

VILLAGE OF GRAFTON

COMMITTEE OF THE WHOLE BOARD MEETING MINUTES

OCTOBER 14, 2015

The Committee of the Whole was called to order at 6:00 p.m. by President Brunnquell.

Members present: Trustee David Antoine, Trustee Sue Meinecke, Trustee David Liss, Trustee Tom Krueger, Trustee Dean Proefrock, Trustee Lisa Harbeck (6:16 p.m.) and President Jim Brunnquell.

Staff/Officials present: Village Administrator Darrell Hofland, Police Chief Charles Wenten, Fire Chief William Rice, Director of Administrative Services Paul Styduhar, Director of Planning and Development Jessica Wolff, Director of Public Works Dave Murphy, Parks and Recreation Director John Safstrom, Building Inspector Tom Johnson, Library Director John Hanson, Utility Superintendent Tim Nennig, Utility Program Coordinator Larry Roy, Police Department Administrative Assistant Clarissa Allen, and Deputy Village Clerk Nicole Kline

Others present: Interested citizens

REVIEW 2016 EXECUTIVE PROGRAM BUDGET REQUESTS

President Brunnquell stated the purpose of Budget Workshop is to review the 2016 Budget, prior to future Village Board action.

Village Administrator Hofland commented that the 2016 budget includes departmental mission statements which have been included since the 1990's. He noted the Village utilizes the Areas of Emphasis as the guidelines for the budget. These areas have been cut back from approximately 13 to seven.

In the past, Village staff has waited to develop some of the budgetary schedules until the budget is finalized. This year, staff worked very hard to have everything ready for the Village Board's review prior to the Budget Workshop.

Administrator Hofland gave a power point presentation on the 2016 proposed program budget's revenues and expenditures. Mr. Hofland noted that the full copy of the budget is available at the Village Hall and the Library for public review.

The overall recommended 2016 budget's expenditure increase is 6.34 percent. He identified that municipal levy limit increases are restricted by state law. This year the allowable increase is set at 1.96 percent and the 2016 Budget tax levy is increasing 1.96 percent as well.

The equalized tax rate must be kept below the Consumer Price Index (CPI), which is 0.30 percent. The Executive 2016 Budget recommends an equalized tax rate increase of 0.20 percent. This is the second lowest in the last nine years.

Regarding, the end of year 2015 fund balance, it is estimated to be 40.8 percent of the estimated expenditure amount which is consistent with the last two years.

New property taxes generated through new construction have led to an increase of \$146,991. Because of significant fund balance in the General Fund, it is recommended to use some of the fund balance and reduce the amount of property taxes. The reduced amount of the General Fund property taxes would then be reallocated to the Capital Projects Funds for an eventual loan to TID #3.

There is a zero projected fund balance for the end-of-year 2016 for TIDs #2, #4 and #5. TID #3 is the only TID that is not balanced. TID #3 is proposing borrowing \$364,893 from Capital Projects Fund. As soon as the TID #3 has sufficient revenue, it would pay this back. The TID #3 is expected to earn sufficient revenue in the next several years, TID #3 expires in May, 2026.

Administrator Hofland identified that over the last several years, the proportional amount of property taxes needed to support the General Fund and the Debt Service Fund has declined. Capital Improvement Fund has received increases in property taxes.

The proposed 2016 budget includes no proposed changes or increases in staff from last year to this year.

He also indicated that the combined expenditures of the Public Safety and Public Works Departments are 75 percent of anticipated 2016 expenditures.

Special revenue funds

For the Fire Protection and Rescue Fund, an increase in Rescue Squad Charges for Service is due to recent addition of paramedic-level services. Chief Rice has been very conservative in spending so the fund balance in this fund remains high. Depending on the amount of Rescue Squad Charges for Service, it is possible that no Applied Fund Balance will be necessary. A recommended increase in part-time wages is due to Chief Rice's recommendation to schedule more staff available for non-day shifts. In light of the funding and formula changes associated with a new Fire Service Agreement for 2016-2018 between the Village and the Town of Grafton, accounting changes will move fire hydrant rental out of the General Fund into the Fire Protection and Rescue Fund.

Planned changes to the Park and Recreational Facilities Impact Fee will have an impact on the related Fund. The Impact Fee will be simplified. Instead of 45 district with different rates, it will be simplified to one flat fee.

President Brunquell asked each department to comment on their budget. Most reported no concerns or changes. Director of Public Works Murphy expressed concern

over two areas he thought their budget may have been too conservative. The first is that overtime amount associated with snowplowing is budgeted very low. The Department of Public Works will need additional funding if the Village experiences several big snow storms. Also of concern is the amount budgeted for street light maintenance. As long as there are no big problems with streets lights, no additional funds will be needed. The new Mechanic is able to do a lot of work in house that was formerly contracted out. It is costing more for tools and equipment this year, but they will pay for themselves quickly. The new mechanic is also helping the Fire Department with repairs to their vehicles. Chief Rice expressed his appreciation for the cooperation.

Trustee Krueger pointed out that lateral back up complaints (which are the customer's responsibility) should be separated from sewer main backup complaints (which are the Village's responsibility). This should be reflected in next year's budget as well as benchmarks. Combining these complaints is deceiving and creates a negative perception of the Utility. The majority of people do not know the difference between these items.

There was no additional discussion by the Village Board or Village staff on the proposed 2016 Annual Program Budget.

ADJOURN

Motion by Trustee Krueger, seconded by Trustee Proefrock to adjourn the Committee of the Whole at 7:03 p.m. Motion carried.