

FINANCE COMMITTEE

July 16, 2012

The meeting was called to order by Ald. Sertich at 5:23 p.m. with the following Roll Call:

Members Present: Ald. Sertich, Ald. Schmidt

Members Absent: Ald. Schaefer

Others Present: Mayor Moede, Ald. Pasbrig, Ald. Redeker, Ald. Toellner, Deanna Boldrey, Kathie Wild, Mike Kurutz, Katie Leb, Ben Brown, Joe Cheesebro, Lisa Schmitt, David Pieper, Chris MacNeill, Diane Slater, Lourdeen Robson, Jayne Gohr, Don Lechner

Item #2 – Approve the Minutes of the June 18, 2012, meeting.

Motion by Ald. Schmidt, second by Ald. Sertich to approve the minutes of the June 18, 2012, meeting.

Motion carried unanimously.

Item #3 – Citizen Comments.

Lourdeen Robson of 302 Cardinal Circle came to the podium. She read a prepared statement in regards to the borrowing and purchase of the Fire Department Ladder Truck to a tune of almost \$800,000 and the added fire station and training expense. She requested a referendum on the purchase of the truck. She noted to better inform the public on agendas and minutes; and she would like the capital improvement items listed individually and put on the website. She commented to please vote no on the Fire Department Ladder Truck.

Jayne Gohr of 280 North Mountin came to the podium. She reported that we are all in a drought and what used to take five acres of peas to fill a truck for the canning factory now takes 60 acres of peas to fill a truck. There are about two peas to every pod. She noted to keep other costs in mind and that families are pressed with difficult decisions. She continued that the ladder truck fits in the station. She reported that today's Wall Street Journal reported that 2013 will be a very tough year. She continued to not just limit taxes but to reduce the taxes and to vote no for the ladder truck.

Item #4 – Treasurer's Report.

A. Monthly Financial Report.

Kathie Wild reviewed the financial reports ending June 30, 2012. The Summary of Cash Position by Fund report was reviewed. Kathie pointed out the 1.3 million difference in the debt service due to the bonds being refunded. She noted the decrease in the Summary of Cash Position by Fund report showing a 1.4 million change. The General Fund Revenues and Expenditures Compared to Budget report was reviewed. 50% of the Fiscal Year has passed. The City is at 46.4% of Total Fund Revenues. Kathie noted the tax settlement that will come in August from Dodge County. Also noted was the Shared Revenue payment that will mainly come in November. The Mayor expenditures are at 149.8% due to the fireworks expenditures. The Comptroller is at 52.7% due to auditing fees. Kathie reported that EMS continues to be over in wages and she continues to watch this item. The building inspector is at 71% and will be offset by corresponding revenue. Parks & Recreation is at 56.7%. Kathie noted that a portion of Mike Kurutz's wages need to be allocated partially to Public Works. Overall the City is at 46.2% Total Fund Expenditures. The TAG Revenues Expenditures Compared to Budget Report was then reviewed. Public Charges for Services (memberships) is at 62%. Expenditures are at 41.8%.

Item #5 - Golf Course Update.

A. Financials Update.

Joe Cheesebro commented that the Financial Reports are in the packets. Good month in June.

B. Membership Update.

Dues were budgeted at \$80,000 and actual is approximately \$77,000.

C. Banquet & Outings Update.

The Golf Course is booked through September with Weddings and outings. The Youth Program has been going well. Joe noted the specials and fish fry's to promote the Golf Course.

D. Building and Course Update.

Joe reported that there have been repairs on the building and the course is very dry. The major pump has seized up. The course has made it through the first heat belt.

- E. Staff Update.
Staff is working well.
- F. Long Term Maintenance Report.
No Report.

Item #6 – TAG Center Report.

- A. Membership/SilverSneakers Update.
Lisa Schmitt reported that the TAG Center had 1,078 Silver Sneaker Visits last month and brought in \$2,613 last month. Customer appreciation day is on Friday, July 20th, with activities. Summer open swims are very well attended.
- B. 10 Year Anniversary Celebration, September 15, 2012.
Lisa reported the TAG Center 10 Year Anniversary Celebration will be on September 15, 2012, from 10 a.m. to 3:30 p.m. There will be free family oriented events. There is still time to sign up for the Susan G Komen Race for a Cure on September 23, 2012.
- C. Maintenance – Updates.
 - 1. Replacement of Pool Ozone Generator with UV Generator.
David Pieper reported that the 10 year old Ozone Generator System will be replaced. This system disinfects the pool water and removes chloramines from the pool water. The system consumes a lot of electricity and there have been numerous repairs. The Ozone Generator disinfects the water and eats rubber and plastic so there have been replacement of pvc pipes and check valves. Also, the ozone contact vessel is becoming pitted. A rough estimate to replace the contact vessel is \$25,000. Plus, there would be additional fees to cut the roof and get a crane to lift it out. David Pieper is looking at a new UV ultraviolet system. It uses 85% less electricity and runs continuously. A UV Ultraviolet System does a better job at cleaning water born diseases and does not deteriorate the rubber and pvc pipes. David did ask for quotes and reviewed the quotes. The first quote is from Neuman pools for \$47,450 with a trade in allowance of \$3,950 for the old control box; totaling \$43,500. Carrico Aquatics quote was at \$47,800 with no trade in value. Lenny's Pool Service quote was \$35,964 with no trade in value. David noted that he went with Lenny's Pool Service. The new UV ultraviolet system will be installed the week of August 19-September 3. This is paid for with donated Bachhuber Foundation money. David Pieper has communicated with Joanne Bachhuber of the Bachhuber foundation.
 - 2. Annual Fire Inspection of Emergency Lights and Exit Lights.
Dave reported that over 80 exit lights and emergency lights were checked. Some will be repaired or replaced. This will be paid for by the Bachhuber Fund.

Item #7 – Discussion with Possible Action of Top to Bottom C.C.S. Invoice.

The Clerk reported that she had sent a letter to Top to Bottom and did not hear anything back. Motion by Ald. Sertich that this is a dead issue. It was said to bring the item back if needed.

Item #8– Discussion with Possible Recommendation of 2013-2017 Capital Improvement Projects.

The Capital Improvement Projects were then discussed. Ald. Sertich pointed out the additional information and the new information on the table.

Ald. Sertich started with the Public Works items. Ald. Sertich pointed out the 2016 North High Street Improvements and that there would not be any assessment charges for the property owners as the design flaws are no fault of the property owners. The fault was with the design.

Ald. Sertich pointed out the dump truck and salter at \$51,000 and Garage Doors. She noted that by combining the Police Department doors with the City Garage doors, the City was able to get some savings on this. Mike Kurutz reported that he has one more quote coming tomorrow. They understand it is a combination project in 2014. The Horicon Street Design item was noted.

Ald. Sertich noted the upper dam, dump truck, box truck and plow. This dump truck is used for many things all year round.

It was clarified that these items are for 2013-2014 borrowing. The borrowing will be in February of 2013.

The parks gator was then discussed. Mike Kurtz has contacted several John Deere dealers about a used gator and a number of gators are going to EAA next week. He is checking for a gently used gator. Ald. Sertich noted that they should be able to provide a price soon. Used is an option that he is diligently looking into. If it is under \$5,000 it will go into the operational budget.

Ald. Sertich commented on the Ambulance that is in the schedule for 2015. She continued that in 2011 the ambulance agreements were put into place. The territories had never been approached prior and were asked to start budgeting for the replacement of the ambulance for the City of Mayville in an ambulance equipment replacement fund. They worked with the territories and recognized the resources that they have available.

The Fire Department items were then discussed starting with the turnout gear. Kathie Wild noted the Bendlin quote and increases per year 7% for 2013; 5% for 2014 and 7% for 2015. She updated the numbers on the spreadsheet with these increases. Ald. Sertich noted the timeframe for replacement. She questioned how much turnout gear is needed to be replaced. Roger reported that there is a firefighter that the turnout gear would not fit and two new members that will use hand me downs. Roger commented that when the turnout gear is torn or contaminated, they have to be replaced. Roger commented to replace five sets every year. Discussion of the number to replace per year ensued. Ald. Sertich noted that the PFC will need to make decisions down the pipeline. Roger reported that he did put in for two grants and was unsure if one took. He noted that a lot of applications did not take. Ald. Sertich commented that if the turnout gear is borrowed for and a grant is received, it would save the City money. Kathie Wild suggested to buy twelve sets in 2013 to save 5%. The Mayor agreed that this is a good idea. Ald. Toellner suggested to combine orders with other fire departments to save money. Ald. Redeker questioned Roger if the new gear could be set aside until needed. Roger noted that they have an industrial washer to use and turnout gear is cleaned twice a year.

The Ladder Truck was then discussed. Ald. Sertich noted her concern on the used older ladder truck demo model because of the miles and the issue with the width, length, and height. Discussion of the dimension of the trucks and fire house ensued. Roger reported that the E1 is 11.9 wide; and the doors are 12 feet wide. Pierce is 11.4 wide and no problem going thru doors. Roger noted doors are 12x14 and size is not an issue.

Ald. Sertich questioned if there was a quote to fix the ladder. Roger commented on the letter from June 13, 2012, which stated that no personnel should climb the ladder until fixed. The Contact at E1 has quit. Roger reported that the estimate to replace the ladder and fix the transmission would be \$310,200.

Roger continued that ISO states that the classification would result in a higher (homeowners insurance) premium to home owners. ISO does not participate in underwriting of insurance policies. Removing the ladder truck would result in a point loss and result in ratings going from 4 to 5.

Ald. Sertich questioned how State Farm is handling this, seeing they went to Sub-Zoning. Roger commented that he does get inquiries on the rating. The certification has changed since Cities have closed down and combined some of the fire stations. State Farm announced that they were going to Sub Zoning. No one seems to know where we are at with or without the ladder truck and with mutual aid. Ald. Sertich questioned Roger if the Fire Department is taking advantage of the billing insurance. Roger noted that he did not know if they could; however, on a public highway they could. Roger commented that he has checked with the Horicon Fire Department for mutual aid as the City does have a pumper truck out of service. The pumper truck went bad on mutual aid call to Juneau Saturday.

Ald. Sertich reminded the Council of the 53 calls in the past year and the ladder truck was used twice; once at 50 feet and another at 650 feet. The hose was unwound 6 out of 53 calls. Ald. Sertich questioned the highest building we have. Roger commented 110 foot ; or 80 – 85 foot but they have to get out over the area. Roger noted the schools.

Ald. Toellner commented that he would like a second opinion on the truck. Ald. Sertich noted back up quotes are needed. Roger commented that he can ask Pierce, Rennerts, and Emergency Apparatus for quotes and bring it back next month.

Ald. Sertich commented that we need a full picture of what it will cost to get the truck back on the road and functional, including certifications and back up paperwork to support it. Ald. Pasbrig noted he would like to see hard copy prior to the meeting. Ald. Sertich noted her frustration that many departments have wishes but we are all sitting here waiting. She said it is your job to get the information; we can push it out. She continued that maybe we need to ask what do you want and we will do the leg work. You tell us what you need and we will find it. She questioned how bad do you need the stuff. We could not even get numbers we needed. Ald. Sertich commented that the fire truck has been on the list prior and there has been some frustration.

The exhaust system for the Fire Department was then discussed. It was noted that the quote from Hastings is listed, and Roger completed a grant for the exhaust. Ald. Sertich questioned Roger when he would know one way or another on the grant. Roger noted that the grant could take 12 months. The grant was submitted last week and he has heard nothing back. Roger commented that he is not sure it went through.

Ald. Toellner noted he would like to see the fire truck fixed and would like to see some quotes.

Ald. Redeker commented that he would not like any money spent until they have more information. It was noted that the ladder truck can be used, except for ladder.

The Police Department items were discussed. Chris MacNeill reported that there are four laptops to be replaced. The quote is the state contract price. There is a request for three portable radios. Chris met with another Motorola representative and might be able to do better on the price.

Motion by Ald. Sertich, second by Ald. Schmidt to recommend the capital improvements to Council.
Motion carried unanimously.

Item #9 – Adjournment

Motion by Ald. Schmidt, second by Ald. Sertich to adjourn at 5:42 p.m. Motion carried unanimously.

Deanna Boldrey, City Clerk