

Town of Verona
Financial Sustainability Minutes
Town of Verona Hall, 335 N. Nine Mound Rd, Verona, WI
9/28/2016

Present: Laura Dreger, John Senseman, Julie Bass-DeVries, and Robert Rego

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

Chair Dreger called the meeting to order at 2:37 PM and welcomed new member Julie Bass-DeVries

Approval of Agenda-

Senseman moved to approve the agenda, as presented; 2nd Bass-DeVries. Motion carried.

Approval Minutes from August 26, 2016-

Senseman moved to approve the August minutes as presented; 2nd Rego. Motion carried.

Update on Building Progress and Funding-

Administrator/Planner Amanda Arnold gave a brief report on the progress of the salt shed, public works facility, and Town Hall. She stated that she is now receiving costs for items not included in the original budget, including: A/V equipment, additional furniture, landscaping, patio, security, communications (phone/internet/radio tower), and moving costs. Arnold stated Mark Geller will report on some of these costs at the October 4, 2016 Town Board meeting. There was a brief discussion regarding the most recent appraisal report for the existing town hall; the current value is \$310,000 assuming no alterations to the site or the improvements. Arnold provided some details regarding those who have expressed interest in the property and the range of offers. The group discussed whether a real estate broker should be retained to represent the Town. The downside is the expense and the upside is how they can creatively market the property without consuming Town staff time. Rego suggested contacting 6 brokers and requesting proposals from each for how they would market the property. Clerk/Treasurer Wright noted that the Town needs to get clear title to the property; the City is listed as the co-owner for a sliver to the north. Arnold will work with the City to see if they will file a Quit Claim Deed.

Update on Final Terms for Line of Credit-

Planner/Administrator Arnold reported that the Town can pay for most of the new building costs from reserves and from the sale of residual land to Epic Systems. The terms of the line of credit from Capitol Bank were tailored like a conventional mortgage. The Town's attorney made specific suggestions to Capitol Bank to make the credit line a better fit for the Town, but ultimately a compromise could not be reached. Arnold stated that Capitol wants to discuss other options. Bass-DeVries suggested contacting other lending institutions as they may have terms nearer to what the Town is seeking.

Review Updates to a Draft 2017 Budget-

Administrator/Planner Arnold stated that there were measures taken to adjust the initial design of buildings prior to construction that lowered the projected costs below the original target number. However, new costs due to change orders and unbudgeted expenses are being added. Arnold has not calculated the current estimated cost to complete the project with the additional items; once she has that number she will better be able to build a budget. Depending upon that target figure, adjustments to other budget lines may be required until the North Nine Mound Road property sells. There was a brief discussion regarding suspending capital road projects (about a \$350,000 budget line) until the current property sells to assure that all new site costs could be covered. However, the group thought this would be an unpopular option, but it was suggested to point out the possibility. Arnold and Clerk/Treasurer Wright presented a budget process timeline. Each subcommittee needs to determine draft budgets in October so that the Town Board has a chance to review prior the public hearing for the budget in November.

Wright briefly reviewed adjustments to this year's Levy Limit Worksheet due to annexation in the fourth week of December last year, which was too late to be reflected in that Worksheet. It would appear that the 2016 levy limit for taxes to be paid in 2017 is \$1,049,296, prior to adjustments for other annexations this year (including parcels for CPI Building, LLC). Rego asked if there were any large changes to the 2017 budget. Some items that have been discussed by Public Works and Fitchrona EMS are: additional wages for Patrolman assistance; replacement of the Old County PB bridge; replacement mowers, replacement of tractor and/or front end loader; additional insurance costs for the current Town properties and those being constructed; and Town portion of vehicle purchase for ambulance service. Bass-DeVries noted that it may be worthwhile to seek another insurance quote; she further noted that the newer site may actually be less expensive to insure.

There was brief review of the Utility District budget. Although there has been a surplus of reserve funds in the past, that amount is dwindling due to large repair expenses (relining of the main beneath Nesbitt Road and rehabilitation of manhole 10 planned for 2017). Wright noted that rates have been increased each of the past three years with the hopes that repairs would eventually all be addressed. Wright will research the amounts charged for sewer service for a single family dwelling in the City of Fitchburg and the City of Verona for comparison.

Schedule October 2016 Meeting and Set Agenda-

A special meeting will be held on Thursday, October 20, 2016 from 2:30 to 3:30 PM at the Town Hall followed by a regular meeting on Wednesday, October 26, 2016 from 2:30 to 3:30 PM; agenda items for the meeting on October 20, 2016:

- Call to Order, Approval of Agenda
- Approve minutes from September 28, 2016 meeting
- Update on Building Progress
- Review Updates to a Draft 2017 Budget
- Adjourn

Adjourn-

Senseman moved to adjourn; 2nd Bass-DeVries. The meeting was adjourned at 3:57 PM.

Approved: October 20, 2016

Prepared by: John Wright with Amanda Arnold review