

**Minutes of the Meeting of the Finance Committee Held
On Thursday, November 3, 2016 Pursuant to Notice Duly Given**

1. Meeting called to order at 8:02 a.m. by Chairperson Reed
2. Roll Call: Dean Reed, Robert Le Breck, Jean Feldt (arrived at 8:28 a.m.), Roger Reed and Al Schreiber
Also Present: Mayor Heier, Alderperson Bronikowski, Fire Chief John Reed, Police Chief Bernie Faith, Superintendent of Public Works Jeremy Wusterbarth (via telephone), Airport Manager Eileen Duffeck, Park & Rec Director John Bostedt, Library Director Kristin Laufenberg, Debbie Schroeder, Jerry Beekman, Sara Perrizo, Administrator Perrizo as Recording Secretary and other interested parties
3. Approval of Agenda
Moved by Schreiber, seconded by D. Reed to approve the agenda. M/C
4. Correspondence/Public Appearances
None.
5. Discussion on 2017 Budget Requests:
Board of Public Works: Wusterbarth appeared via telephone and went over all revenues and expenses related to the Board of Public Works, suggesting several expenditure decreases, to which the Committee was receptive. Regarding holiday decorations, there is money in the budget for new Christmas decorations and summer banners. Feldt suggested a possible sponsorship program. Perrizo can put something in the newspaper about this once final costs are determined. D. Reed suggested purchasing half of the decorations this year and half next year, however the consensus of the Committee was that the appearance would not be desirable. The Committee directed Wusterbarth to order the directions as soon as practicable so that they can be put up this year.

Perrizo suggested reducing the amount budgeted for Street capital projects by a total of \$150,000 because the City will likely bond next year and that amount can be included in the bonding. Perrizo also informed that one of the Public Works employees will be leaving the City's insurance, for a net cost savings.

Moved by Feldt, seconded by D. Reed to increase the revenue budgeted for weed and nuisance control by \$5,000, reduce Street Department Utility expense by \$2,000, reduce Gas/Diesel in Street Machinery Operations by \$2,000, reduce Department of Public Works Health Insurance expense by \$9,828, reduce Street Lighting Utility expense by \$4,000, reduce Street Capital Projects Construction by \$50,000 and reduce Street Capital Projects Contractual Services by \$100,000.
Motion carried upon verbal voice vote. 5 ayes

Airport: Eileen Duffeck and Jerry Beekman were present on behalf of the Airport. A new manager is needed and the wage has been set at \$12.38 per hour. There are 8 candidates for the position. At the end of 2017, the sand fund will be gone due to the runway construction project.

Moved by D. Reed, seconded by Feldt to accept the 2017 Airport budget as presented.
Motion carried upon verbal voice vote. 5 ayes

Library: Kristin Laufenberg and Debbie Schroeder were present on behalf of the Library. Laufenberg will be receiving a pay increase in 2017 due to the new FLSA overtime rule. In addition, raises are built into the budget for other employees who are underpaid when compared to other area libraries. Laufenberg presented budget adjustments to offset these increases. Discussion ensued regarding capital improvements needed at the Library and the use of the Bickel Trust money, which the Library Board has designated for technology needs.

Moved by D. Reed, seconded by Feldt to reduce the Library operating budget by \$405 and to accept the 2017 budget.

Motion carried upon verbal voice vote.

5 ayes

Police Department: Chief Faith and Perrizo went over the proposed revenues and expenses in the proposed budget. Perrizo informed that there is \$61,980 budgeted for a Police Liaison Officer in the budget and, due to levy constraints, recommended that it be removed. Faith asked that the position be kept in the budget and stated that adding the position will reduce overtime in the department. Discussion ensued regarding the cost of the position versus the cost that the school will pay as well as the merits of the position.

Perrizo informed that there are several changes in health insurance that can be made resulting in savings to the department.

Moved by Feldt, seconded by LeBreck to reduce the Police Department Health Insurance by \$22,017 and to remove the liaison office position from the budget at a savings of \$61,980.

Motion carried upon verbal voice vote.

5 ayes

Perrizo informed the Committee that there is one and one half administrative assistant positions in the budget between the Police and Fire Departments. Currently, the departments share one full-time position, so the proposal adds \$26,432 to the budget. Faith explained that his department is in need of a full-time admin due to new reporting requirements from the State. When the position was first made full-time, the Police Department was allocated 75% and the Fire Department was allocated 25% and the split was changed to 50/50 when the building inspection duties were added to the Fire Department. The consensus of the Committee was to keep the position at one full-time admin.

Moved by Schreiber, seconded by D. Reed to remove ½ of the Police Clerk position at a savings of \$26,432.

Motion carried upon verbal voice vote.

5 ayes

At this time, Perrizo went over line items from the general fund. She informed the Committee that the rent for the Commission on Aging has remained the same - \$7,500 – since they moved into City Hall, and recommended an increase of \$1,000 per year.

Moved by Feldt, seconded by D. Reed to increase the rent for the Commission on Aging to \$8,500 per year in 2017.

Motion carried upon verbal voice vote.

4 ayes, 1 abs (R. Reed)

Perrizo informed that Committee that two line items in the Council/Mayor budget totaling \$2,000 have not been used in at least three years.

Moved by Feldt, seconded by D. Reed to remove \$1,000 from Contractual Services – Automation and \$1,000 from Capital Equipment in the Council/Mayor budget.

Motion carried upon verbal voice vote.

5 ayes

At this time, the Committee broke for lunch. 11:45 a.m. to 12:30 p.m.

12:32 p.m. – the meeting was returned to order by Chairperson R. Reed

Perrizo informed that she will be leaving the City's health insurance, so a reduction can be made to the Clerk/Treasurer budget.

Moved by Le Breck, seconded by D. Reed to reduce the Clerk/Treasurer health insurance expense by \$7,075.

Motion carried upon verbal voice vote.

5 ayes

Fire Department: Perrizo informed that health insurance savings of \$31,298 can be obtained in this department. J. Reed presented the expense budget for the department and noted that overtime will be reduced in 2017. When asked about the shared clerical position, J. Reed stated that his department needs 20 hours per week at this time because they currently have three new firefighters and numerous software changes are coming. However, the department will do whatever the Council needs them to do to make things work.

Regarding Fire Department capital projects, there will be a carryover of \$35,000 and J. Reed stated that he is asking for an additional \$25,000 for the turnout gear replacement plan.

Moved by D. Reed, seconded by Feldt to reduce the health insurance in the Fire Department by \$31,298 and to approve the Fire Department 2017 budget.

Motion carried upon verbal voice vote.

5 ayes

General Fund:

Perrizo went over the remainder of the general fund budgets. She informed the Committee that the \$5,000 budgeted for employee retirements can be taken out, as there will be \$35,000 in carryover money.

Moved by Le Breck, seconded by D. Reed to remove \$5,000 from the employee retirements budget.

Motion carried upon verbal voice vote.

5 ayes

Parks: Bostedt contacted all vendors to ensure that there will be no price increases in 2017 and then used the same numbers for the budget. Perrizo informed that health insurance can be reduced by \$6,741 in this department. Bostedt informed that he will be putting six silk hanging baskets on the poles in the City Hall parking lot (instead of real flowers) to avoid a safety concern when watering.

Regarding the Pool, Perrizo suggested reducing the wages by \$5,000 to account for closures due to weather and other issues.

In the Forestry budget, R. Reed suggested removing the \$6,500 budgeted amount and carrying over the unspent amount of \$14,500 into 2017.

Moved by D. Reed, seconded by Le Breck to reduce Parks health insurance by \$6,741, eliminate the new budget amount in vehicle replacement/repair (non-lapsing) of \$9,904, reduce Pool wages/benefits by \$5,383 and reduce Forestry Other by \$6,500.

Motion carried upon verbal voice vote.

5 ayes

Under Parks Capital Projects, Perrizo recommended removing the \$5,000 in new money budgeted as there will be a carryover of \$51,436.

Moved by D. Reed, seconded by Feldt to reduce Parks Capital Equipment by \$5,000.

Motion carried upon verbal voice vote.

5 ayes

Regarding the Campground, the results for 2016 were very good. Fees have been frozen for 2017 because they were raised in 2016. Discussion ensued regarding the cost/benefit of adding meters to the seasonal sites. A grant is being worked on to replace the laundry/shower facility. Perrizo noted that the Campground has \$83,000 in fund balance as of 12/31/15 plus another approximately \$84,000 will be added in 2016. If \$25,000 is kept in the fund for emergencies, a short-term loan could be taken out to fund the difference and the new shower/laundry facility could be built next year. Bostedt will bring this to the Park & Rec Committee.

Moved by D. Reed, seconded by Le Breck to approve the Campground budget as presented.

Motion carried upon verbal voice vote.

5 ayes

Bostedt next went over the Harbor budget. Perrizo would like to increase the budget for boat launch revenues by \$12,000 to more accurately reflect what is being collected each year. In addition, Perrizo suggested reducing capital improvements by \$10,000.

Moved by Feldt, seconded by D. Reed to increase the Harbor Boat Launch revenue by \$12,000 and reduce Harbor Capital Improvements by \$10,000.

Motion carried upon verbal voice vote.

5 ayes

After presenting the remainder of the general and capital projects fund, Perrizo informed the Committee that the tax rate right now would be reduced by \$.035 per \$1,000 over last year.

Moved by D. Reed, seconded by Le Breck to recommend approval of the 2017 budget as amended.

Motion carried upon verbal voice vote.

5 ayes

6. **Moved by D. Reed, seconded by Schreiber to adjourn.**

Motion carried upon verbal voice vote.

5 ayes

Meeting adjourned at 3:41 p.m.

Respectfully Submitted:

Sara J. Perrizo, CPA

Administrator