

**Special Meeting Oregon Village Board
Monday, November 24, 2008**

1. **CALL TO ORDER:** President Steve Staton called the Special Oregon Village Board meeting to order at 6:00 pm on Monday November 24, 2008.
2. **ROLL CALL:** Present: Randy Way, Phil Harms, Jon Lourigan, Darlene Groenier, Eric Poole, Jerry Bollig, and Steve Staton. Also Present: Village Administrator Mike Gracz, Finance Director Renee Hoeft, Chief of Police Doug Pettit, Village Attorney Matt Dregne, Village Engineer Joe Eberle, and Deputy Clerk/Deputy Treasurer Tracey Hicks
3. **Discussion and Possible Action regarding DNR Grants for 350 and 380 Florida Avenue:** Gracz stated in the packet there is an e-mail from Jeff Soellner from the DNR, indicating the DNR has completed the review of appraisals for 350 and 380 Florida Avenue. Gracz indicated the first motion he would ask the Village Board to consider would be to authorize Village President Steve Staton to sign the amendment on behalf of the Village, second authorize the Village Attorney Matt Dregne to provide and prepare a purchasable offer to Dave and Denise Schommer, and third to authorize Village Attorney to provide and prepare a purchasable offer to Fae Enstad. Gracz noted with Fae's there would be a contingency stating she has to sign the relocation waiver. Bollig asked Gracz to review why the original amount is being changed. Gracz summarized by stating the original grant was for 140 N Burr Oak and this amendment will add the homes 350 and 380 Florida Avenue. Gracz stated the DNR Grant the Village is receiving is for \$421,582. Gracz also stated the Village's share will be \$184,527. Bollig questioned why the attorney fees went up. Gracz acknowledge it was because there was a lot of unexpected work needed for Ann Slack's home. Hoeft noted the Village also had to go to the DNR and change from the yellow book appraisals to the same appraisal method used on the previous two homes. Gracz explained that Dregne had to draft the offers for both the FEMA and DNR Grants, so the layouts for the next to offers will be simple. Dregne confirmed Gracz's comment. Bollig asked where the Village's share will come from. Hoeft noted the money is being advanced from the general fund and will be paid back to the general fund through storm water fees. **Poole moved to authorize the Village President to sign the amendment. Second by Lourigan. Motion carried 7-0. Poole moved to authorize an offer to purchase the home located 350 Florida Avenue (owners Dave and Denise Schommer). Second by Lourigan.** Gracz clarified by stating if the Board makes this motion along with the next motion this gives the Village Attorney the authority to proceed to the closing and purchase the homes. Dregne stated staff will not need to come back to the Village Board for approval of the offers unless there is a change in the purchase prices or another material term. Bollig questioned if they need to amend the motion? Dregne suggested the motion to authorize the acquisition of 350 Florida Avenue at the purchase price of \$188,000 with a closing prior to the end of 2008 and to authorize the execution of all documents necessary to close on that transaction by the Village President and Village Clerk. **Poole amended his original motion, Second by Lourigan to authorize the acquisition of 350 Florida Avenue at the purchase price of \$188,000 with a closing prior to the end of 2008 and to authorize the execution of all documents necessary to close on that transaction by the Village President and Village Clerk. Motion carried 7-0. Poole moved to authorize the acquisition of 380 Florida Avenue at the purchase price of \$176,000 with a closing prior to the end of 2008 and to authorize the execution of all documents necessary to close on that transaction by the Village President and Clerk pending signing a relocation waiver. Motion carried 7-0.** Gracz stated with these two houses being purchased the Village will move on to the next and last two homes. Staton noted preceding the closing 4 of the 6 homes will be gone. Staton thanked the fellow trustees and staff for all of the hard work that has went into this.
4. **2009 Budget – (Budget Material on Village Web Page)**
 - a) **Overview of 2009 Budget and Hold Public Hearing on 2009 Budget:** Gracz gave an overview of the proposed budget noting with the budget and past practices is not to use fund balance for on going operations, continue with the installation of significant infrastructure, continue the Village support of the Youth Center, continue the funding for the student employees through the School District Program, carried over \$2,000 seed money for a new Village welcome sign, and have been anticipating and talking about what cuts the State could make and how it could impact the

**Special Meeting Oregon Village Board
Monday, November 24, 2008**

Village. Gracz also noted the Village will proceed with the purchase order procedures and look at mid-year budget adjustments depending on what the State cuts. Hoeft gave an overview of the 2009 levy verse the 2008 levy, highlighting revenues are down and the total increase is only \$224,137. Hoeft noted \$85,000 is going to pay principal and interest payments on the 2008 borrowing. Hoeft gave examples of possible tax bills and the break down of how much goes to the borrowing per resident. It was noted Department Heads were asked to keep their operating expenses constant except the fuel and oil budgets. Hoeft noted some of the building repair maintenance items have been increased because the buildings are aging. Hoeft noted the reductions in Highway aids. There was discussion regarding refuse and recycling. Hoeft discussed the generator tax and fuel surcharge fees applied throughout the year. Hoeft noted the court clerk position will be full time in 2009 and there has been an additional firefighter position added in the District as of July 1, 2009. It was noted the front office position is only budgeted for part time and the Planner position is budgeted to start April 1st. The Sunday hours at the Library have been maintained. Hoeft gave an overview of the general fund, noting total revenues have decreased 3.61% in general fund and total expenditures have decreased by the same amount. There was discussion regarding the amount of money being spent on debt service, capital projects and the general fund. Hoeft noted in the past the budget has been balanced by taking it out of capital and only have \$170,000 going for capital improvements. Hoeft listed up coming decisions for the Board in 2009. It was noted that almost 70% of the budget is personnel and when pensions and benefits increase it makes the budget challenging. The public hearing was opened. Lisa Hustad, Library Board President addressed the Board regarding the Library budget. The public hearing was closed.

b) Discussion of key budget changes since public hearing publication

- 1) Funding for \$1,500 for Chamber Brochure: Gracz noted the Board requested this and the money was taken out of the Community Planning and of other sources.
- 2) Library Funding from Dane County increased \$9,513:
- 3) Computer aid General Fund, Fund 401 and Fund 427
- 4) Fund 214 separated out fuel surcharge
- 5) Water and Sewer changes

It was noted these 5 items were addressed at the previous budget meeting and the Board felt further elaboration was not needed.

- c) No rate increase for either Water or Sewer, at this time: Staton noted there is no rate increase at this time and further discussion will occur later on the agenda.
- d) Estimated 2008 tax bill (County levy not known yet): An example was presented in the packet.
- e) First Dollar Credit: Hoeft explained this is something new this year and will show up on every tax bill that has an improvement value of at least \$3,000. Vacant land parcels will not receive this credit.
- f) Equipment List to Finance Committee for January 12, 2009 Meeting (FYI Only): It was noted this is for informational purposes only.
- g) Applying TIF#2 funding to pay for part of the 2009 Railroad Insurance: Gracz referred to an e-mail from the auditor. It was noted that a portion not the full amount of the TIF money could be used to pay for the railroad insurance.
- h) Discussion and Possible Action re: Approval of Budget Resolution #08-25: **Bollig moved to approve budget resolution #08-25. Second by Groenier.** Staton noted there has been a number meetings and the Board has spent over 20 hours discussing the budget. Way noted he would be abstaining from this vote due to his involvement with the Oregon Area Fire/EMS

**Special Meeting Oregon Village Board
Monday, November 24, 2008**

District. **Roll call vote: Way – abstaining, Harms – yes, Lourigan –yes; Groenier – yes; Poole – yes; Bollig – yes; Staton – yes. Motion carried 6-0-1. Way abstaining.**

- i) Discuss and Approval of 2009 Fee Schedule – Resolution #08-26: **Way moved, Second by Lourigan to approve the 2009 Fee Schedule – Resolution #08-26.** Gracz noted the petitioner cost added to help developers out. Hoeft explained the dog and cat licenses are increasing for 2009. The County has raised their portion \$2.50, so the Village is proposing a \$0.50 cent increase for a total of \$3.00. **Motion carried 7-0.**
5. The Village Board may adjourn into closed session from time to time during the course of the meeting pursuant to Wis. Stat. sec. 19.85 (1) (e), to discuss negotiating a resolution to an elevation conflict between existing Verizon Duct Bank and New 72-inch Culvert Replacement under Spring Street: **Poole moved to adjourn into closed session pursuant to Wis. Stat. sec. 19.85 (1)(e) to discuss negotiating a resolution to an elevation conflict between Verizon Duct Bank and New 72 inch Culvert Replacement under Spring Street. Second by Lourigan. Roll call vote: Way – yes; Harms – yes; Lourigan – yes; Groenier – yes; Poole – yes; Bollig – yes; Staton – yes. Motion carried 7-0.**
6. Update regarding 72-inch Culvert Replacement Project: The Board reconvened into open session.
7. Approval of Minutes
 - a) October 8, 2008 - **Poole moved to approved the Special Oregon Village Board Budget minutes of October 8, 2008. Second by Groenier. Motion carried 7-0.**
8. Approval of Vouchers - Poole moved to approve the Vouchers in the amount of \$250,237.26. Second by Groenier. **Roll call vote: Way - yes; Harms -yes; Lourigan -yes; Groenier -yes; Poole -yes; Bollig -yes; Staton –yes. Motion carried 7-0.**
9. Communication and Miscellaneous Business: Staton noted he met with Kathleen Falk and Dane County will separate the amount they will pay for the downtown project and railroad instead of the packaged deal they were proposing.
10. Discuss and Possible Action re: Water and Sewer Budgets (Board Members Please bring your colored sheets from the 11/17th Packet – After a brief overview, the Board may continue discussion of the water and sewer budgets at the December 8th Finance Meeting)
 - a) Major Water and Sewer Issues: Hoeft noted in the proposed 2009 water and sewer utility budget they do not have a rate increase but recommend after the PSC Report comes out March 31st that the Village looks at where the rate of return is and the cash flow condition. After looking at where the rate of return is then determine if the Village needs to do a rate increase. Hoeft has talked to the PSC and in March it will have been 5 years since the last rate increase and when it comes to that point it is important to look at the rates at least annually. Staff is proposing to look at it a few times a year and recommends spring after the PSC report comes out and in the fall while working on the next year’s budget. Hoeft mentioned the Village is having more and more resident’s not paying utility bills and some are paying it only once a year when it goes on the tax roll. Hoeft noted this affects the cash flow in the water utility and makes the cash flow difficult because bills and staff still need to get paid. Hoeft noted if several residents don’t pay their bills it could speed up the rate increase process. Hoeft noted over \$50,000 is going to the tax roll this year for people failing to pay their monthly bills. Hoeft encouraged residents to pay their bills on time. There was discussion regarding disconnections and returning to this procedure. It was noted the PSC sets the late penalty on the utilities and it is currently 1%. It was noted a 10% penalty is charged when it gets put on the tax roll. It was noted to hold the rest of the agenda items until the December 8th meeting.

All Agenda items below were not discussed – Held until the December 8, 2008 Meeting

**Special Meeting Oregon Village Board
Monday, November 24, 2008**

- 1) Replacement of Transponders
 - 2) Cash flow issues in water utility
 - 3) Advance to water utility
 - 4) Review of water rates after completion of 2008 PSC report
 - 5) Review of sewer rates after 2008 audit
 - 6) Review of delinquent utility bills in Spring, 2009
 - 7) Encourage residents to pay utility bills monthly
-
- b) Water and Sewer Utility Budgets Staff Report (White Paper)
 - c) April 9, 2007 Memo (Pink Paper)
 - d) Joint Meter Charge to Sewer (Yellow Paper)
 - e) 2008 Cash Flow spreadsheets for the Water and Sewer utilities (Legal Paper)
 - f) 2009 Water and Sewer Budgets (Purple Paper)
 - g) 2009 Water and Sewer Cash Flows (Blue Paper)
 - h) 2009 Water and Sewer Capital Budgets (Green Paper)

11. ADJOURNMENT: Lourigan moved to adjourn the Special Oregon Village Board Budget meeting at 9:00 pm. Second by Bollig Motion Carried 7-0

Submitted by,
Tracey Hicks
Deputy Clerk/Deputy Treasurer