

Town of Verona
Financial Sustainability Committee Minutes
Town of Verona Hall, 7669 County Highway PD, Verona, WI
10/20/2017

Present: Laura Dreger, Bob Rego, Julie Bass-Devries, and Douglas Wolf

Absent: John Senseman

Also Present: Amanda Arnold - Planner/Administrator and John Wright – Clerk/Treasurer

Call to Order, Approval of Agenda – Laura Dreger called the meeting to order at 2:41 PM. Bass-Devries moved to approve the agenda; 2nd by Wolf. Motion carried.

Approve Minutes from September 13, 2017 – Motion by Bass-Devries; 2nd by Wolf. Motion carried.

Continue 2018 Budget Review – Planner/Administrator Amanda Arnold reviewed a timeline with those in attendance with the approximate dates for the budget adoption process and following tax bill preparation. She requested that this body meet again after the strategic planning retreat scheduled for November 11, 2017 but before the Annual Town Budget Hearing on November 21, 2017. She noted that the Town Board is scheduled to adopt the 2018 Budget at its December 5, 2017 regular meeting. Clerk/Treasurer Wright reported on the Utility District Budget. The rates for Madison Metropolitan Sewerage District are normally released by October 31st of each year; consequently, Wright assumed the five-year trend of an increase to their costs at a rate of a 9.344% in his projections. The remaining 2017 expenses associated with replacing manhole #10 and the unscheduled expense of raising manhole #9 as well as the unscheduled preventive cleaning of four sections following a basement backup will further reduce the assumed balance of the reserve fund.

The members discussed the 2016 survey conducted by MSA Professional Services that determined the average single-user fee for a utility district with 500 or fewer customers was approximately \$490 per year; by comparison, the base rate for a single user in the Town of Verona Utility District is \$373 per year. It was noted that Wright's five-year budget projection created last year assumed minimal maintenance and no major repair until 2022; it was produced to determine whether the \$80,000 reserve balance could be restored with a single rate change of \$100 to the base in 2017. The result of the projection was that the reserve balance could not be restored even with minimal repairs. After continued discussion, Bass-Devries moved to recommend for the Utility Commission that they increase the base rate \$100 to \$473 a year; 2nd by Rego. Motion carried. Bass-Devries moved for Wright to prepare for the Utility Commission and for the Utility District Public Hearing, increase projections in the increments of \$100, \$120, and \$140; 2nd Rego?

Planner/Administrator Arnold reviewed revisions to the 2018 budget numbers that were refined since the September meeting. Although this version of the draft budget shows a surplus of \$47,829.94, Arnold cautioned that this group needs to discuss expenses that were not captured that include: possible replacement of the server, replacement of aging computers including a laptop, replacement of iPads for Board members, funding of social services, additional improvements to the Town Hall, additional public works staff to cover duties performed by Ron Lease, etc. Arnold noted that extra law enforcement patrols contracted by the Town with the Dane County Sheriff's Department were an expense that could possibly be reduced so that the money could be applied elsewhere. There followed a brief discussion regarding leasing computer equipment including server services instead of ownership. There was further discussion regarding the restructuring of Public Works to possibly include an employee to manage many of the duties currently covered by office staff including ordering road salt, inventorying and replacing signs, managing road projects, tracking vehicle mileage/repairs, completing the annual pavement rating analysis, applying for road improvement funds, etc. It was further noted that the City of Fitchburg may opt to become independent of EMS services currently handled jointly by the Town of Verona, the City of Verona, and the City of Fitchburg. If this comes to pass, more money should be set aside for future capital costs.

The members present discussed whether to develop criteria for the Town funding non-profit activities (e.g. the Badger Prairie Needs Network) or to only fund Meals on Wheels, which the Town is obligated to provide under the Older Americans Act. After brief discussion, the group agreed to continue to fund the Upper Sugar River Watershed Association. Bass-Devries noted that a set of criteria could be developed for charitable giving, including in-kind contributions such as free rental of the Town Hall for charitable groups, even if no additional money is approved for the 2018 budget; without objection. The members in attendance surmised that a charitable foundation must exist in Dane County which could be promoted by the Town for those residents seeking to make charitable donations on their own instead of the Town making that decision for residents. Those in attendance wondered what the Verona Public Library policy is for an in-kind contribution for the use of their meeting rooms for area non-profits. Bass-Devries wondered what the Town's liability may be when unsupervised non-profits use our space beyond damage and personal injury (e.g. sexual predation by an adult who did not undergo a background check).

There was brief discussion regarding Capital Equipment and Capital Street Maintenance Capital; traditionally capital equipment has been used for the replacement of trucks, tractors, mowers, etc. and not office equipment. Arnold noted that the 2018 budget includes contributing \$40,000 to the Capital Equipment fund each year beginning in 2018; the current balance is \$160,000.

Continue the Review of Fees – Planner/Administrator Arnold proposed changes to the driveway escrow amounts and payment amounts. Arnold did note that once the new Town of Verona Comprehensive Plan is adopted, an amount has been added to the Fee Schedule for individuals to request amendments to the Plan; these changes would be considered by the Town once a year. Arnold noted the change for a Conditional Use Permit and Condo Plat Review are due to the amount of staff time required for their review. Wright noted that some property owners served by a single-purpose road may want to privatize the road as a driveway; therefore he recommended a fee for that possibility since the legal process requires multiple Board actions, filing a lis pendens, paying for a legal description, publication, and holding a Public Hearing. Those in attendance had no objection to presenting the proposed changes to the Town Board for their consideration and possible adoption.

Update on Payment of Line of Credit – Arnold reported that she has this scheduled. She further reported that the shortfall between the amount borrowed and that realized in the sale of the 335 N. Nine Mound Road property will hopefully be covered within this year's budget and not carried over in to next year's. Bass-Devries recommended that the Town keep this line of credit open for possible future use; without objection. Committee Chair Dreger will note this recommendation to the Town Board during her report at the November 7, 2017 regular Town Board meeting.

Discuss Subcategories of Budget Lines – The group in attendance briefly reviewed the Town Hall Operations budget line 10-51471 broken into its constituent ten subcategories.

Schedule Next Meeting and Agenda Items – the next meeting will be held on November 14, 2017 at 2:30 PM. Items on the agenda will include:

- Call to Order, Approval of Agenda
- Approve Minutes from October 20, 2017
- Discuss Town Board Review of 2018 Preliminary Budget and Recommended Fee Schedule Changes
- Discuss Utility Commission Review of 2018 Preliminary Budget
- Discuss Results of November 11, 2017 Strategic Planning Retreat
- Discussion of Town Contributions Including In-Kind Contributions to Non-Profit Groups
 - Special liabilities for in-kind donation of rental space
 - Criteria to judge/review donation requests
- Schedule Next Meeting and Agenda Items
- Adjourn

Adjourn – Motion by Bass-Devries; 2nd by Wolf. Motion carried at 4:41 PM.

Approved: November 14, 2017

Prepared by: John Wright with Amanda Arnold Review