

Town of Verona
Financial Sustainability Minutes
Town of Verona Hall, 335 N. Nine Mound Rd, Verona, WI
4/11/2016

Present: Laura Dreger, John Senseman, and Robert Rego
Also Present: Mark Geller-Town of Verona Chair and John Wright- Clerk/Treasurer
Chair Dreger called the meeting to order at 2:30 PM

Approval of Agenda-

Rego moved to approve the agenda, as presented; 2nd Senseman. Motion carried.

Review Preliminary 2015 Audit Results from Johnson Block-

Mark Geller noted that there is approximately \$100,000 of the 2015 budget that was unspent per a summary report presented by Tara Bast of Johnson Block at the April 6, 2016 Regular Town Board Meeting. Chair Dreger noted the discussion at that meeting regarding the designations of funds as non-spendable, restricted, assigned, unassigned, and committed. A brief discussion followed regarding the definition of each designation. Clerk/Treasurer Wright answered a question from member Senseman regarding how the Utility District is managed and the adjustment of annual rates to ensure payment of wastewater treatment, audit costs, management by Town staff, insurance, and capital costs for cleaning, televising, and repairs.

Develop Rationale for Funding Projected Town Hall/Public Works Facilities Shortfall after Sale of Residual Land-

It was noted that according to the Johnson Block audit summary referenced above, the Town of Verona has \$13.9 million in borrowing capacity. The Town currently has accounts at Capitol Bank and the State Bank of Cross Plains. Town Chair Geller presented an overview of the history of the Town purchase of the County Road PD property and process for the design of the proposed Town Hall and Public Works facilities including site preparation. Geller provided the group present with the results of the March 3, 2016 bid opening for the construction of a Town Hall, Public Works (with an alternate to construct an additional bay, and an alternate to construct a salt storage facility. He noted that an emergency generator was not being considered at this time. JP Cullen had the lowest bid of \$3,222,000. There was brief discussion of Tim Homan's role as Owner's Representative for the Town and how his review has saved money/time and will likely continue to do so in the future. It was noted that the bid from Cullen did not include new well and septic; the existing systems have been properly abandoned.

Town Chair Geller reviewed the interest in the 37 residual acres of the land purchased by the Town and the range of offers received to date. Based upon these offers, Geller is seeking to realize \$65,000 an acre for the residual land (\$2,405,000). There followed a brief discussion regarding whether a potential seller will allow for use of undeveloped land for active/passive recreational activities. The summary 2015 Annual Town Audit indicated that roughly \$800,000 in reserves is currently available to the Town; the Town has no outstanding debt at this time. There followed a brief discussion of the likely impact of the retirement in 2016 of the City of Verona Tax Increment Finance District for Epic Systems upon future millage rates for the Town of Verona residents, the impact of a Boundary Agreement with the City of Verona upon Town growth, and the economic impact of twenty new lots within the Woods at Watch Hill Condominium development upon future local levies for the Town of Verona.

Member Senseman asked whether the Town has established a short-term borrowing agreement with the banks with which we do business; that will need to be confirmed. Member Rego stated he sees three options: to borrow the shortfall not covered by the sale of land, use the reserve funds available to the Town, and/or use the annual Town levy to pay for the shortfall (requiring a restriction on paving projects and equipment purchases until the balance is paid).

Schedule May 2016 Meeting and Set Agenda-

Meeting will be held on Wednesday, May 18, 2016 from 2:30-4:30 PM at the Town Hall; agenda items:

- Call to Order, Approval of Agenda
- Approve minutes from April 11, 2016 meeting
- Review Annual Meeting Discussions and Actions by the Electorate and Possible Impact on Current/Future Budget
- Review Town Accounts and Determine the Categorization of Funds as Non-Spendable, Restricted, Non-Restricted, and Committed
- Schedule June 2016 Meeting and Set Agenda
- Adjourn

Adjourn-

Senseman moved to adjourn; 2nd Rego. The meeting was adjourned at 4:35 PM.

Approved: May 18, 2016

Prepared by: John Wright