

**TOWN OF MENASHA
PUBLIC HEARING OF THE PROPOSED 2010 BUDGET
Municipal Complex - Assembly Room - Tuesday, November 17, 2009**

Minutes

1. Call to Order and Pledge of Allegiance

Town Chairman Arden Tews called the Public Hearing to order at 6:00 p.m. and led the Pledge of Allegiance.

Town Residents Present: Dennis Gerhart, Annette Look, Greg Ziegler, Jeff Sturgell, Arden Tews, Jay Schroeder, Barb Knaack, Jeri Kalinich, Don Jungenberg, Keith Kiesow, Randy Gallow, Pat Dobberke, Josh Woodside, Kate McQuillan, Barbara Hanson, Guy Hegg, Lynn Schweitzer, Dale Youngquist, Scott Blashka, Sharon Jungenberg, Mike Lynch, Carol Schultz, Melvin Schultz, Tammy Woodside, Paul Eisen, Ria Hull, Chris Foster, Rod McCants, Patti Haase, Claude Foster, Mary Moreau, Dale Knaack, Dale McNamee, Rachel Youngquist, Judy Youngquist, Dina Sturgell.

Non-Residents Present: Joan Burrill, Steve Laabs, Michael Kading, Jeff Roth, Chuck Koehler, Myra Piergrossi, George Dearborn, Richard Eiberger, and Post Crescent Reporter Mike King.

2. Introduction of Town Board Members and Town Staff

Chairman Tews thanked everyone for attending and introduced the Town of Menasha elected officials and Town staff.

3. Review of the Proposed 2010 Budgets of the Town of Menasha, Utility District, and Stormwater Utility

Chairman Tews used a PowerPoint presentation (attached) to explain the 2010 proposed budget. A breakdown of the total tax bill showing percentages for each taxing authority was explained. For Neenah School District residents the Town portion is 25.5% and for Menasha School District residents 24.6%. The proposed 2010 town tax levy is \$7,424,193 which is an increase of \$301,832. There was a 3% decrease in manufacturing assessed value in 2009. In prior years, the Town experienced an average annual increase of 3.68% in assessed value. The Town's assessed value for 2010 is \$1,450,019,800 and the proposed Town tax rate is \$5.1201 per thousand, which is a 3.49% increase. This rate is equivalent to \$1.44/month or \$17.26/year for a \$100,000 home. Chair Tews explained if there had been the normal average annual increase in assessed value, this budget would have been a ½% increase from the prior year.

Chair Tews explained how the 2009 budget required \$357,237 of fund balance to maintain existing services. Due to cost savings realized during the 2009 budget year, it will not be required to use the full \$357,237 that was budgeted. Anticipated fund balance at the end of 2009 will be \$1,338,054 or 14.67%. The Town's auditor recommends the fund balance percentage be between 10 and 20 percent of next year's budget.

Chair Tews explained the 2010 Highway General Fund was \$998,787 with Capital Projects of \$3,333,323 for a total of \$4,332,110. Chair Tews detailed the Highway and Town Capital projects.

Chair Tews reviewed the Utility District budget. The 2010 water revenues and expenditures are projected to decrease to \$5,931,918. Sewer revenues and expenditures are also projected to decrease to \$3,334,199. A 5% increase on sewer rates effective 1/1/2010 was necessary to cover costs associated with the expansion of the Grand Chute Menasha West wastewater treatment plant. The Utility Capital Projects being done in 2010 will be funded by prior borrowing.

In detailing the Stormwater Utility budget, Chair Tews explained this is a new utility formed to meet the Wisconsin DNR requirements for stormwater management. He outlined the capital projects and the \$3,137,445

budgeted for stormwater revenues and expenditures. A comparison of stormwater rates throughout the valley was shown. The Town of Menasha annual Equivalent Residential Unit is \$100 per year.

Public Participation began at 6:50 p.m.

Guy Hegg, Dunning St., asked for clarification on the General Fund and Levy amounts. Dir. Piergrossi explained offsets from shared revenues and other revenue sources. Mr. Hegg went on to comment on the differences between the private and public sector and asked the board to review the employee portion of the budget as this is a large portion of expenditures in the budget.

Jay Schroeder, N. Lake St., commented he is grateful for the Fritse Park renovation; however felt that an increase in taxes, including a stormwater fee, should not be considered during this economy. He expressed concern over the amount of debt all government entities are undertaking. Mr. Schroeder asked for clarification on why the Town is not funding depreciation in the sewer account at this time. Dir. Piergrossi explained due to large increases in rates from Grand Chute Menasha West Sewerage Commission over the next three years, the Town does not have the cash on-hand to fund depreciation and the Town has decided to not increase sewer rates immediately to the level that would be required to fund that account. This will be done over time for a smaller impact to the residents.

Barb Knaack, Irish Rd., commented on the entire State's financial condition and her disagreement with moving forward with the stormwater utility and fees during this economy.

Admin. Sturgell commented on how staff has met with the DNR several times to discuss stormwater mandates and how they are financially affecting the Town. In addition he has worked with surrounding communities to meet with the DNR so they could present their issues as a united group as well as contacted state legislators. He went on to explain how he made the decision to take advantage of available stimulus money to offset construction costs of stormwater ponds. The creation of the Stormwater Utility was one option in dealing with these mandates; another option would have been to borrow money.

Dale McNamee, Whippetree Lane, commented he also contacted state legislators regarding stormwater mandates and agreed creation of the utility was the best decision rather than borrowing. He felt due diligence has been done by the staff and Board in preparation of this budget and complimented the Board on the work they've done.

Supv. Ziegler commented the Board looked closely at the services provided by the Town. He gave an example of how the Board decided against implementing a full-time Fire Dept. which would have improved services, but decided not to take on such a large expenditure at this time.

Josh Woodside, Lakeshore Dr., commented on how residents must decide which services they desire and it is the Board members' responsibility to represent the residents.

Paul Eisen, Brighton Beach Rd., asked about the budgeted deficit in 2009. Dir. Piergrossi explained this was projected and will actually be less of a deficit than originally expected due to cost savings throughout the year.

Tammy Woodside, Lakeshore Dr., asked what citizens can do regarding state mandates related to stormwater. Admin. Sturgell replied a public hearing will be held in January regarding changes to NR 151 (runoff management) and encouraged residents to attend to voice their concerns.

Supv. Youngquist expressed his support in the creation of the Stormwater Utility because it allows for equitable payment from all sources that produce stormwater runoff. For example, some of the largest impervious surfaces are from commercial properties and they pay a calculated stormwater fee based on the amount of impervious surface.

Barb Knaack, Irish Rd., asked if it was possible to wait to meet stormwater deadlines and not charge residents yet. Admin. Sturgell explained initially he planned on waiting until more definitive guidelines from the DNR were provided. However when stimulus funds, low interest Clean Water Fund loans, and land at affordable prices were available he decided going forward at this time would be financially the best option. Several residents made comments debating the value of waiting to meet state mandates and costs related to the Town, and the impact of using available stimulus dollars.

Chair Tews reported on the number of grants obtained by the Town for projects in 2009 and 2010. Grant funds received totaled \$2,849,577.

Josh Woodside requested the board look at several line items in the budget. Before reviewing line items, Chair Tews recessed the meeting from 7:55 - 8:06 p.m.

Josh Woodside asked about the impact to the levy if fiber optics was removed from the budget. Dir. Piergrossi explained this is a borrowed project so it would not impact 2010 levy, but the loan interest would be on the 2011 levy. Also discussed was the amount of savings budgeted in 2010 from the solar panels. Dir. Piergrossi explained the amount budgeted was 10%, but WE energies is projecting a 7.2% increase. Asked about the Parks Dept. 14.28% increase and looked at specific items in order to achieve a 0% increase. Dir. Piergrossi explained actual Park Dept. expenditures decreased for 2010 with the exception of the stormwater fee. Just as Town residents pay a stormwater fee, so will the Park Dept. based on its impervious surfaces. There are three capital projects on the levy. The board decided because they are smaller projects they would be placed on the levy rather than borrowing for them. Mr. Woodside asked the Board to consider deferring the capital projects. Admin. Sturgell outlined the projects: O’Hauser South, demolition of the barn near Schildt Park, and repaving of Palisades basketball courts. When asked about utilizing volunteers, Dir. Kading reported the Park Dept. uses volunteers for tasks that don’t require use of major motorized equipment.

4. Close the Public Hearing

At 8:18 p.m., Chairman Tews closed the Public Hearing.

Respectfully submitted,

Annette Look, Deputy Clerk