

SPECIAL BOARD MEETING MINUTES

TOWN OF VERONA

October 30, 2019 5:00 PM

Town Hall, 7669 County Highway PD, WI 53593-1035

Town Board Members Present: Geller, Maxwell, Mathies, Enburg, and Duerst (arrived at 5:12 PM)

Other Committee Members Present: John Senseman

Staff Present: Arnold, Wright, and Barnes

1. Call to Order/Approval of the agenda – Mark Geller called the meeting to order at 5:05 PM. Mathies moved to approve the agenda; 2nd by Maxwell. Motion carried.
2. Recap of Budget Workshop – The group briefly recapped the information presented at the October 23, 2019 budget workshop. Arnold projected the 5-year budget that included known cost increases to senior services, EMS, etc. as assumed costs for a website update, capital improvement plan items (streets and vehicle replacement). The spreadsheet shared last Wednesday also made assumptions about the increase to the levy allowed by net new construction.
3. Discussion and Potential Action re: Resolution 2019-07 to Authorize the Use of Unused Levy Capacity for the Prior Year as Determined by the Department of Revenue – Mathies moved to approve Resolution 2019-07 to authorize the use of the unused levy from 2018; 2nd Duerst. Clerk/Treasurer Wright explained that there was the potential to pick up an increase on the Levy Limit Worksheet from Section B or Section C (only one can be chosen). This is the greater of the two values totaling \$3,466 compared with the value of \$2,188 for an unused levy carryforward. Mathies asked whether the Board had acted in the past to pick up this adjustment. Wright responded that they had acted on an unused levy carryforward before, which requires only a majority vote by the Board. Because the LB Land Investments property was not annexed in 2018 was assumed when the levy was adopted last year, the credit to pick up the unused levy capacity from 2018 was now available, but it must be adopted by resolution instead of simple action. However, because the amount is less than 0.5% of the prior year's levy, a simple majority is needed to approve the resolution presented; if the value was greater than 0.5%, a 2/3 approval would be needed for passage. Motion carried unanimously. Wright noted that he will need to create a resolution for residents to adopt this decision at the Special Town Meeting/Annual Budget Hearing.
4. Discussion and Potential Action re: Resolution 2019-08 to Exceed the State Allowable Levy Limit and Recommend Approval to the Electorate at the November 19th Budget Hearing – The group reviewed budget projections with 2%, 3%, and 4% increases to the base levy if the Board were to adopt an increase to exceed the allowable levy limit by resolution to in turn present to residents at a Special Town Meeting on November 19, 2019. Supervisor Enburg asked Project Manager Barnes about the assumptions that were made with the replacement of the Valley Road Bridge in 2023. Barnes responded that he assumes a matching grant from the state of Wisconsin and that the Town would assume 100% of the costs associated with engineering. There is a possibility that the State may choose not to fund the project although it is on a list of bridges identified in Dane County that are currently weight-restricted. Barnes shared the details of a phone conversation he had with a representative from the Wisconsin DOT. According to Barnes, the Town may qualify for 80% of engineering and replacement costs from money available through the Federal government. However, the engineering costs would likely escalate if they are per higher Federal standards. The Town could possibly recover \$80,000 of the current assumed costs. The anticipated cost to replace the bridge is \$800,000 (without engineering).

The 2020 budget assumes a more accurate assumption about the allowable levy based upon calculations of net new construction so far this year. In spite of a net new construction value that nearly matches that of this year, there would still be a projected shortfall exceeding \$17,000. With a 2% increase, there would be a surplus of slightly more than \$5,000. Barnes noted that the Valley Bridge project would likely span two budget years and that engineering costs would precede construction. Arnold recalculated the increase to 2.5% at the request of those in attendance. Senseman noted that this increase decreases the projected shortfall in 2021 to slightly less than \$1,000. It was noted that the current 5-year projections that assume percentage increases assume the same increase will be proposed by the Board to the electorate each year rather than a singular increase in 2020. Supervisor Mathies asked Clerk/Treasurer Wright if he assumed any increase to net new construction due to the Twin Rock Development that is currently pursuing approval of a Preliminary Plat now that there Concept Plan has been approved by the Town Board. Wright responded that he has not although he and Arnold did assume for future net new construction values to be an average of the prior five years (a value greater than \$5 million each year).

Supervisor Maxwell voiced his support of a 2.5% increase to the allowable levy to address line 141 of the budget for any employees who may consider retiring. Senseman repeated his support of the same proposed increase for the reasons he outlined above. Mathies noted that past budgets prior to 2018 had been structured to pay for capital expenses related to the construction of a new town hall and public works facility. Chair Geller noted that a 2% increase covers the projected budget shortfall in 2020; what is the justification for a 2.5% increase? Senseman noted that an increase of 2.5% shows that the Board has a plan for addressing the shortfalls beyond 2020. Supervisor Enburg voiced his support of a 2.5% increase as well to present to residents at the budget hearing during the Special Town Meeting for their consideration. Supervisor Mathies thinks a proposal of a 2.5% increase would be easier to receive approval than a 3% increase.

Maxwell moved to approved Resolution 2019-08 to exceed the 2019 Levy Limit for 2020 taxes by 2.5% with numbers to be updated in the resolution by Clerk/Treasurer Wright; 2nd Mathies. Motion carried unanimously. Wright will update the numbers and will have Chair Geller sign on behalf of the Board to which Wright will sign to attest to the action. Again, Wright will prepare a resolution for residents to consider for adoption at the Special Town Meeting/Annual Budget Hearing; without objection. Supervisor Enburg recommended that at the budget hearing show the 2020 budget with and without the increase.

5. Discussion and Potential Action re: Any Other Revenue Increasing Tools – Supervisor Mathies would like the Town to consider other sources of funding including grants beyond increasing the levy to address budget shortfalls; without objection.
6. Adjourn – Maxwell moved to adjourn; 2nd by Duerst. Motion carried at 6:07 PM.

Approved: November 5, 2019

Submitted by: John Wright, Clerk/Treasurer