

Town of Verona
Financial Sustainability Committee Minutes
Town of Verona Community Room, 7669 County Highway PD, Verona, WI
3/22/2018

Present: Laura Dreger, Bob Rego, Julie Bass-Devries, Douglas Wolf, and John Senseman
Also Present: John Wright – Clerk-Treasurer

Call to Order, Approval of Agenda – Laura Dreger called the meeting to order at 2:55 PM. Senseman moved to approve the agenda; 2nd by Rego. Motion carried.

Approve Minutes from November 29, 2017 – Motion by Rego; 2nd by Senseman. Motion carried.

Discuss Second Strategic Planning Meeting – Clerk-Treasurer Wright reported that Administrator-Planner Arnold was unable to attend today due to illness. She acted as the secretary for the second strategic planning meeting and amended the Vision Statement, Guiding Principles, and Goals during the course of that planning session. John reported he was unable to locate a copy of that document for today's meeting. Nevertheless, those who attended the session were able to report on key points. The group requested that Wright or Arnold forward the document prepared by Arnold to the members of the Committee; without objection.

Discuss a Five-Year Financial Management Plan –Wright reported that Arnold asked Tara Bast of Johnson Block how much they would charge for a five-year financial management plan. Bast estimated a cost of approximately \$6,000. Member Senseman felt \$6,000 was excessive for the simplicity of the Town budget. Senseman further noted that the Public Works Committee is working on a five-year Capital Improvement Plan for road reconstruction and equipment. Member Wolf thought there may be templates available to for the Committee and Town staff to create their own plan, particularly since the Town has no debt at this time. Wolf reasoned that the projections could make certain assumptions such as increases in pavement costs and cost of living for employees. Senseman noted that the more difficult projection would be the allowable change in the levy limit based upon Net New Construction. Wright stated that the City of Madison has annexed a thirty-six acre parcel off of Maple Grove Drive and that the City of Verona may yet annex acreage in their North Neighborhood Plan before the end of the year (this may be approximately 300-400 acres of the central portion of their plan). Both would be a negative offset to the new home values added to the 2018 Assessment Roll and the \$2.9 million value conversion of Managed Forest Law land to residential land for thirty-two acres in the Woods at Watch Hill Condo Development. These negative offsets to Net New Construction would in turn affect the 2019 Levy for the Town, Wright explained. The group asked for Arnold and Wright to review the forecasting options contained within their QuickBooks Pro accounting software as a basis for a five-year financial plan; without objection. The group also requested that future documents be projected on the AV screen so that everyone can look at the same information simultaneously; without objection.

Review Trash Cart Replacement Fee Charge and Possible Alternatives – Wright apologized that he did not have an opportunity to check the current balance of the Local Government Investment Pool account where the seven dollar annual cart replacement fees are held; the fee collected with the 2017 pay 2018 tax bills has yet to be transferred from the Town of Verona Property Tax account to the LGIP account. Wright stated that Tom Mathies would likely make this an action item at the 2018 Annual Town Meeting of the Electorate to be held on Tuesday, April 17, 2018. When Wright has discussed this in the past, a refund to all current property owners was one option. However, for Wright the prospect of calculating the amount collected for each parcel for the past nine years, entering each owner as a vendor in QuickBooks, and printing over eight hundred checks was not a good use of staff time. His preference would be to apply the entire LGIP fund balance as income to offset expense for the 2019 trash and recycling costs for all residents of the Town this coming fall. Instead of \$146 for trash and recycling services in 2019, tax payers with this service may expect to pay \$90 instead for that year. They would own the cans and if damaged or lost would have to pay \$75 each to replace them. Senseman agreed

with Wright's proposed methodology, but wanted to make it clear that the reduction was a one-time deal. Another option briefly discussed was to find out what a curbside pickup of bulk waste would cost per year and to apply the seven dollar fee towards that extra cost on top of the existing Pellitteri contract. This option did not have support of the group. Senseman moved to recommend to the Town Board that they discontinue the annual seven dollar cart replacement special charge and to apply the LGIP cart replacement fund balance in 2019 toward the trash and recycling expenses for that year with the balance of the contract billed as a special charge on the 2018 pay 2019 tax bills; 2nd Rego. There was no further discussion; motion carried. Wright will request that Arnold suggest to Chair Geller that this item be added to the April Regular Town Board agenda for discussion and possible action; without objection.

Create Funding Sources for Town Hall Improvements – Wright reviewed existing alternate funding sources that include: patio paver sales, Town Hall rental income, interest on accounts, MFL Withdrawal Tax, Agricultural Conversion Fees, recycling grant proceeds, fuel surcharge credits for trash/recycling services, Local Road Improvement grant money for road reconstruction, and Bridge Aid. It was noted that although road and bridge aid can only be used for those purposes, it does potentially allow for other monies to be applied elsewhere. There was a brief discussion regarding the fuel surcharge credit issued on a monthly basis by Pellitteri that is applied against expenses each month. Because the Town can never predict the cost of diesel fuel for the following year, the Town bills the contracted rate and any surcharge credit is added to the General Fund. Wright noted that paver sales minus the engraving costs by Pechman Memorials, Inc. as well as any profit from Town Hall rental is understood to be earmarked for the future purchase of outdoor furniture for the Town Hall patio. Wright knows that Chair Geller and Deputy Clerk-Treasurer Tammy Dresser were to meet to discuss those potential furnishings purchase; Wright does not have a target expense number at this time, but will make an inquiry with the Town Chair; without objection.

Discuss Fuel Surcharge Rebates and Proceeds from the Annual Recycling Grant – as mentioned above, the fuel surcharge credits are added to the General Fund balance. Currently, the recycling grant proceeds (approximately \$9,500 per year) are added to the General Fund balance as well. There followed a brief discussion as to whether these funds should be earmarked for something related to trash and recycling including:

- Delivery of an enclosed semi-tractor trailer for electronic recycling (not to include appliances with Freon or other coolant) for collection and recycling from March to April
- Rental or purchase of a chipper or chipping services to process woody yard waste between May and June each year with processed wood chips available to Town residents for free
- Schedule a special curbside bulk waste pickup that does not include electronics or appliances with Freon in April

Schedule Next Meeting and Agenda Items – the next meeting will be held on April 26, 2018 at 2:45 PM.

Items on the agenda will include:

Call to Order, Approval of Agenda

Approve Minutes from March 22, 2018

Continue to Discuss the Second Strategic Planning Meeting

Update on Five-Year Financial Management Plan

Review Costs of Proposed Town Hall Improvements

Discuss 2018 Annual Town Meeting of the Qualified Electorate Held on April 17, 2018

Schedule Next Meeting and Agenda Items

Adjourn

Adjourn – Motion by Rego; 2nd by Senseman. Motion carried at 4:45 PM.

Approved: April 26, 2018

Prepared by: John Wright