

MINUTES
TOWN OF SALEM BOARD OF SUPERVISORS
BUDGET WORKSHOP
Tuesday, October 15, 2013 6:00 pm.
SALEM TOWN HALL
9814 ANTIOCH ROAD, SALEM, WI 53168

Chairman Diann Tesar called this Budget Workshop of the Town of Salem Board of Supervisors to order at 6:00 p.m. with the following present: Supervisors Mike Culat, Dennis Faber, and Dan Campion.

Supervisor

Pat Casey, Brad Zautcke, Chris Lamb, Jack Rowland, Mike Slover, Dave Shortess, Mike Murdock and Mike Slover and Mike Langel.

1.) There was discussion, review, and input on the proposed Fiscal Year 2014 Town of Salem Budget with Administrator Casey again stressing that we need to stop re-appropriating fund balance to balance the general fund. He came up with a couple of different scenarios regarding the general fund with the least amount of impact on the Town and the taxpayers.

It was decided to go through the Fire Department options first.

Chief Slover brought forward to the board priorities regarding his budget. He stated his first priority is a nighttime EMS (part time) and a daytime Firefighter/EMT, which would reduce his budget by \$44,000. He then reviewed his other two priorities.

Discussion followed.

Administrator Casey went through other amendments to the budget including election equipment, tech services which were overstated in the budget request which is split with the Utility District was reduced and the unemployment line item was reduced.

Questions were asked regarding projections in the year end budget and fund balance.

If we don't want to raise taxes at all, then we only have fund balance to rely on or cutting expenditures. To cut expenditures by close to \$500,000 would be tremendously damaging to the General Fund. We could use fund balance in the amount of \$478,000, which Administrator Casey told the Board would be okay as it would leave a fund balance of \$854,000. We do have a fund balance policy which says we need to have 17% of expenditures and so we would basically be within our policy if we used the entire \$478,000. If it's used, it goes away and because we used a onetime revenue to balance the budget, and when it comes to this time next year we will have already be "in a \$478,00 hole" plus whatever we face next year.

Further discussion followed with Administrator Casey explaining that state allows us to raise the levy to cover debt. The debt service is exempt and we could raise the levy \$1.2 million to cover debt, but not recommended by Administrator Casey. Ultimate goal is to quit using fund balance.

Discussion of raising taxes with the options and projections below followed.

Raise the full amount this year.

Increase General Fund levy 12% for the first two years and take the remaining five years of the plan and raise it 5%.

Increase General Fund levy 10% for three years and 4% for four years after that.

Increase General Fund levy across the board 10% every year through 2020.

Raise the levy every year by \$200,000 years for about the next 7 years. This would violate our fund balance for one year.

Discussion followed regarding Chief Slover's priorities with the majority of in favor his Priority #1, previous year's budgets, future expenses in various line items, and employee raises and reviews.

Changes made were Chief Slover's priorities with the majority of in favor his Priority #1, election equipment cut in half, adjustment in tech services and unemployment, added to fire department apparatus, gave the judge a raise, taken out ordinance enforcement vehicle, and cut fire building utilities. If we stop where we're at the levy would go up 14.29%. The gap is \$354,628.

ADJOURNMENT

This Budget Workshop meeting was adjourned at 8:00 p.m.

Respectfully submitted,

Cindi Ernest, Clerk