

SPECIAL FINANCE COMMITTEE OF THE WHOLE

OCTOBER 2, 2012

The meeting was called to order by Mayor Moede at 5:00 p.m. with the following Roll Call:

Members Present: Ald. Toellner, Ald. Sertich, Ald. Schmidt, Ald. Schaefer, Ald. Pasbrig,
Ald. Redeker

Members Absent:

Others Present: Mayor Moede, Deanna Boldrey, Kathie Wild, Don Neitzel, Mike Kurutz, Alixe Bielot,
Roger Williams, Carla Hagen, Chris MacNeill, Jeremy Vanderloop, Leslie
Hershberger, Linda Turk, Jean Natrop, Ben Brown, Lisa Schmitt, Dave Pieper,
Christine Churchill, Lourdeen Robinson, Diane Slater, Tracy Heron, Jayne Murray

Item #2 – Citizen Comments.

Lourdeen Robson of 302 Cardinal Circle came to the podium. She wanted to address the wheel tax. She stated that she had sent an email stating vote no for the wheel tax and to get rid of the wheel tax. She continued that people are struggling. She thanked Ald. Sertich and Council for searching out the fire truck. Lourdeen asked the Council to find a way to stop the spending.

Tracy Heron of 6 South John Street came to the podium. He respectfully requests that the wheel tax be removed. He stated that he has been impressed with the Council. Tracy continued that people are struggling and the wheel tax needs to be removed. He commented on the cuts to Shared Revenue and Transportation Aids and referenced a news article. Tracy continued that the wheel tax was meant to be a last resort tax and it was known that once it was in the budget, it would be difficult to remove. Tracy continued that he is happy that the Council is sticking to the 9 year plan.

Item #2 – Budget Remarks by the Mayor.

Mayor Moede commented that both Ald. Sertich and Kathie Wild have worked hard and long, and many hours have already been spent working on the 2013 budget. He commended Kathie Wild and Ald. Sertich on their excellent job with the budget.

Item #4 – Clerk to Present & Read Resolution 4341-2009 Approve Financial Recovery Plan of 9 Years that will Rebuild the Undesignated Fund balance to 25% Reserve at an Estimated Annual Amount of \$365,000.

The Clerk read the resolution. Kathie Wild gave a background to the resolution. She reported that initially when the resolution passed the City had a deficit of \$2.4 Million, the Council at that time decided to set aside 25% reserve of \$800,000. It was decided to set aside \$365,000 for nine years to eliminate deficits. In 2011, \$587,000 of the deficit was made up. The deficits are down to \$1.3 Million. 2011 was the first year the \$365,000 was budgeted. She is predicting to meet the \$365,000 goal in 2012, possibly \$470,000 or \$500,000.

Item #5 – Clerk to Present & Read Resolution 4272-2008 Review of Vehicle Registration Fee Ordinance Annually with Possible Recommendation of Amendments to Ordinance 1013-2008 Vehicle Registration Fee.

The Clerk read the resolution. Motion by Ald. Redeker, second by Ald. Toellner to repeal ordinance 1013-2008. Amendment motion by Ald. Sertich, second by Ald. Pasbrig to put the item on the parking lot for further discussion while going through the budget. Ald. Redeker continued that everyone is aware of the ordinance. He continued that we owe the tax payers to put it at the front of the budget meetings instead of as an after-thought at the end. Ald. Pasbrig commented that the intent of the wheel tax was that at the time our roads were in deep trouble because we did not have the money to take care of them. The wheel tax was used for roads and the item comes back every year. The cost will have to come back some place. Ald. Pasbrig reminded the Council that renters are also paying part of it; they use our roads. Ald. Pasbrig continued that it does not take away from the fact that we have to repair our roads. Ald. Sertich commented that the Transportation Aids was reduced \$21,000. She questioned if the motions were appropriate. She wants to hear from the public. Ald. Sertich commented that she has heard from some that do not have a problem with it. She commented for the Alderpersons talk to the public and get feedback.

The Clerk read the wording on the agenda that allowed for possible amendments. Ald. Redeker commented that this is not a pay off the debt tax. He commented that people are paying tax in rent. Ald. Redeker continued that every municipality has road repairs, and Mayville is the only one around with wheel tax. Mayor Moede commented that the \$50,000 has to come from someplace. The Mayor noted to put the wheel tax on the parking lot for more discussion. Ald. Toellner commented that the wheel tax should be in the property taxes. Ald. Redeker commented on the borrowing for the roads, that the City just borrowed \$100,000 for roads. The \$40,000-\$50,000 is not the only amount going to the roads. He noted that at the end of the day it is an anti-Mayville tax. Ald. Redeker commented that we are competing with other communities; it is not a selling point for the City of Mayville. Ald. Sertich asked for clarification on the \$100,000 and additional \$49,000. He noted that in Capital Improvements just approved \$100,000 for the roads, Ald. Redeker questioned at what point can the public know we are caught up on the back log of road repairs. Ald. Redeker noted the full salt shed as a feather in the cap. Ald. Redeker questioned when will it be repealed; it was supposed to be temporary. Ald. Pasbrig noted that this is a difference of philosophy. It was brought in for a purpose and the item will come back every year for review. Ald. Redeker commented that it is just not \$10; most households have more than one vehicle. Kathie Wild commented that no other municipalities are this much in the hole. The auditor came in and said this is the worst they had ever seen. Ald. Sertich noted that we should get feedback from the people. Mayor Moede commented that even if the shed is full of salt; we are obligated to buy a certain amount of salt. The amended motion tied 3-3; Mayor broke the tie by voting yes. Ald. Sertich, Ald. Pasbrig, and Ald. Schaefer voted yes. Ald. Redeker, Ald. Schmidt, Ald. Toellner voted no. The Wheel Tax item will go on the parking lot for further discussion.

Item #6 – 2012 Budget Request Presentations.

A. Chamber of Commerce.

Jeremy Vanderloop and Leslie Hershberger of the Chamber came to the podium. Jeremy reviewed their memo of business support, tourism, annual community events, and 2013 focus. Jeremy noted their involvement with the fireworks. He noted the relocation packets that they offer. Leslie commented on the Mayville Mogul program which will offer benefits and grants to local business owners. They are requesting \$7,500.

B. Main Street Mayville.

Jean Natrop of Main Street Mayville came to the podium. She commented on the Main Street Mayville 2013 Work Plan and assistance with the fireworks fundraising. She commented on the shortening of the Heritage Fest to make money. They are requesting \$6,000.

C. Graceland Cemetery Association.

Carla Hagen of the Graceland Cemetery came to the podium. They are requesting \$14,000. Overall, the budget is down somewhat. She is anticipating a drop in revenues primarily in interest. The long term CDs are coming up and the five years is up. She also noted that there has been a decrease in burials. Carla noted that the cemetery has been operating with one less employee this year. She continued that they were able to make it on three part-time employees this year but may have to bring in a fourth part-time employee next year.

Item #7 – Discuss/Recommend 2013 Schedule of Fees.

Deanna introduced the item. She noted that the Schedule of Fees is the setting of the fees for the next year. Deanna read her memo in regards to the fees. She noted the comparison that was done with other communities on the Animal Licensing Fees, Operators License Fees, and Liquor / Cigarette Licensing Fees for comparison. The background check fees were noted as these will be on the General Admin Budget rather than the Police Department Budget. Ald. Redeker questioned the new category for weddings. Mike noted that weddings need a weekend rental so that they can have Friday – Sunday. They do not use utilities just allows them to get in there and decorate. Ald. Pasbrig commented on the operator's license fee increase. He noted the businesses that have multiple licenses. Deanna noted that part of the \$10 increase is to cover the \$7 back ground check that will come through the general admin budget.

Motion by Ald. Sertich, second by Ald. Schmidt to recommend 2013 Schedule of Fees. Motion by Ald. Redeker, second by Ald. Pasbrig to decrease the proposed increase of the operator's licenses by \$5, to \$35 for one year and \$45 for two year licenses. Amendment motion carried 6-0. Original Motion as amended carried 6-0.

Item #8 – Discuss/Review/Recommend 1st Draft of 2012 City Budget.

With no objections from the Council, Mayor Moede temporarily turned the gavel over to Ald. Sertich, Finance Chair.

Ald. Sertich explained the rules of the meeting. Ald. Sertich commented that she will go page by page with a straw poll. If you have an item for further discussion, it will go on the parking lot. If there is not a question, the item will not come back for discussion. She noted that salary items will be discussed in closed session. There have been other topics that may have to be revisited such as schooling costs. Ald. Sertich noted that prior to receiving the packets the Mayor, Comptroller and Herself gathered \$90,000 in savings which was taken out of the budget. Also they put aside appropriate funds for litigation and negotiations. She continued that we do not want to amend the budget. She continued that in 2013 that all department heads will start putting the correct code on invoices to show where the true dollars are going. Even if the dollar amount is on the high end or over; we will still see the percentage of their overall budget. Will get a better handle on each line item. She asked for people to raise their hand for acknowledgement.

Kathie Wild noted the schedule and will try to get through everyone's budgets tonight. Kathie also gave an overview on the general fund and other funds. She noted that the General Fund is Fund 10. The General Fund is not the only fund that makes up the tax levy. At this point she is showing a surplus of \$347,613, and we received notice that the transportation aid had decreased \$21,000. The transportation aid calculation comes into play as a six year average. With the \$21,000, we are \$17,387 away from meeting the \$365,000. There is no tax increase in the budget at this time. The tax increase will wait until the end. In 2010, there was an increase of 8.5% to the levy; and in 2011, there was an increase of 2.5% to the levy. In 2012, there was an increase of 1.5% to the levy.

Don Neitzel – Planning Engineering (Public Works Budget).

The Public Works Streets and Roads budget was then reviewed for the items that Don will cover. The Wheel Tax was put on the parking lot. It was noted that we will know more about the Host Fees after tomorrow's meeting. Item 33-367, Streets and Roads – Paving was noted. Don noted that there is still catching up on the roads to be done. Two years ago most of the streets were rated at a two or three; not a lot of fours; getting caught up on the roads. Item 30-319, Don noted he does not see the next year being any different. This includes activities that Don Neitzel is involved in along with Mayor. Could be revisited. Ald. Redeker questioned if there will be a better estimate after tomorrow. Ald. Redeker would like the item to be revisited. The host fees could be revisited after tomorrow's meeting.

Christine Churchill – EMS Coordinator.

The EMS budget was reviewed page by page, item by item. It was noted that Christine Churchill had to leave. It was noted the requested salary increases would go on the parking lot. The requested increases were not added in. Ald. Pasbrig asked for more information on Professional Services, line item 317-000 will come back for more information. Ald. Pasbrig noted he would like the history on item 386. Also, it was noted that there could be a delay in the billing on item 383. Equipment replacement is the fund of money set aside from all of the territories.

Roger Williams – Fire Department Chief.

The Fire Department budget was reviewed page by page, item by item. Salary requests will be placed on the parking lot. Item 22-320, Ald. Redeker noted the difference on the line item. Ald. Sertich commented that they are cancelling the Aramark rug service. Most departments have cancelled this type of service. Item 22-330, can drop down to \$2,000 as the newer used truck ladder will be certified already and will not need to have this done. Item 22-348 is from capital improvement items. It was noted that their life insurance will run out at the end of this year because they are not doing fundraising. Fire Inspections Budget was noted the salaries will come back. The Fire Trust account was noted. This is the account the life insurance comes out of. The money will run out of this account at the end of the year because they have not been doing fundraising. Ald. Sertich noted that there may be consideration of fundraising.

Mike Kurutz – Director Parks, Recreation, and Public Works.

Public Works.

The Public Works Budget was reviewed page by page, item by item. It was noted that the General Transportation Aids was decreased by \$21,000. Ald. Redeker questioned Streets and Roads Motor Pool currently at \$1,500 and going up to \$3,000. Kathie Wild noted other items have to go through there yet. This is for rental items like rental of the street sweeper. Mike reported that other communities have contacted him to rent personnel and equipment. It was noted it would have to be made worthwhile. The item 102 is on the parking lot. Line item 206 was added allowing the true dollars to be shown. Item 209 is reduced down and will fluctuate year to year depending on the need for the glasses. Mike Kurutz noted that 33-330 is going down due to less maintenance on newer/better equipment. Also, 33-369, will decrease as the tools become more modernized. Item 33-804, this is the last payment on the mower. Mike pointed out that this has been a rough year on street lights; there were three street lights damaged this year. It was noted that the amount to celebrations has decreased because not bringing in the guys on overtime. Also, they are doing less with the Christmas lights. Ald. Sertich commented to take this into consideration with the requests coming in.

Parks.

The Parks Budget was reviewed page by page, item by item. Parks line item 102 will go on the parking lot.

Motion by Ald. Toellner, second by Ald. Redeker to take a five minute recess at 7:12 p.m. Motion carried 6-0. Meeting reconvened at 7:20 p.m.

Item 48500-54 Donations Contracted Services, Mike noted that this is for services for Mayville Sports. Mike has not billed this out for 2012, yet. Ald. Pasbrig questioned line item 54-386, asking is the gas oil enough. Mike noted it could be on the light side. Ald. Pasbrig commented to review gas across the board. Kathie Wild noted some departments increased theirs. The tables at the pavilion were discussed. Mike reported that the newest tables are from 1997. He wants to replace with new plastic banquet tables. Mike noted that on item number 361, he moving \$1,000 from 361 to the leagues fund. This will be for baseball

supplies. All leagues pay a maintenance fee / player fee which goes towards grounds. Item number 903, Parks Pool Transfer to TAG, was put on the parking lot.

Parks Director.

The Parks Director Budget was reviewed page by page, item by item.

Rec Leagues.

The Rec Leagues Budget was reviewed page by page, item by item. Anything recreation goes into this account. Carry a positive \$5,000 - \$8,000 balance. Will utilize more this next year.

Alixé Bielot.

Library.

Kathie Wild gave history to the ACT 10 change to the Library Maintenance of Effort. She noted that the Council sets the bottom line for the library. The increases seen in the budget are due to health insurance change for an employee from single plan to family plan. The City determines the bottom line. The library board determines the wages and how allocated. The Library budget was reviewed. It was noted that postage has decreased. Alixe commented that this is due to most receive notices through email or text messages or voice mail. It was noted that majority of the books are purchased from Fund 73, the library trust account. Ald. Redeker questioned item number 334, insurance building. Kathie Wild commented that this is the estimated amount. It increased 24%.

Dodge County Library.

Dodge County Library budget was reviewed and it was noted that they are carrying a balance and it rolls over every year.

Library Trust.

The Library Trust budget was reviewed. This will be the books account. Will be easier to track how much is spent on books. They did get \$20,000 in donations this year for books.

Library Trust MSB.

The Library Trust MSB budget was reviewed. Grant manages this account.

Chris MacNeill.

Police Department.

The Police Department budget was reviewed page by page, line by line. It was noted that the wages were put on the parking lot. Police Department Education was also put on the parking lot. Chris commented he would like to discuss the new officer. He noted it is a seven month process. One officer has indicated he will retire, and the PFC is aware of this. Ald. Sertich noted that Chris did turn in his information on September 7, 2012, indicating the need of two officers. Then met on September 18, 2012, and it changed. In 2012, they did budget for one officer and then diverted the amount to contingency.

Kathie Wild noted that there would be an overlap paying two officers at the same time from March 1 – August 2. Chris noted the norm is 2.3 officers per 1,000 in population. Mayville has 1.2 officers per 1,000 in population. Chris noted he wants to keep status quo. Chris noted he needs to get the ad out this month. It will be January before the PFC will interview and possible March 1 hire date. He continued that the retiring officer will use vacation in May and retire in August. Ald. Sertich noted that through the process you will see the additional costs. Kathie Wild commented that we do not have money in the budget for 2013 for an extra officer because of the payout involved. Ald. Redeker noted concern that someone says they will retire and then backs out. He questioned if the officer had put in official written papers. Chris noted no official papers have been filed. Chris continued that it is a seven month process to hire a new officer. He stated that he is already short staffed and cannot lose another person.

Chris commented that there would be savings with replacing a senior officer with a junior officer. Ald. Sertich questioned if it can be afforded. She noted that what if he does not retire and council decides they cannot maintain that officer. The person could be laid off much like a few years ago. Ald. Redeker noted the negotiations. Ald. Schmidt commented that the Chief is on the horns of a dilemma; the workforce is six patrolmen and lose one out of six, a shift will not be covered. Chris noted he is trying to keep the staffing at the minimum. Ald. Sertich commented on the part-time help alternative. This is at a lower cost. Chris noted it will take seven months to hire. There is state testing and background checks and medical and psychology exams that are necessary. Then there are three months of field training. It will be end of May before the officer can patrol on own. Ald. Pasbrig suggested he go forward with ad and note potential opening and eligibility list. Ald. Schmidt commented that we may have to look at part-time employees. Ald. Redeker noted to post as regular and or part-time coverage. There was consensus from the Council members to post an ad for potential eligibility list. Line item 104, Overtime, was noted. Last year there was over \$33,000 in overtime, this year it is approaching \$12,000. Some take comp hours rather than overtime. It was noted that they can have 80 hours comp time, and one officer has maxed out on the comp time. Kathie Wild will compile a spreadsheet on the hours. Item 206 education will go on the parking lot. Line item 311, printing, the Mayor would like to see this item at \$250; Chief wants \$400. Chris reported that the line item is used for printing of forms, business cards, annual report. Line item 311 will go on parking lot. Line item 348 will have an impact. Line item 349, Ald. Sertich questioned if by law is there supposed to be a back up gun in place. Chris noted yes. Chris noted if needed he could take from the fire arms budget, and if he went over then the Council would know why he went over. Line item 802 is for computers. Chris noted it was for computers, and noted the computers that need replaced including one in the evidence room. Three computers at \$2,500. Line item 804 is for miscellaneous equipment. Chris noted that the laptops cannot come in and out of the cars as it will wear the docking station when docking in and out. Line item 328 was questioned. Ald. Sertich commented that the County was awarded for a new system, will their system be compatible with ours. Chris noted that he talked to a technology company and as far as he knows they are selling licenses to municipalities. Chris noted that that the system we have, will work with New World and squad cars will be able to connect. Ald. Sertich questioned if there could be a potential problem. Chris noted it should not be an issue.

Kathie Wild reviewed the Police Department parking list items which includes: salary items, new officer, stand-by pay, comp hours, education, printing, and clothing uniform allowance.

Emergency Government and Crossing Guard.

The budgets were reviewed.

K-9 Fund.

The K-9 Fund is not really the K-9 fund. It will be renamed to Police Trust Fund.

Lisa Schmitt, Dave Pieper – TAG Center.

The TAG Center budget was reviewed page by page, line by line. Ald. Sertich noted that the aquatics will have to live within their budget. Ald. Redeker noted line number 204. It was noted that the schools cannot afford this; some are using open swim time. Memberships corporate yearly, this is the first year that there is the membership subsidy. That subsidy runs through another line item and tracked separately. Expecting around \$25,000 for subsidy this year. Line number 96-000-000, the transfer to parking lot.

Line item 102, Aquatics Wages were noted. Cannot go beyond what is budgeted. The wrong wage amount was previously budgeted due to a calculation error on a spreadsheet. Discussion of the line item ensued and that there would be revenue to offset the wages. Ald. Sertich noted that there is a disconnect on this item. Kathie Wild noted that 95-204 there was an insurance change. The customer account perm regular will be on the parking lot.

Deanna Boldrey.
General Admin.

The General Admin Budget was reviewed page by page, line by line. It was noted that the Operator License line item will need to change with the \$5 reduction. The wage line items will go on the parking lot. Also noted is line 328 for the background check line item. Also noted was the requests for the Main Street Mayville and Chamber. It was noted to put these items on the parking lot.

Deanna Boldrey.
Elections.

The Election budget was reviewed page by page, line by line.

City Hall.

The City Hall budget was reviewed page by page, line by line.

Kathie Wild.

Comptroller. Risk Property Management. Data Processing. City Council. Mayor. City Attorney.

The Comptroller budget was reviewed page by page, line by line. Kathie noted that the property taxes do not show an increase at this time. The item will go on the parking lot. The wages items will go on the parking lot. Risk Management numbers may change. Ald. Redeker commented that at some point the Council needs to address the compensation that the Mayor receives.

Sr. Center.

The Sr. Center budget was discussed. It was noted to put line item 78-320 on the parking lot. Kathie Wild reported that the Sr. Center has requested carpeting for three years. This year they are offering to pay for \$1,000 of the carpeting from fund 72. Ald. Redeker commented to use a portion of the 2012 budget for carpeting in 2013. It was noted that the general fund does not roll over. Ald. Redeker restated and noted that they would like to make a down payment from the 2012 budget and then the remaining from 2013 budget. This will replace carpeting in about half of the main hall area. He continued that there are stains on stains. There is approximately \$16,000 in Fund 72. He continued that it is a big deal for them to take \$1,000 out of the fund 72. Currently, they have paid \$700 per year to the janitor and \$100 bonus to Jerry Koepp. He noted that this is not a fund that is growing. Ald. Sertich noted to put on the parking lot.

Also reviewed were the Police and Fire Commission Budget, the Golf Course Budget, the Historical Society Budget, the Animal Control Budget, the Health Officer Budget, the Assessment Budget, the Cable TV budget, and Landfill Fund, and Recycling. The golf course insurance claims for break in will be offset. The Dodge County Humane Center contract is usually in place by now. This will be for Dogs only.

Item #9 – Adjournment

Motion by Ald. Pasbrig, second by Ald. Sertich to adjourn at 9:24 p.m. Motion carried 6-0.

Deanna Boldrey, City Clerk