

**MINUTES OF THE SPECIAL TOWN COUNCIL MEETING  
& PUBLIC BUDGET HEARINGS  
JUNE 8, 2006**

**Call to Order: 6:04 PM**

**Council Members Present: Damian Bollermann, Jim Lindheim, Ranna Bieschke**

**Others Present: Jim Tharp**

**Clerk/Recorder: Rebecca Martin**

**1. Public Hearing: Proposed Amendments to the Fiscal Year 2006 Budget.**

Town Treasurer, Jim Lindheim, reported in detail on the current budget, referring to a 4-column General Fund Budget worksheet and a Capital Funds Budget worksheet (worksheets attached).

Income was around \$9,000 higher than projected, with sales tax higher, property tax at \$59,493, and interest income higher than projected. The \$55,300 in grant money, reflected in both income and expense, created the appearance of a large difference between the budgeted amounts and the actual amounts for 2006.

Expenses showed an overage in the administration category, with insurance/bonds and personnel coming in over budget. Roads, legal expenses, the planning commission and the community building costs came in under what was projected.

Overall, there is a \$25,841 surplus this year. The Town proposed to put the surplus into the Capital Fund.

No public comment was offered.

**Public Hearing closed at 6:45 PM.**

**2. Discussion and possible action re: Amendments to the Fiscal Year 2006 Budget.**

No action taken.

**3. Public Hearing: Proposed Fiscal year 2007 Budget.**

**Public Hearing opened at: 6:46 PM**

Jim reported in detail on the thinking behind the projected fiscal year 2007 budget, again referring to the 4-column General Fund Budget worksheet and a Capital Funds Budget worksheet (worksheets attached). A general effort was made to budget conservatively, being cautious on income and less so on expenses.

Income is expected to be about the same in FY 2007. Total income is projected to be \$127,000 in FY 2007. Sales tax is not expected to change much over last year and has been going up. Property Tax is expected to be about the same, and may be adjusted slightly when an exact figure comes in from Fran Townsend. Class C road income has been going up because more roads are being graveled and the Town is paid more for gravel roads than dirt. Other income categories are expected to be unchanged.

Ranna asked if \$1,200 would really be earned in water permits. Some 12-13 people are expected to have to pay their \$95 fee, where rights were lapsed and must be sorted out.

Expenses show an increase for legal, P&Z, personnel, and roads. Other minor spending increases are anticipated in utilities, services, supplies, etc., as costs rise. Personnel shows \$5,000 to hire a maintenance person, and the P&Z/Clerk areas reflect the concept that Clerk hours may be reduced and the P&Z minutes handled by a separate person. A drop from the 2006 actual expenditures for Surety bonds shows up because the (monitoring wells) bond paid this year was a one-time expense. \$4,000 more in legal expenses are in the budget, to cover P&Z consulting and possible water department needs. Funds remain in the Trash Clean-Up category; although only one dumpster was paid for by the Town this year, it is unclear what will be needed next year. The Community Building lease expense goes down by \$100 each year.

The adequacy of the amount set aside for building inspector labor was questioned. The Council discussed increasing the amount to \$2,000.

All capital expenditures are being paid for out of capital (the two budgets are detailed on separate sheets).

Re: Roads: All capital improvements will be handled by the capital budget. Income from (B and) C roads must be spent on roads, including weeds and drainage issues. This category was under-spent in FY 2006. The weed income may increase, and mowing and cemetery maintenance may be added to weed control.

A larger roads improvements project is being proposed in FY 2007, and capital funds money budgeted accordingly. Lengthy discussion ensued about the tangible value and public perceptions surrounding road work. Roads are a priority, yet some people ask for less road improvement. The rule of thumb has been that if even one person on a road wants gravel, it gets gravel. This pending larger project may include jackhammers to blow out rocks, graveling more roads, and clearing out drainages. Damian has researched a plant-based dust control and suggested that \$5,000 would cover that. Putting more roads in gravel means spending less on maintenance. \$30,000 will be spent on road improvements in FY 2007. Jim Tharp commented on the practicality of this goal.

Discussion ensued about the water budget. Legal fees are budgeted higher. Labor amounts are expected to go down after Scott finishes up the adjudication administration. Jim Tharp commented on ambiguities that may make it hard to project those expenses.

Discussion ensued about a proposed basketball court. This would hopefully be funded by grants and the capital fund. Part of the funding could also come from the general fund.

Jim Tharp expressed concern over the Rim Rock Road Runners (\$1,000) donation (for a running trail or basketball court). Recreational Project Money is deposited into the Capital Fund.

Jim noted that on the Capital Budget worksheet, the 6<sup>th</sup> column contained a typo. The column heading should read "2006".

The Pavilion Capital Fund is expected to be finished out in the coming year. \$5,600 is slated to be spent on landscaping before the close of FY 2006.

\$25,841 will be transferred into the capital fund.

Jim Lindheim commented on the relation between taxes and surpluses. The Community Building has created some people costs.

Discussion ensued about the costs of enforcement, both in the legal and administrative categories. Some enforcement funding has been budgeted for FY 2007.

Current Town projects include a re-examination of Town ordinances, improving enforcement, and land trade issues.

Ranna wanted to be sure the basketball court has secure funding. The Council Discussed spending \$30,000 on Roads, and putting aside \$10,000 for a basketball court.

Discussion ensued about the budget reflecting policies rather than being a list of expenditures. Jim Tharp noted that this budget reflects the following policies, i.e., enforcement, roads and getting the necessary people in place to run things well.

#### **4. Discussion & possible action re: Fiscal Year 2007 Budget.**

No action taken.

#### **ADJOURNMENT.**

**Jim moved to adjourn. Ranna seconded. Motion passed unanimously.** Meeting adjourned at 7:55 PM.

**ATTEST:**

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**Town Clerk/Recorder**