

**Special Village Board/Budget Meeting for Major Issues and Audit
Monday, September 28, 2009**

1. **Call to Order:** Village President Steve Staton called the Special Village Board meeting on Monday September 28, 2009 at 5:30 pm.
2. **Roll Call:** Present: Randy Way, Phil Harms, Jon Lourigan, Darlene Groenier, Eric Poole, Jerry Bollig, and President Steve Staton. Also Present: Village Administrator Mike Gracz, Finance Director Renee Hoelt, Director of Public Works Mark Below, Chief of Police Doug Pettit, Village Attorney Matt Dregne, Village Clerk Georgia Johnson, Library Director Susan Santner, and Deputy Clerk/Deputy Treasurer Tracey Berman.
3. **Public Appearances and Public Hearings:**
 - a) **Presentation of 2008 Audit by Hawkins, Ash, Baptie & Company via telephone (from Special Board meeting of September 21st):** Adam Waldera with Hawkins, Ash, Baptie & Company gave an overview of the audit report via telephone conference. Waldera discussed undesignated fund balance noting it should be kept above 25-35%. It appears the Village is currently around 37%. Way questioned the overall change in fund balance was about \$3,000 to the negative for 2008. It was noted staff was able to drive the deficit down to only \$3,000. Way commended staff on reducing the deficit amount. Way questioned where this fund balance percentage will be in 2010. Hoelt stated this will drop some because money will need to be advanced due to the purchase of the Florida Avenue homes. Hoelt noted it will be around 34% and commented the Village's policy states to maintain somewhere between 25-35%.
4. **The Village Board may adjourn into closed session from time to time during the course of the meeting pursuant to Wis. Stats. §19.85(1)(e) permitting a closed session to discuss Village's negotiations with hotel developer and to discuss the Labor Contract Negotiations with AFSCME and WPPA:** Bollig moved to adjourn into closed session at 6:50 pm pursuant to Wis. Stats. §19.85(1)(e) permitting a closed session to discuss Village's negotiations with hotel developer and to discuss the Labor Contract Negotiations with AFSCME and WPPA. Second by Way. Roll Call Vote: Way - yes, Harms- yes, Lourigan -yes, Groenier - yes, Poole -yes, Bollig - yes, Staton - yes. Motion carried 7-0. No motions were made in closed session.
5. **Board will Reconvene into Open Session at approximately 7:15 PM:** The Village Board reconvened from closed session at 6:25 pm.
6. **Approval of Vouchers:** Poole moved to approve the vouchers in the amount totaling 271,294.40. Second by Bollig. Roll call vote: Way - yes, Harms- yes, Lourigan -yes, Groenier - yes, Poole - yes, Bollig - yes, Staton - yes. Motion carried 7-0.
7. **Community Input.** The Village Board has established an opportunity for the public to address the Board. In the event community members wish to address the Board, 15 minutes will be provided; otherwise the agenda will proceed as posted. There was no discussion.
8. **Proclamations and Announcements**
 - a) **Village Board Comments:** There was discussion regarding the Village Hall parking lot and downtown Phase II construction timeline. There was also discussion regarding the latest event at the Union Sports club and parking issues observed.
 - b) **Staff Comments: Downtown Phase 2 Projects and September 22nd Rain Event (Below):** Gracz stated on September 22nd the Village received a pretty heavy concentrated rain. Below noted there was some minor street flooding near the S. Burr Oak and Florida Avenue area. Below noted there was over 2.6 inches of rain in a two hour period and the 72 culvert acted how it was supposed to with the water staying within the flood plain. There was discussion regarding grass clippings plugging a grate and some minor flooding occurring.

9. **Communication and Miscellaneous Business**

- a) **FYI Only – Copy of TIF Letter to Residents for October 1st Meetings and Joint Review Board Agenda:** This is for informational purpose only. Hoeft noted the information will be on the webpage.
- b) **Discussion and Possible Action re: Award Contract to Wolf Paving for Shady Oak Lane (\$14,700) and Timber Ridge (\$38,040):** Below stated these projects are typically bid out with Dane County, however this year because of law changes in the State budget anything over \$25,000 the County is unable to award the contract for the Village. **Bollig moved, Second by Groenier to award the contract to Wolf Paving for Shady Oak Lane (\$14,700) and Timber Ridge (\$38,040) and to authorize Village President to sign the contract.** It was noted this will be completed in 2009. **Motion carried 7-0.**
- c) **Discussion and Possible Action re: Appointment of President Staton and Citizen Member to Joint Review Board for Amending TIF #2 and #3 – October 1st first meeting (from 9/24th Meeting):** Staton noted he will serve on the Joint Review Board along with Citizen member John Lindert. Board approval is needed for the appointments. **Bollig moved to appoint President Staton and Citizen Member Jon Lindert to the Joint review Board for amending TIF #2 and #3. Second by Way. Motion carried 7-0.** Staton moved to the Cable TV (10 (i)) item as a courtesy.

10. **Discussion and Possible Action re 2010 Budget Major Issues:**

- a) **Cemetery Land Purchase (from 9/21st Meeting):** Gracz stated is appears when the goal prioritization list is made this item will be placed on the list.
- b) **Discussion of Additional Budget Meeting on Thursday, October 22nd and Distribution of Budget at October 5th Board Meeting rather than October 2nd:** Gracz noted he believes a third budget meeting would be needed and hopefully October 22nd will work for everyone. The budget will be distributed October 5th. There was discussion of meeting times.
- c) **Debt Service:** Hoeft stated this covers the levy calculation and how debt service impacts the levy calculation. Based on current stated law the Village is limited to a 3% increase in the net new construction and when the levy is calculated it has to be considered whether the debt is issued prior to July 1, 2005 or after. Hoeft gave a brief overview regarding the debt issued prior to and after the July 2005 date, noting municipalities are allowed to increase the levy limit beyond the 3% by the amount of increase in the principal and interest payment year from one year to the next year. Hoeft wanted to remind the Board debt issued in 2008 for the downtown borrowing would increase the 2010 tax rate. Hoeft discussed moving \$4,263 in levies from the General Fund in 2011 for debt issued prior to July 2005. Hoeft stated that is the only year they will need to moved levy from the General Fund for debt issued prior to July 05. Hoeft explained in 2014 the Village will have \$219,000 that will become available because there won't be any debt issued prior to July 05. Hoeft gave an overview of the remaining debt and amounts owed. Hoeft stated the amount levied for this year is \$4,071,000, which is the max allowable. Hoeft noted right away she needs to subtract \$85,500 for debt service, once that amount is taken away the remaining is the base for the levy calculation. From those amounts you need to take out for debt issued prior to July 05. Hoeft described how TID's fit into the budget and are levied for. Gracz stated in the October meetings they will be going over debt service in greater detail.
- d) **Discussion on adoption of the Capital Improvement Plan and 5-Year Financial Plan:** Staton referred to staff's memo and adopting the 5 year financial plan November 16th and adopting the Capital Improvement Plan in 2010. Gracz noted staff would like to get on schedule with adopting each of those plans annually. There was discussion and it was noted it was a good idea.

e) **TIF #2**

- 1) Discussion of installing a pedestrian/bike path along the west side of the railroad tracks between (Braun Road and West Netherwood): Staton gave an overview of the pedestrian/bike path area. The engineer's estimate is \$125,000 and this amount is included in the proposed TIF #2 budget. Harms questioned if the money was not budgeted where would it go. Gracz stated they would probably borrow less for Braun Road. There was discussion regarding extending the bike path past the TIF #2 boundaries. It was noted TIF monies could not be used for the portion outside the TIF boundaries. Gracz gave an overview of how the path area was arrived at. It was noted the trail will connect the west side to the north side of the Village and is more of an internal trail for Village residents versus outside commuters. Discussion occurred regarding potential conflict with rail service if a future tenant were to use rail service. Way stated he would prefer to see a direct, flat, straight trail instead of the proposed wandering path. Way suggested holding off one more year. Staton noted he feels the trail is a plus because it connects the west side with the north side of the Village. Staton encouraged trustees to walk the path. There was discussion regarding where the path would end. It was noted to look at ending it at Market Street instead of the current proposal of Braun Road. It was noted Market Street will be looked at closer. Gracz noted the State still needs to approve and he would also like to share this proposal with Lycon. It was noted this is just advice to staff regarding direction for the 2010 budget. No decisions regarding the path were made
- 2) The installation of streetscape and a business park signs. Gracz stated staff will start looking at installation of signs and streetscape in 2010 for the business park. The Board okayed staff to budget monies in 2010 for the signs and streetscape.
- 3) Remaining Projects in TIF #2: Gracz noted the list of remaining projects needed to be completed by September 2015.
- 4) Paying for the Installation of Braun Road (anticipate the land purchase to be completed in 2009). Gracz noted they anticipate the land purchase to be completed in 2009 and construction starting and being completed in 2010 with State Trust Fund Loans, which are paid off in 4 years.

f) **TIF #3**

- 1) Discussion of additional projects. Gracz gave an overview of the projects that have been completed with the 2008 bond proceeds. Gracz noted at this point Hoelt is showing available funds of approximately \$381,000. Gracz explained this could grow some because it doesn't include the projects currently not completed where contingency money may come available. Additional work in the downtown TIF will be able to be done. Gracz and Below are recommending doing the water and sewer work on Market Street along with resurfacing it. Gracz stated there may be unused funds from the Market Street project which could go towards a path from the downtown Kwik Trip to S. Burr Oak. Gracz gave an overview of other possible projects that could be done. Gracz stated staff will come back to the Village Board after the budget has been adopted and ask for authorization to proceed with Market Street and see how much money would be left after that project and continue with projects until the money is gone.
- 2) Begin the planning for the civic campus plan. Gracz noted this is a project in the project plan and this civic campus plan discusses what happens with the Library and that block. Gracz questioned if the Board is interested in doing this. It was noted to put this on the priority list for staff to prioritize. Way suggested including in the memo that the Library Impact fees that needs to start being spent.

- g) Installation of Bicycle Path along the Railroad Corridor between South Perry Parkway and West Netherwood: Gracz noted this is where the Village has applied for the Safe Route to School Grant. The Village was unsuccessful in getting the grant. Gracz inquired if the Village Board is still interested in pursuing. Staton thought since the grant and bike path are well started it would be worth pursuing. The consensus was yes. Gracz noted this grant is 50/50 match funding.
- h) Begin Discussion of Possible Adjustments to Village Services and Identifying Alternative Revenue Sources:
 - 1) Discussion of 2010 Budget Impact on 2011 Budget: Gracz noted during 2010 staff will keep the Board abreast of what impact decisions made in 2010 have on the budget and how it would impact the 2011 budget.
 - 2) Grass Mowing Schedule for 2010 (Move to October 7th Joint Meeting with Park Board): Staton noted this item will be moved to the October 7th Joint meeting with the Park Board.
 - 3) Brush and Leaf Collection Program and Composting Site: Gracz wanted to bring this before the Board again because the Board had a heavy load when this was presented. Gracz noted if the Board wants to keep the site they need to discuss better management and funding. There was discussion regarding staff's recommendations. It was noted the contractor's using the site need to be stopped. Below guessed at about half the pile is from contractors. There was discussion regarding taking the composting site off the tax levy in the future and potentially making it a user based fee. There was discussion of options to monitor the site.
- i) Discuss the Possible Use of Cable Franchise Fees for Village Budget: Gracz advised against a detailed discussion of the cable budget due to the way the item is listed on the agenda. Bollig noted it would be a good idea to have Cable TV a part of the budget process just like the other Departments in the Village. Hoeft gave a brief overview regarding the cable budget. Hoeft noted the Village will now need to pay for internet which has changed from the past and it's being looked at using cable franchise fees for the cost. There was also discussion regarding using some monies to upgrade the webpage. It was recommend for Cable staff meet with Village staff and return to a future Board meeting for more discussion. Staton moved to agenda item 10 (a).

11. Adjournment: Bollig moved to adjourn the Special Village Board meeting at 8:40 pm. Second by Lourigan. Motion carried 7-0.

Submitted by,
Tracey Berman
Deputy Clerk/Deputy Treasurer