

VILLAGE BOARD PROCEEDINGS

A special meeting of the Village Board, Village of New Auburn, was held on Saturday, October 22, 2016 at 2:00 p.m. at the Village hall.

Call to Order and Roll Call

The meeting was called to order by President Donna Bischel at 2:00 p.m. Answering roll call were John Knight, Brad Lotts, Gary Pitts, and Donna Bischel. Clerk/Treasurer Peggy Stanford was also present.

The purpose of the special meeting was to work on the 2017 Village budget and to conduct Village business.

Discussion/consideration of departmental budget requests

PW asked for a DR trimmer, an offset mower to cut grass and weeds, estimated cost \$999;

Road construction along County Hwy SS

Park – Clean out drainage ditch in the park. Repairs to park bathroom building. Installation of ceiling above pavilion kitchen. Backer supports behind bathroom sinks in the pavilion. Repairs to the ball field back stop. Replace red granite on walkways. Plan to construct another park shelter in 2018. Discussed parks commission to help coordinate projects – the cost would be greatly reduced if volunteers were recruited to help. Playground equipment - the parks commission will do as fund raiser. Future goal is to add more parking space.

Wage increase with health insurance. Discussed health insurance for the employees. Can we pay a smaller percentage of the funds and the employee pick up the rest? More information is needed on the costs.

Sewer utility - Set aside funds for sewer lining. Motors with VFD drives for the sewer plant.

Water utility – Inspection of the water tower.

2017 Budget work

Clerk/Treasurer Stanford presented and answered questions regarding proposed budget amounts. Stanford went through each revenue and expense line items on the proposed general fund budget. She explained about the increased utility tax, rent for fire hall, police squad funds, and the Superior Silica Sand process agreement for refunding the increased expense attributed to the annexation placed in the Taxes category at the recommendation of the auditors. Reviewed the status of the set aside funds and the amounts we may want to set aside for use in future years such as the funds for the police vehicle.

Stanford explained that we should be very proud of ourselves. In 2016 we paid off the JD lawnmower loan and the park pavilion loan. TIF District #1 paid off the loan for Well #2 and their portion of the economic development loan through Citizens Telephone Cooperative. We are still planning on closing on the New Auburn Fire Station loan with the NAAFD in 2016; this has been stalled waiting for the DOA to give final approval of the project completion.

Stanford also answered the question about what we do if an emergency arises with vehicles. We can borrow the money in the current year using our general obligation debt. The following year we would then budget the loan payment and interest payment in the budget.

The equalized value of property has decreased for 2017. This is mainly due to the decrease in personal property tax values for the sand plants. Stanford projects that the total property tax amount will decrease from 165,000 to 160,000 but your tax bill will remain about the same unless you received a decrease in your property value.

The water and sewer utility budgets do not look good. Expenses outweigh revenues. The utilities need to function on their daily operating revenues. The budget estimates are tight.

The sewer utility had a big expense this year in electricity. In March, Chippewa Valley Electric changed the electric meter and found that the installation was wrong when made at construction. The bill went from \$200 to \$1600 per month. Since, we have investigated changing motors with VFD for added cost savings with plans for installation in 2017. Labor has increased due to the extra work with the lift station and determining ways to decrease the electricity usage. Capital improvement projects still need to be planned for sewer main lining, and manhole repairs.

The water utility had huge increases in 2015 in depreciation from Well #2 which will continue in future budgets. In 2016 we needed to replace the well pump at Well #1 which was not planned and used surplus funds.

Ways to increase revenues include: Apply surplus (short-term fix); tighten up the employee hours to fall back to the general fund; eliminate the seasonal consumption on the sewer utility bill; and raise rates. The Board will consider options at the next meeting.

TIF District #1 – we have enough revenues to pay for the East St. lift station.

Proposed capital expenditures

- Police squad - \$10,000
- Park bathroom building - \$10,000
- Miscellaneous outlay - \$2,000
- Sewer – East St. lift station rehab - \$210,000
- Sewer – Replace motors and VFD's at WWTP - \$14,000
- Water – Water tower inspection - \$1,700

Adjournment

Motion by Knight to adjourn the meeting at 4:50 p.m., seconded by Lotts. Motion carried.

Respectfully submitted: _____
Peggy Stanford, WCMC; Clerk/Treasurer

Approved: _____
Donna Bischel, Village President

