Town of New Glarus

SPECIAL TOWN BOARD MEETING

MONDAY, OCTOBER 26TH 2026

MINUTES

Board Members Attending: Matt Streiff (Chair), Alex Esser, Mark Pernitz, Troy Pauli, and Dan Gartzke

Elector Residents Attending – Nancy Galhouse, Craig Galhouse, George Marotta, Todd Kuehl, Janet Sherven, John Freitag, Judith Blank, Rebecca Streiff, Tom Sandahl, Susan Crum, Mindy Marty, Dale Hustad, Kelly Ruschman, John Ott, Drew Delforge, Harry Pulliam, Rob Ready, Todd Larson, Bea Nolan, and Dennis Nolan.

Held at New Glarus Town Garage, N8799 Hayes Lane, New Glarus, WI

1) Chair Matt Streiff called the special town board meeting to order at 05:01 pm.

2) Proof of Posting – Deputy Clerk Kramer attested to the proper proof of posting October 22nd, 2026.

3) **Presentation and Discussion of the Proposed 2027 Budget** – Chair Matt Streiff presented the proposed 2027 Town Budget. He reported that projected revenue for 2027 is approximately $1.5 million, in addition to anticipated proceeds from the sale of the Town Garage.

   The Town currently has approximately $1.1 million in non-debt-service funds. Debt payments include $100,000 in interest and $425,000 in principal payments due in December 2026.

   The Town is currently planning to borrow $850,000. This amount includes $548,886.71 to replace reserves used for the purchase of the new fire truck and an additional $301,113.29 to replenish funds used for Public Works Garage expenses.

   On the expenditure side, Streiff explained that he is working to tighten the budget. The elimination of the deputy clerk position, leaving one clerk position, will reduce personnel expenses. He is proposing a 3% wage increase for Town employees.

   Historical road budgets included $250,000 in 2025 and $285,000 in 2026. The proposed 2027 road budget is $250,000. The EMS contribution, previously budgeted at $30,000, will increase to $100,000 due to the formation of the new EMS District.

The proposed 2027 budget reflects a 3.5% mill rate increase, less 0.6% for net new construction, resulting in a 2.9% increase within the levy limit.

Streiff further explained that the proposed budget does not include any additional borrowing in 2027, the purchase of a batwing mower, or the purchase of a new plow truck.

Debt service expenses include the loans for the park and the Durst Road reconstruction.

The proposed Public Works budget includes the following expenses:

- Road maintenance: $250,000
- Equipment repairs: $12,000
- Fuel and oil: $15,000
- Sand and salt: $20,000
- Patrolman wages: $69,000
- Patrolman health insurance: $30,000
- Gravel: $2,000

Supervisor Mark Pernitz expressed concern that the proposed road budget was insufficient, noting that road maintenance and snow removal are the two biggest concerns for Town residents. He proposed purchasing a batwing mower at an estimated cost of $35,000 for roadside mowing. Pernitz stated that not purchasing the mower would be unwise for the Town.

Mark read a prepared statement as follows:

"Third, and my biggest concern, is that we should be using borrowing to pay for capital items like the fire truck and the town garage rather than cash and our fund balance which is basically our reserves. A fundamental principle of municipal finance, rather than private sector finance, is that you use debt/borrowing to pay for capital items that have a useful life of 10, 20 or longer years. Why? Because it spreads the cost of the capital item over a greater number of taxpayers. Under this budget, every one of you will be paying 100% of the cost of the Town garage. Someone who moves here next year, or in coming years, pays nothing, yet gets the benefit of the garage for the next 20 or more years.

Instead of borrowing to pay for the garage, we are using our reserves, including the $500K we received from the sale of the Town hall and which was earmarked to go towards the cost of a future Town hall. When we go to build a new Town hall in the future, the $500K which was supposed to reduce its cost will be gone because we spent it on the garage.

The proposed budget only has us borrowing for the cost of the fire truck ($550K) and our spending deficit($300K), and nothing for the cost of the Town garage. This limited

borrowing results in our fund balance, our reserves, being relatively low. If we have an unexpected expense, such as our 21-year-old plow truck dying, or needing major repairs, the lack of adequate reserves could create some problems. I believe it would be fiscally prudent for our reserves to be higher.

But the reality is that the days of steady, predictable taxes are gone. For the past years, you could count on your taxes going up about 2-4%, or the cost of inflation. It is unlikely that Matt will be able to maintain taxes at the reduced level, and if he can, great. If not, then next year's taxes will go up. So, we will be back on the rollercoaster of up & down taxes the Town has been trying to avoid. Personally, I prefer the predictability and stable taxes.

So for all these reasons, I cannot support this budget. Its Matt's budget and I expect it will pass but I think you should be aware of the trade-offs that have been made."

Chairman Streiff addressed Supervisors Pernitz's concerns saying that having a budget with constraints is a strategy to reduce unnecessary expenses, and should we determine needs within the year, there are options to adjust our spending. Regarding the batwing mower, Chairman Streiff referenced various well intended projects that fail to capture the full cost of the build out, maintenance, and other related expenses. Specific the mower, he stated that it is more than that cost itself, because by purchasing a mower, we are committing to renting or buying a tractor to make it useable, which is being overlooked. Regarding borrowing for capital expenditures and the tax rate variability, Chairman Streiff indicated that the township has more than enough current debt such that we can keep our tax rates steady and stable for at least 7 more years, without considering our near term needs for purchasing a plow truck, or redoing Legler Valley Road or Valley View Road in the coming years. So, any concerns of tax stability are unwarranted.

4) **Public Comment** – An opportunity was provided for electors to ask questions and receive answers regarding the proposed budget, the district's debt obligations and the proposed increase in the levy limit.

5) **Approval of the 2027 Budget** - Motion by Troy Pauli to approve the 2027 Budget as presented. Seconded by Alex Esser.

   The motion carried with four members voting in favor and one opposed.

6) The borrowing resolution was not available for this meeting.

7) Motion by Troy Pauli to adjourn meeting and seconded by Alex Esser. All were in favor. Meeting was adjourned at 5:55 pm.

Submitted by: Darla Kramer
Clerk Treasurer

Approved 11-11-2026