

**BUDGET WORK SESSION
HARRIS TOWN BOARD
Tuesday, February 17, 2015 - 7:00pm**

The Harris Town Board met at 7:00pm on Tuesday, February 17, 2015 for a Work Session at the Harris Township Service Center rather than the Town Hall as posted, due to an accidental double booking at the town hall. The change of location was posted on the town hall door, and officers and regular attendees of the township meetings were personally called regarding the change of location. The following officers of the board were present: Supervisors Gary Rosato, Larry Key, Jim Kelley, and Burl Ives, Treasurer Becky Adams and Clerk Michele Smith. *Absent: Supervisor Dennis Kortekaas.*

Also in attendance: Resident Cyndy Martin

1. Pledge to the flag, followed by the reading of the Harris Township mission statement

2. Final review and recommendations for the 2016 fund budgets and levies

Supervisor Rosato opened the budget work session, following the pledge to the flag. He reminded the board that the purpose of this meeting was to review past, current, and projected expenses and balances for all funds, and determine a recommended 2016 levy for each. This would be the last budget work session held.

The Clerk commented that she would take tonight's final recommendations and put them into a draft annual report for a final review and approval by the board at the February 25, 2015 P&D meeting. After that, she would send the annual report out for printing, so no changes could be made to the proposed budget and levies after that.

Supervisor Ives commented that his goal was to get as much extra money into the Road and Bridge fund for road improvements and repairs, and was looking to reduce other fund budgets wherever possible. Overall, his goal was to have a flat budget, and propose the same total levy for 2016 as was approved last year for 2015, with no bottom line increase. The levy adopted in 2015 was \$930,000.

Treasurer Adams reminded the board that our outside auditor recommends that operating fund balances be equivalent to 4-6 months of operating costs.

All funds were reviewed, and notes from discussions were as follows:

- General Fund
 - **\$140,000 proposed levy by Clerk; board agreed**
- Road & Bridge Fund
 - **\$500,000 proposed levy by Clerk. After discussing, board reduced to \$490,000.**
 - Line 202: Snow plowing – New rate for 2015-2016 just received; cost per mile will be going up from \$660/mile to \$ 700/mile; this is an increase \$1,298/yr over current costs of \$21,417/yr. Budget for 2016 was increased to 24,000.
 - Line 206: Striping – This cost is generally included with construction costs (line item 224) so the board agreed to reduce this line item to zero (from \$10K) and reduce levy by the same amount.
 - Line 224: Major construction – No definite road plans were agreed to for the current 2015 year, nor for 2016. The clerk's budget of \$300,000 for this item was okayed, noting another \$110,000 would come out of the Capital Improvement-Road fund as needed for the bituminous project in 2016. And that \$100,000 could come out for any 2015 projects as well, if needed.
- Equipment Fund
 - **\$5,000 proposed levy by Clerk. After discussing, board reduced to \$0.00**
 - Discussed combining various "parts" line numbers into a new line for "Equipment parts". Clerk agreed to change 2016 budget amounts for these parts lines that have had a \$50 place holder for years – with little or no paid amounts for the past few years - to \$0.00.

- Line 355: Travel time – reduce to \$0; this should be a part of “maintenance labor”; Clerk will combine with line #399
- Line 357: Tools – reduced to \$500
- Line 358: Miscellaneous – reduced to \$1,500
- Cemetery Fund
 - **\$0.00 proposed levy by Clerk; board agreed**
 - Line 423: Road Work – The appropriateness of cemetery road work in this fund versus the Road and Bridge fund was discussed. Overall, it could go in either fund.

Discussed that due to the healthy balance of \$84,486 in this account, the entire cost to resurface the cemetery roads may be able to be taken out of the cemetery fund. This has been discussed for 2015 or 2016.
 - Line 450: New Development – nothing planned at this time, but money for the new section will be needed at some point.
- Recreation Fund
 - **\$40,000 proposed by the Clerk, depending on projects. After review, reduced to \$25,000**
 - Line 502: Park Development – Creative Services (Mike Hendricks) had not been contracted for 2015, so board agreed to reduce budget for this line in 2016 to zero.
 - Line 550: New Development – Wendigo Park

Prior project discussed by the board in 2014 was replacing the hard surface at Wendigo, which is the basketball and game court, as its 40-45 years old, worn out, and will soon become a safety hazard. The estimated cost given by Mike Hendricks at the Jan 22, 2014 meeting was \$7,000 including installation. Plus a basketball standard – like that at Crystal – would be apx \$300.
Total: 7,300
 - Line 560: New Development – Crystal Park. Nothing planned so reduce budget to \$0
 - Line 599: Maintenance Labor – Rec. After a lengthy discussion and request to reduce by Ives, the board agreed to leave this line item budget at \$18,000
 - Proposed suggestions for the levy of this fund ranged from \$20,000 to \$30,000. The Clerk reran the figures based on the line reductions above and a \$25,000 levy...and the ending projected balance at the end of 2016 compared to the actual operating costs of 2014 would be 46% - a good figure. And this included \$7,300 for replacing the work service. The board concurred to go with a \$25,000 levy for recreation – but zero for new park development line item (550).
- Building & Grounds Fund
 - **\$60,000 proposed by the Clerk, plus a transfer from Capital Improvement fund, due to current deficient balance at the end of 2014 of <\$14,929>. After review, board agreed to the \$60,000 proposed levy for 2016 and a transfer from the Cap Impv Fund \$28,217 in 2015**
 - Board agreed to transfer money from Cap Impv – non dedicated fund in 2015 to cover the 2014 expenses of the new town hall entrance ramp & awning, the new Wendigo well, and the new furnace in the Service Center garage, a total of \$28,217
 - Potential projects from this fund were discussed at length, including
 - Cost of variable speed well pumps at Wendigo and Crystal Parks: Per Kelley, the cheapest option is a manual speed one for apx \$3,400 plus a small bare minimum 8’x8’ building to enclose the unit for \$8,000 – plus wiring. The \$3,400 cost would double if they went to an *electronic* speed well. Kelley also checked into the cost of putting in

another well to use just for watering. He was told that would cost apx \$11-12,000. And while there is a very low volume well now at Wendigo, it is only usable to water the ball field; it's not enough volume to flood the rink.

- Town Hall: Talked about flooring at town hall; may just need cleaning? Bathrooms and kitchen floors are the original from apx 1982; they are coming apart and there is bacteria in them. Furnace is 15 years old – could give us problems. Electrical outlets need different circuits – to stop the blowing fuses/breakers when multiple things are plugged into kitchen outlets. Board agreed that they can't just "let things go" forever, but could use money out of the capital improvement fund if needed.
 - Board considered reducing levy for this fund down to \$50,000 but after reviewing issues and projects above, they opted to leave it at the \$60,000 proposed amount.
- Fire Fund
 - **\$75,000 proposed levy by Clerk; board agreed**
- Capital Improvement Fund
 - **\$140,000 proposed by the Clerk, made up of: \$30K for equipment, \$10K for service center, and \$100K for roads. After review, total levy of \$140K agreed to by board but split as follows: \$30K for equipment, \$0 for service center, and \$110K for roads.**
 - Ives was not in favor of levying money for the dedicated Service Center fund, and suggested a zero levy for that, and instead increase the dedicated road fund by \$10,000.
 - Board agreed that the Capital equipment plan works well as a way to save for equipment purchases and replacements, but that it should be reviewed and the life cycles updated for the equipment listed.
 - Plans are to use \$100,000 in 2015 and \$110,000 in 2016 from the road dedicated fund. Ives was in favor of spending down the road fund.
- Overall 2016 Levy for all funds
 - **Based on the changes noted above for all funds, the ending result agreed to by the board was:**
 - **General Fund: \$140,000**
 - **Road & Bridge: \$490,000**
 - **Equipment: - \$0 -**
 - **Cemetery: - \$0 -**
 - **Recreation: \$ 25,000**
 - **Bldg & Grounds: \$ 60,000**
 - **Fire: \$ 75,000**
 - **Capital Impv: \$140,000**
 - TOTAL: \$930,000 (same as 2015 levy)**

3. Adjourn

The work session was adjourned upon a motion by Supervisor Kelley at 10:22pm, and a second by Supervisor Rosato

Respectfully submitted,
Michele Smith – Harris Township Clerk