board adopted to charge those fees back to the businesses.

32. Illegal Taxes. (pg 27) No Change.
33. Insurance. (pg 28) These amounts were recently received so have not been completely included in the figures. Hoeft stated the total budget amount will be the same but funds are moved around between the different departments and so forth. Would need authorization to make those changes at the time.
34. Consulting Planner. (pg 29) Vandewalle's services and proposed Staff Planner. Gracz asked if the Trustees had the Village Planner sheet from last week's packet—it was item #28 and is entitled Village Planner. [Staton returned at 7:20 p.m. and resumed the President position.] Gracz referred to the handout indicating how a planner's time would be divided up for budgeting purposes and to the 2005 memo depicting the advantages to having a staff planner. This position would be filled later in the year and would be referred to the Personnel Committee. It was noted it would be prudent to have the position filled in order to work on the downtown project. There was discussion including staff is currently handling each issue as it comes up, budget includes Vandewalle's services for the rest of the year, monies are included in the budget for zoning code changes, etc.
35. Comprehensive Plan. (pg 30) Shows 2007 expenditure.
36. Zoning Planner. (pg 31) Shows 2007 expenditure.
37. Economic Grant. (pg 32) Shows 2007 expenditure for liquor license grants. There was discussion.
38. General Fund Transfer to Other Funds. (pg 33) Shows transfers to pay for stormwater study by Ruckert Mielke. As shown on the agenda this shows the transfer to pay for the stormwater study by Ruckert Mielke. In addition we will be asking Ruckert Mielke of the money that is being spent on the comprehensive study how much of that would the Village have to spend anyway to properly size the culvert replacement. It would be helpful in explaining the cost of the study and the fact that some of that is money would have to be spent anyway. There was discussion.
39. Office Equipment Replacement Fund. (pg 34) Budgeting for phone consultant and new voice mail system, plotter and election equipment. It was noted this was discussed previously and concerns with not being able to get support for the voice mail as well as the election equipment.
40. Fire District Special Revenue. (pg 35) Budgeting for new garage doors or other options to improve heating insulation at Youth Center. It was noted either new garage doors will be installed at the Youth Center or something to improve the heating insulating—it is not known for sure what exactly yet.
41. Downtown Oregon Fund. (pg. 36) No Change.
42. Cable. (pgs 1-3) Adjusted per Cable Committee's recommendation. It was noted this is regarding the franchise fee error that was made with fees being paid to the Town of Oregon for almost three years and is being worked on.

At this time the Board voted on item #18 above Debt Service Fund. **Bollig moved, second by Poole, to approve the Debt Service Fund budget. Motion carried 4-0-1 with Way abstaining.**

43. Possible Consideration of Agenda Items #20 through #42 plus approval of replacing lights at Post Office in 2007. This is to approve agenda items #20 through #42 plus approval of replacing lights at the Post Office in 2007 and to allow staff to make any insurance adjustment in the preliminary budget for publication. **Way moved, second by Poole, to approve items #20 through #42, plus replacing the lights at the Post Office and allow staff to make any insurance adjustments in the preliminary budget for publication. Motion carried 5-0.**

[Staton returned @ 7:12 p.m.] Staton reported on the meeting at the Town of Brooklyn stating that the Board strongly supports the Sr. Center but did not vote on the matter at the meeting tonight. Staton advised he and Sr. Center Director Koelsch presented the Village information and answered the Board's questions regarding how the numbers are arrived at.

44. Review/Consideration of Budgets Previously Discussed.

- a) Sanitation Budget—Tipping Fees. It was noted this was talked about previously. The Board is opposed to adding the tipping charge to the monthly billing.
- b) Recycling Grant Revenue. There was nothing new to report.
- c) Youth Center. It was noted that although the City of Fitchburg shows a high usage at the Youth Center they do not contribute nor does the City of Evansville. There was discussion and it was agreed that a friendly letter be sent to both communities asking if they would consider financially supporting the Youth Center and that the letters be sent under the Board President's signature.
- d) Referral of Student Employees, Personnel Director, New Police Officer and Village Staff Planner Positions to Personnel, Public Safety and Protection Committee. Gracz noted that regarding the police officer it is important to note that the officer would be used for traffic enforcement, need to continue talking about the staff planner, work on the new job descriptions and it was noted these positions have not been discussed at the Personnel Committee yet. Bollig asked what the timetable is putting these positions on board. For the personnel director would like to see that as soon as possible; the police officer and planner in July of 2008. There was discussion. Gracz stated the planner position could be called planner/economic development because this is going to be the staff person that works on economic development for the Village. In talking to the new Chamber Director it was noted that this position is foreseen as this person would be the point person for economic development. There was discussion regarding what an economic developer would do—what that person's role would be in creating new development and so forth.
- e) Other Funds. There were no additional questions.

45. Adoption of 2008 Preliminary Budget and Set November 26th at 6:00 p.m. as Public Hearing Date. **Bollig moved, second by Poole, to approve the 2008 preliminary budget and set the public hearing date for November 26th at 6:00 p.m.** Way noted he would be abstaining from voting. **Motion carried 4-0-1 with Way abstaining.**

46. ADJOURNMENT. The meeting was adjourned at 7:32 p.m. on motion by Bollig, second by Way. Motion carried 5-0.

Submitted by
Georgia Johnson,
Village Clerk