

SPECIAL FINANCE COMMITTEE OF THE WHOLE**OCTOBER 16, 2012**

The meeting was called to order by Mayor Moede at 6:54 p.m. with the following Roll Call:

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

Members Absent:

Others Present: Mayor Moede, Deanna Boldrey, Kathie Wild, Alixe Bielot, Chris MacNeill, Ben Brown, Lisa Schmitt, Katie Leb, Lourdeen Robson, Diane Slater, Lee Kaczmarek, Frank Wolc

Item #2 – Continue the Discussion/Review/Recommendation of the Draft of the 2013 City Budget.

Mayor Moede turned the gavel over to Ald. Sertich, Finance Chairperson.

Ald. Sertich thanked the Mayor and she commented that the Committee of the Whole will go through the items that are remaining.

Ald. Sertich commented that the first item is the request for the EMS Maintenance Position in the amount of \$514. She stated that the information is attached. She asked for a motion. Motion by Ald. Redeker, second by Ald. Pasbrig for the EMS Maintenance Position. Ald. Sertich then commented that this is for the EMS Maintenance Position which is a newly created position. Ald. Sertich stated that Christine did a presentation in an open meeting. Lori has been assigned to this position. The increase has been requested. The Mayor noted that Christine explained this very well of what Lori does. The Mayor continued that she does a good job and spends a lot of time at it and we should approve this. Ald. Pasbrig stated that we know the amount of money and how technical it is; for safety reasons it is not a lot of money for something very important. Ald. Schaefer commented that it is a good idea. Ald. Toellner stated he agreed. Ald. Redeker stated agreed. Ald. Schmidt agreed. Motion carried 6-0.

The Ambulance EMS Proposal for the \$.25 per hour on call pay at \$6,570 per year, or total of \$7,073. This was the request Christine made for adding the \$.25. Motion by Ald. Pasbrig, second by Ald. Redeker for the Ambulance EMS Proposal of \$.25 per hour on call pay. Ald. Sertich commented that there is a dollar amount in the budget of \$88,000. She noted they are already over in wages and to add any cost at this time is concerning. Also noted was that the transport is unknown and we do not know the pattern with the transport. Ald. Sertich also commented on a change in the EMS territory. She noted to be sensitive and careful as we are already in trouble with the wages which is at no fault of any department. It is the way the system works versus the resources. Ald. Redeker questioned the proposal to add a quarter on call pay. Kathie Wild clarified that it is on call pay, three members at 24 hours a day times 365 days a year. Kathie Wild commented the amount is not in the budget. Ald. Pasbrig noted he does not see the item being added it at this time. Ald. Schaefer commented no. Ald. Toellner commented no; Ald. Redeker commented no. Ald. Schmidt commented no. Motion failed 6-0.

The Ambulance EMS Stand by Pay was then discussed. This is \$5 per call in and is in the budget. Motion by Ald. Pasbrig, second by Ald. Toellner for the EMS Stand by Pay. Discussion of the stand-by pay ensued. The item passed by resolution in February 2011. Kathie Wild reported that the year to date average amount is \$4,200. Ald. Sertich commented that whether there is a second call or not people get the \$5 stand by. And a portion of the time, the first unit is back before the second unit goes out or you could have a case where you do not have enough people to take the second unit out and may need mutual aid. It needs to be looked out because of the concern she has with the support going into transport. Need to look at it and have something reduced. Ald. Sertich noted that the dollar amount for this item is adding up, may need reduced. Kathie Wild reported that in 2011 the budgeted wages were \$88,000; the wages were \$90,076. She noted that it was implemented in February and pushed us over. She is projecting for wages to be over this year by \$5,000-\$10,000. Ald. Sertich reminded the Committee of the Whole that the billing cycle has a month delay. Ald. Schmidt commented we are paying three members of the EMS \$5 stay home. It was clarified that this is a flat fee not \$5 per hour. They are committing to be available.

They get paid \$5 for calling in as available for the second unit even if not called out. Ald. Sertich commented that they have a process worked out with the police department to track the call in. She noted that after the first unit goes out, then people call in to the police department in a window of time. If it is outside the limit of time, then the police department notifies Dodge County if they do have a second unit or do not have a second unit. That eliminates delay if they do not have a crew so they do not waste the time and can get mutual aid if needed. Ald. Redeker questioned, do they stay at home or come into town. Ald. Sertich noted that someone from Theresa may come in because of the distance. It was discussed that some actually travel to the City others stay home until called. Ald. Pasbrig noted to leave it where it is at. Ald. Schaefer noted he is fine with it. Ald. Toellner noted he is fine with it. Ald. Toellner commented that back in the day that it was two people and they would call people to the scene. Ald. Redeker commented he is concerned with transport, if it will create more stress on the system. Ald. Sertich noted this is a different group of people as there are certain people that do not want to be on a regular basis and there are people willing to transport a person from point A to point B. Ald. Sertich noted that there is a certain group of people for transport. She commented that we can get clarification from Christine. Ald. Redeker noted to keep in place for one more year and then revisit it if having trouble with wages. Mayor Moede noted it will be revisited every year. Ald. Schmidt noted to keep. Motion carried 6-0.

The Fire Department 4% increase that had been requested for the Fire Chief, Assistant Chief, Secretary, Training Officer, Captains, and Lieutenant was then discussed. This was not put in the budget. The increase across the board is not in the budget. Motion by Ald. Pasbrig, second by Ald. Schmidt for the 4% increases. Ald. Schmidt suggested 2%, as 4% is excess. Ald. Sertich commented that she is not saying they do not deserve more but she like to see something next year after she knows the direction of the new person coming in and the direction the department is going in and the fresh or new ideas and insight from the members. Ald. Redeker commented that we should wait. Ald. Pasbrig and Ald. Schaefer commented they each agree. It is not in the budget. Ald. Redeker and Ald. Toellner commented to wait a year until the new chief is in place. Motion failed 6-0. Motion by Ald. Schmidt for a 2% increase. For lack of second motion failed.

The Library Budget was then discussed. Ald. Sertich commented that we have a request in place in the amount of \$1,300. Kathie Wild reported that the City sets their bottom line budget. It was noted that the bottom line is at \$159,122. It does not include money allocated for raises. The Council has to figure out what they want to allocate for the wages. Motion by Ald. Redeker, second by Ald. Pasbrig. Ald. Redeker questioned if the request was for \$1,300. Kathie Wild clarified that essentially it was \$1,939; it was reduced to \$1,300 and presented to Council. The Library budget is \$159,122 and we are discussing to add \$1,300 to that. Ald. Sertich commented that everything that could be taken out was taken out. There is no additional room. The request that came in, when Grant was here, is for the two employees as outlined. Their budget would increase by \$1,300. The new total is \$160,422. Kathie Wild noted that this does include benefits. Last year's budget was \$156,748. Kathie Wild reported that this is a change of \$3,674. Ald. Schmidt noted he agreed to increase their budget. Ald. Redeker commented that he is ok with that. Ald. Toellner and Ald. Schafer noted that they are ok with that. Ald. Pasbrig noted he is ok with it. Motion by Ald. Redeker, second by Ald. Pasbrig to approve the request for \$1,300 for library salary increases, this would increase the library budget to \$160,422. Motion carried 6-0.

The Police Department Education item was then discussed. Ald. Sertich questioned Deanna if there was additional information to handout. Deanna handed out additional information for the Council. Ald. Sertich noted that there are some items that have been requested and the Chief has had some discussions on some of them and a letter has been supplied. Sergeant Vossekuil has supplied a letter to the Council. Council took a couple minutes to read the distributed letter. The item that is on the table is the request is for \$9,600 for Police Department Education; \$3,600 is for the Police Chief; \$2,000 is for the Sergeant Vossekuil's reimbursement request and \$4,000 is for the Other Department Training.

Motion by Ald. Schaefer, second by Ald. Redeker for the Police Department Education item at \$9,600. Ald. Sertich asked Ald. Pasbrig to share information on the items. Ald. Pasbrig noted that basically there are three aspects to the request under this item. One would be for Chris's for classes, one would be for Sergeant Vossekuil's reimbursement request, and one is for the other department training which is at \$4,000. Ald. Pasbrig noted he asked Kathie Wild to put together information on the training over the last three years. He noted concern. Ald. Pasbrig gave an outline for the Police Department Training, in 2010 the expenditure was \$956.38, in 2011 the expenditure was \$700.40, and in 2012 the expenditure year to date is at \$1,236.14. He said he strongly believes that the \$4,000 is over budgeted and we should reflect that as we make our decision and as we make this part of the budget. Ald. Pasbrig commented that he requests that it be \$2,000. Motion by Ald. Pasbrig, second by Ald. Redeker to change the Police Department, Department Training to \$2,000. Motion carried 6-0.

Ald. Sertich then commented that the Chief's request of \$3,600 would be discussed. Ald. Redeker commented that it is his personal feeling that the tax payers of Mayville should not be paying for higher education for the employees of the City of Mayville, and it does not matter what the position is. He continued that it is nothing personal for the Chief or his desire for higher education nothing to do with that. Ald. Redeker continued that a lot of people in Mayville paying taxes wish that they could have that money to send their kids to college. Chris MacNeill asked to speak. Ald. Sertich commented that we are at the level now where there are no additional comments, the presentation has already been done; there are not any citizen comments on the agenda. When the public hearing comes he would have an opportunity. Ald. Pasbrig noted his feeling is not to act as quick as in the past. He is one of the top managers/executives and applaud him for doing this. Ald. Pasbrig continued that he does not mind it taking a little longer. Ald. Pasbrig continued that he would like to propose a different figure. Ald. Schaefer noted he agreed. Ald. Toellner noted he kind of agreed with both Ald. Redeker and Ald. Pasbrig that he talked to a lot of people and they do not have that opportunity; all of his kids had to pay for their masters and stuff. He thinks it should be less and should take more time and a cap on it. What is next a doctorate, how far does it go? Ald. Schmidt commented that Ald. Toellner makes sense, there has to be a cap on it; and has to be a stop somewhere. Ald. Schmidt continued that \$3,600 is a little bit much right now, and it would be nice to have a Chief with that type of education. Ald. Sertich commented that there are six classes, five additional classes requested, he paid for one already. Ald. Sertich commented it is important; however, we are not at the point of balancing the budget and do not have that luxury until we get to \$365,000 locked in; we owe it to the tax payers. She continued that we are not saying that we do not have the flexibility; we have an obligation to the tax payers and need to be addressing the item. Motion by Ald. Pasbrig, second by Ald. Redeker to decrease the request from \$3,600 to \$1,200 for the Chief's Master Degree. Motion carried 5-1; Ald. Redeker voted no.

The education reimbursement for Sergeant Ryan Vossekul in the amount of \$2,000 was then discussed. Ald. Sertich noted the letter and questioned what is the feeling. She noted she is going to clarify something. Ald. Sertich continued that there is a statement in the letter that indicates in February of 2012, that the individual was notified by the Finance Committee that it was decided to discount paying for the benefit. Ald. Sertich made it clear that the Finance Committee never discussed the item in an open conversation and never elevated the item to Council for further discussion. She continued that there was a situation where there was a grievance in place where the sum was approved at the prior budget. It was premature and it was rejected because he was a year too soon of filing a grievance. The City is in the financial situation where we need to capture the dollars and we have the latitude to redirect the money if we cannot afford it. It is up to us to determine whether this continues to be allowed or not. We need to look out for the tax payers. That is our job. She continued that she does not agree with the letter at all, none. Ald. Redeker commented that the second page references article 21, section 5, of the contract and the verbiage in that paragraph states "pay no more than". There is no language that we have to pay that amount, the way he reads it. Ald. Sertich commented that we have the luxury, if we do not have the resources to support it, to divert in an area where we need it to be diverted and we have a goal of \$365,000 to meet. Ald. Redeker noted he is an ex-labor union rep. Ald. Pasbrig commented that it says \$2,000 per employee per year "may be", not "can be". Maybe meaning at the discretion of the board. Does not say "shall" be. Ald. Pasbrig noted he is at a point to make an amendment to disqualify this request in its entirety. Ald. Schaefer, Yes. Ald. Toellner, Yes. Ald. Redeker, Yes. Ald. Schmidt questioned, are we removing the past agreement totaling from their contract. Ald. Sertich commented that no, we are not saying that. We are just eliminating the request for this year. Ald. Sertich commented that is a negotiation item. Ald. Sertich commented that the item will be just eliminated for this year. Ald. Sertich commented we looking out for the budget and tax payers. Ald. Motion by Ald. Pasbrig, second by Ald. Redeker to disqualify the request in its entirety. Motion carried 6-0.

Kathie Wild reported that the educational line item is changed to \$3,200.

It was noted that we still do not have a contract from the Dodge County Humane Society. Kathie Wild noted she had sent an email to Chris but had not received a response. Ald. Sertich noted we are at the end of the process. The amount will remain at \$700.

The TAG Center Transfer was then discussed. It was noted that the amount does not include allocation for raises. Motion by Ald. Redeker, second by Ald. Schmidt for the transfer to be \$115,455. Ald. Pasbrig, Fine. Ald. Schaefer, Fine. Ald. Schmidt Agrees. Ald. Redeker, agrees. Ald. Toellner, agrees. Motion carried 6-0. The Transfer from the Parks Budget will be the same amount.

Ald. Redeker requested to discuss the Wheel Tax Public Works Items. It was noted that the landfill amount of \$19,872 will stay the same; no developments on it.

The Wheel Tax was then discussed. Motion by Ald. Sertich, second by Ald. Pasbrig to keep ordinance 1013-2008 Wheel Tax in place. The item is in the amount of \$48,380. Kathie Wild reported that the money from the wheel tax does go directly to streets and roads and paving. Kathie Wild shared that if the wheel tax is removed than the Council will need to increase revenue with something and that could be property taxes or decrease expenses, possibly paving as an example. The expenses will need to be reduced by \$50,000. She continued that Transportation Aids were just reduced by \$21,000. This is due to cuts by the state and the six year average and three year average calculation. If road repair is reduced this will ultimately reduce the transportation aids. She continued that the levy limit includes the general fund, debt service, recycling, and the landfill. Right now looking at a .9% proposed tax increase; however, if we take the wheel tax out it could increase taxes by 2.7%. This varies from property owner to property owner depending on the assessed

value. Ald. Sertich commented that she had three people stop her and say that they are against the wheel tax and 21 people said to keep it in. In addition, she reported that a rental property owner contacted her. He reported to her that if his taxes go up; it will be more than a one-time \$9 to \$10 increase put on the rent, it will be a \$20-\$25 increase for twelve months. That is hardship for a renter. Ald. Schmidt commented that he received several calls and surprised that all said to keep it in. If it is on their property tax it could cost them more. He continued with the budget the way it is, have to leave it. Will revisit it next year. He noted that several months ago he was against it and hates the thing but we have no choice. Ald. Pasbrig commented that the he and the Mayor were on the Council when the item was put into place. We had not kept up with roads and past councils decided to take money out of the public works budget and roads were not maintained. The money from the Wheel Tax cannot be diverted anywhere else. The ordinance comes back every year. We are starting to get caught up. The grades of the roads are improving. He would like to be the first one to vote against it; pay me now or pay me later. One could argue that you pay your taxes with your rent. The Mayor reported that the comments he has received are 50/50. If the item fails it could go on the tax roll. The Mayor continued that the previous Mayor stated it would be short-term and at least four years and we are into our fourth year. Ald. Toellner noted that it should be on the property taxes. Ald. Toellner commented that most of the damage is done by larger vehicles; most other towns do not have the Wheel Tax. Mayor Moede explained that he had talked to other Mayor's and other communities are looking to implement the item in their cities. The Mayor also noted the debt the City is in and the Wheel Tax makes it fair for everyone. Ald. Schmidt commented that Milwaukee is looking at a street light fee, a snow plow fee. They also have a garbage fee. Ald. Redeker commented that he is not proposing to spend less on streets; we should keep our streets up. Ald. Redeker question what the landlord was he doing with his rent when the taxes went up. We are competing with other communities around us and if we are not on par with other communities, he continued that it is not like Mayville has a reputation of low taxes. We are not keeping taxes low by having the wheel tax. He gets complaints about the rate of taxation. Ald. Schmidt commented everyone complains about their taxes. Ald. Redeker noted to search a typical \$250,000 assessed home and check the tax rate in other communities. Ald. Sertich commented that we are in control here and we are doing things right and not impacting the taxes. Ald. Redeker noted that a great problem is the school taxes and we are doing things right. He continued that part of his family was looking at a house in Mayville, but looked at the taxes and said no way; they moved to Fond du Lac. The Mayor noted the taxes of the City are going up less than 1%. Ald. Sertich noted that the people need to hold other areas accountable. Why not challenge the areas causing the increase. We are getting back on track and getting out of the hole. Do not get a comfort level thinking that we are there. Need to look at the whole picture. The majority of people are asking this of us. Ald. Redeker maybe should be opened up for referendum. Ald. Sertich commented that is an expensive thing and good luck. Motion to keep Ordinance 1013-2008 in passed 4-2; Ald. Redeker and Ald. Toellner voting no.

The Senior Center Carpeting was then discussed. Motion by Ald. Schaefer, second by Ald. Redeker to discuss the Senior Center carpeting. Kathie Wild distributed a spreadsheet on the expenditures from Fund 72. She noted that prior to 2004, the rental monies went in the Fund 72 account. In 2004, the rental monies started going into the General Fund. She noted that in 2005, the expense for vinyl flooring was paid for out of Fund 72. Other expenses were mentioned out of Fund 72 were mentioned. Ald. Schmidt thought that the carpeting was replaced once before, and it was the same complaint. Why not just put tile in there. One half of the floor is tile already. Other halls and other places almost always tile. Ald. Redeker noted the stripping and waxing of the tile. He noted that they should have some say and that the new building manager noted that if tiled it will look like a cafeteria. Sound and safety should be considered. Ald. Redeker questioned if instead of budgeting \$3,000, could the carpeting be installed that last week of December and take the

remaining out of the 2012 Budget and only increase 2013 by \$1,000. Kathie Wild noted that the auditors will not allow that. Needs to be expensed the year you get the product or service. The Mayor noted he agreed with the noise and safety issues. Ald. Redeker noted it is commercial grade carpeting. Ald. Sertich noted that there is something that was shared, a little concerning of items that can happen accidentally. The carpeting, if it is sanitary to the level it should be, versus a floor that can be cleaned. This is concerning and renting it out. Ald. Redeker noted that a steam cleaner would not be a bad investment. Ald. Redeker noted that it does get professionally cleaned. Ald. Sertich noted there is a lot of activity there. Couldn't you get a floor that could be maintained? Couldn't you get a runner like they have all over? Do what the City did, we used to rent it and we have now purchased the rugs to keep the costs down. Ald. Redeker noted they have rugs at the main entrance and breeze way and main hall. He noted the problem with rugs is the shuffling of feet. Ald. Toellner questioned what the Fund 72 is for. It is a rainy day fund for the Senior Center, and they have used it in the past for flooring. The carpeting will cost about \$4,200. The quotes were discussed. One quote was cheaper because of the high grade tools to remove the carpeting at a faster rate. Mayor questioned what if we split the cost with them. Ald. Redeker noted that they would argue it is a City Building and why use their funds. Ald. Sertich noted that it is City Money. The City is ultimately in control of Fund 72. Kathie reminded they have purchased floor, stove, and pay the janitor. The money is from the rentals. Ald. Schaefer commented I do not know. Ald. Pasbrig commented that he follows Ald. Toellner, that the income in Fund 72 should be used to maintain the building. Kathie Wild reported that there is nothing in the budget for it. Motion by Ald. Schmidt to go 50/50 on it. It is a City building. Ald. Sertich questioned what are we going to do? Vinyl or carpeting? Kathie Wild noted that we are at \$366,465. We are \$1,465 over the \$365,000. Ald. Sertich amended to respectfully request that the City pays \$1,000 towards the carpeting which will allow us to meet the \$365,000 that we need to meet for the taxpayer and the remaining amount needs to be taken out of the Fund 72, second by Ald. Toellner. Ald. Redeker questioned if out of the \$2,000 budget could they take some out of that to pay for it. Kathie Wild noted they could but if there is an unexpected expense it could come out of that. Never know what will happen. Always have \$2,000 in case there is an issue. If there is something later in year it will need to come out of the Fund 72. Ald. Sertich questioned why are we tap dancing around this. Here we are talking about carpeting which she is not sold on. I cannot believe we are spending the time on this. Ald. Sertich commented she said flooring not carpeting. Motion carried 6-0.

Kathie Wild noted that the cash position fund report reflected the land fill settlement fund has a negative \$57,538. The budgeted amount was \$50,000 and was bumped up to \$60,000. The Mayor noted that the landfill item, came out ok. He thought \$60,000 in the item is okay.

The general property item was noted at \$1,517,864. No increase has been budgeted. Subsidy is at \$365,465. We are at a .9% increase of taxes. Kathie Wild noted she is waiting on final assessed values from the state. Last year was at 1.54%.

Ald. Sertich interjected that we need to discuss the fire inspector item at \$1,000. Ald. Sertich noted that the item could be closed tighter. Taken from \$1,200 to \$1,000. She noted the item could be decreased more. There are memo pads and give away items. Invoices were reviewed and them items on the invoices. Motion by Ald. Sertich, second by Ald. Redeker to discuss the item. Ald. Schmidt noted we are hiring a new fire chief and that fire inspections are a necessity. Ald. Sertich noted that this is prevention items. Kathie Wild noted it is fire prevention materials. Motion by Ald. Pasbrig, second by Ald. Redeker to change the amount to \$500. Motion carried 6-0.

Then discussion went back to the \$365,965 subsidy. Motion by Ald. Redeker, second by Ald. Pasbrig for the reserve to be at \$365,000. Motion carried 6-0.

Motion by Ald. Pasbrig, second by Ald. Schmidt to Recommend the 2013 Budget as Proposed. Motion carried 5-1. Ald. Redeker voted no.

The Mayor thanked the Council for the hard work on the Budget.

Item #3 – Adjournment

Motion by Ald. Sertich, second by Ald. Schaefer to adjourn at 8:48 p.m. Motion carried 6-0.

Deanna Boldrey, City Clerk