

**City of Merrill
Committee of the Whole
Thursday, October 16, 2014 at 8:00 A.M.
City Hall Common Council Chambers
1004 East First Street**

Committee of the Whole members present (9 of 9): Mayor Bill Bialecki, Alderman Chris Malm (First District), Alderman Peter Lokemoen (Second District), Alderman Ryan Schwartzman (Third District), Alderwoman Kandy Peterson (Fourth District), Alderman John Burgener (Fifth District), Alderman Dave Sukow (Sixth District), Alderman Rob Norton (Seventh District) and Alderman Tim Meehean (Eighth District).

Other attendees included: City Administrator Dave Johnson, Transit Administrator Rich Grenfell, City Attorney Tom Hayden, Utility Superintendent Kim Kriewald, Street Commissioner Richard Lupton, Enrichment Center Director Tammie Mrachek, Police Chief Ken Neff, Building Inspector/Zoning Administrator Darin Pagel, Fire Chief Dave Savone, Joint Municipal Court Judge Ned Seubert, Library Director Stacy Stevens, Finance Director Kathy Unertl, Parks and Recreation Director Dan Wendorf and City Clerk Bill Heideman. Duane Pfister, Judy Woller and Gary Schwartz also attended portions of the meeting.

Call to order

Mayor Bialecki called the meeting to order at 8:00 A.M.

2015 Utility Budgets in General

At the request of Mayor Bialecki, Finance Director Unertl provided a verbal status report on the water and sewer utilities. She then shared verbal information related to the Debt Service portions of the Water, Sewer and Landfill budgets.

Utility Superintendent Kriewald then reviewed his capital budget request list.

The current rate of water loss is greater than what the DNR recommends. This is a concern that must be addressed.

Utility Superintendent Kriewald noted that the Wisconsin Department of Natural Resources (DNR) has pending regulations that could have an effect on future capital requests and budgets.

2015 Landfill Budget

Utility Superintendent Kriewald and Finance Director Unertl reviewed the proposed 2015 Landfill Budget.

2015 Water Budget

Utility Superintendent Kriewald and Finance Director Unertl reviewed the proposed 2015 Water Budget.

Potential future water rate increases were discussed. Alderman Sukow stated that he prefers smaller but more frequent rate increases rather than attempting to maintain the rates and then enacting a dramatic increase.

The Water Utility is seeking authorization for a ½ time utility assistant. This is a position that was eliminated in late 2013.

A full-time Geographical Information System (GIS) position is also being proposed. City Administrator Johnson spoke on the benefits of this position, stating that the position would be valuable for several City departments. Discussion was held on potentially sharing this position with Lincoln County.

2015 Sewer Budget

Utility Superintendent Kriewald and Finance Director Unertl reviewed the proposed 2015 Sewer Budget.

State Levy Limit (Net New Growth) – General Fund

Finance Director Unertl is projecting that 2015 will be a “positive” budget year. It appears now that the City will be allowed a budget increase of approximately \$131,000 if necessary.

Preliminary 2015 General Fund budget summary and projected tax rate

Finance Director Unertl reported that the previous Common Council authorized a \$400,000 General Fund payment to reduce the borrowing repayment amount. She estimates that there will be revenue savings of approximately \$250,000 to offset that payment. That would result in an estimated net General Fund reduction of \$150,000.

Potential “seeding” for the employee Health Savings Account (HSA) was discussed. City Administrator Johnson recommends that no seeding for employees be done in 2015, but instead the money would be saved for seeding in 2016.

More information on this is forthcoming, and it will be discussed at the October 28th, 2014 Personnel and Finance Committee meeting.

At this time, two proposals for employee Health Insurance are being considered.

Debt Service and new borrowing plans

Information was distributed at the meeting. Finance Director Unertl added verbal information.

Recess

At 9:38 A.M., Mayor Bialecki announced that a recess would be held. At 9:56 A.M, he called the meeting back to order.

2015 Tax Increment District (TID) Budgets

Finance Director Unertl and City Administrator Johnson reviewed the Tax Increment District budgets (pages T-1 to T-24). She reported that the demolition of the former Page Milk facility is a high priority. The Limited Liability Corporation (LLC) that owns the building has “walked away” from any demolition or redevelopment at the site. City Administrator Johnson added verbal information on a proposed project. No action taken.

2015 Operating Budgets

Joint Municipal Judge Seubert reviewed the Municipal Court budget (pages 4-5 of the budget). No action taken.

Finance Director Unertl reviewed the Revenues – Non-Departmental budget (pages 1-2). No action taken.

Finance Director Unertl reviewed the Common Council budget (page 3). No action taken.

City Attorney Hayden reviewed the City Attorney budget (pages 6-7). No action taken.

Finance Director Unertl reviewed the Mayor budget (page 8). No action taken.

City Administrator Johnson reviewed the City Administrator budget (page 9). No action taken.

Finance Director Unertl reviewed the Personnel – Human Resources budget (page 10). No action taken.

Finance Director Unertl reviewed the City Clerk budget (page 11). No action taken.

Finance Director Unertl reviewed the Clerk/Treasurer Staff budget (page 12). No action taken.

Finance Director Unertl reviewed the Elections budget (page 13). She noted that the budget had a \$3,500 increase, as a result of a proposed compensation increase for election officials who work at the polls on election day. No action taken.

Finance Director Unertl reviewed the Treasurer/Finance Director budget (page 14). No action taken.

Finance Director Unertl reviewed the Information Technology budget (page 15). No action taken.

Finance Director Unertl reviewed the Assessment of Property budget (page 16). No action taken.

Finance Director Unertl reviewed the Independent Auditing budget (page 17). No action taken.

Finance Director Unertl reviewed the Over-Collected Taxes budget (page 18). No action taken.

Finance Director Unertl reviewed the Insurance/Employee budget (page 19). No action taken.

Finance Director Unertl reviewed the City Sealer budget (page 20). No action taken.

Airport Commission Chairperson Gary Schwartz reviewed the Airport budget (pages 58-59). At this time, it appears that the airport will need an additional \$10,000 (approximately) to operate in 2015. The past and future use of the airport house was discussed. Finance Director Unertl then reported on two airport capital items. No action taken.

Representing HAVEN, Judy Woller spoke regarding the request from HAVEN for \$10,000 from the City in the 2015 budget. The 2014 City budget funded HAVEN at \$6,000. The proposed 2015 budget, as presented, funds HAVEN at \$5,000.

Motion (Lokemoen) to increase the HAVEN (Shelter) funding in the Outside Agencies section of the budget (page 84) from \$5,000 to \$6,000. Motion failed due to lack of a second.

Lunch

At 11:36 A.M., Mayor Bialecki announced that a lunch recess would be held. At 12:04 P.M., he called the meeting back to order.

Police Chief Neff reviewed the Police budget (pages 21-23). No action taken.

Police Chief Neff reviewed the Police - School Resource Officer (SRO) budget. (page 24) No action taken.

Finance Director Unertl reviewed the Traffic Control budget (page 25). No action taken.

Finance Director Unertl reviewed the Fire Protection – Hydrants budget (page 26). No action taken.

Fire Chief Savone reviewed the Fire Protection and Ambulance/EMS budgets (pages 27-30). He noted that the Fire Department is requesting the addition of a part-time Administrative Assistant. No action taken.

Building Inspector/Zoning Administrator Pagel reviewed the Building Inspection/Zoning budget (pages 31-32). No action taken.

Finance Director Unertl reviewed the CDBG Grants/Loans and Community Development budgets (page 33-35). No action taken.

Finance Director Unertl reviewed the Economic Development budget (page 36). No action taken.

Finance Director Unertl reviewed the Engineering budget (page 37). No action taken.

Finance Director Unertl reviewed the Stormwater Plan/Const. budget (page 38). No action taken.

Finance Director Unertl reviewed the City Hall Maintenance budget (pages 39-40). No action taken.

Finance Director Unertl and Street Commissioner Lupton reviewed the Street Department and related budgets (pages 41-57). No action taken.

Transit Director Grenfell reviewed the Transit budget (pages 60-62). No action taken.

Finance Director Unertl reviewed the Health Officer budget (page 63). No action taken.

Enrichment Center Director Mrachek reviewed the MACEC – Enrichment budget (page 64). No action taken.

Library Director Stevens reviewed the Library budget (pages 65-68).

Motion (Norton/Meehean) to amend the Library portion of the budget to treat the Library the same as other departments in relation to potential compensation increases. Carried.

Parks and Recreation Director Wendorf reviewed the Parks and Recreation and related budgets (pages 69-80). No action taken.

Finance Director Unertl reviewed the Marketing – PR budget (page 81). No action taken.

Finance Director Unertl reviewed the CATV – MP3 budget (pages 82-83). No action taken.

Finance Director Unertl reviewed the Outside Agencies budget (pages 84).

Motion (Sukow/Norton) to approve the budget for Outside Agencies (page 84) as follows: City Band (\$12,000), Historical Society (\$4,000), Humane Society (\$10,000), HAVEN (\$5,000), Chamber Membership (\$500).

Motion (Lokemoen/Meehean) to amend the previous motion by increasing the HAVEN funding from \$5,000 to \$6,000. Motion to amend carried. Original motion, as amended, carried.

Personnel Reclassifications and Related Issues

City Administrator Johnson distributed information on a City employee reclassification/evaluation policy that he has drafted. Alderman Lokemoen stated his support for such a policy. He noted that, if a policy is in place, it would ensure that positions, not people, are assessed when considering reclassification requests.

Finance Director Unertl stated her opinion that the Administrative Assistants in the Clerk-Treasurer office (four females) are the victims of gender discrimination when reclassifications are considered.

All pending employee reclassification requests will be considered by the Personnel and Finance Committee, after City Administrator Johnson's reclassification/evaluation policy is considered and potentially adopted.

Finance Director Unertl reiterated her contention that the fact that the Clerk-Treasurer Administrative Assistants are all female makes it more difficult for them to obtain reclassifications and subsequent pay increases.

2015 Capital Budgets and financing

Finance Director Unertl and City Administrator Johnson reported on the following 2015 Capital Budgets: Comprehensive Plan Update (page C-7), Pool Vehicle(s) (page C-8), Revaluation (page C-9), Street Sealcoat (page C-10), Superior Street project (page C-11), Sidewalk Maintenance (page C-12), Memorial Drive Sidewalk (page C-13), East Seventh Street project (page C-14), Crushing – Street Materials/Black Dirt (page C-15), City Hall – Steam Boiler Replacement (page C-16), Carpeting Replacement – City Hall (page C-17), Police Garage Doors (page C-18), City Hall – Stucco Painting (page C-19), Window – Mayor’s Office (page C-20), City Hall Parking Expansion (page C-21), Outdoor Warning Sirens (page C-22), Directional Signage (page C-23).

Fire Chief Savone reported on the 2015 Capital for the Fire Department (pages C-24 to C-30).

Finance Director Unertl and Library Director Stevens reported on the 2015 Capital Budget for the Library (pages C-31 to C-32).

Finance Director Unertl reported on the 2015 Capital Budget for the Airport (pages C-33 to C-34).

Parks and Recreation Director Wendorf reported on the 2015 Capital Budget for Parks and Recreation (pages C-35 to C-45).

Police Chief Neff and Finance Director Unertl reported on the 2015 Capital Budget for the Police Department (pages C-46 to C-49).

Street Commissioner Lupton reported on the 2015 Capital Budget for the Street Department (pages C-50 to C-57).

Finance Director Unertl reported on the 2015 Capital Budget for the Tax Increment Districts (pages C-58 to C-63).

Transit Director Grenfell reported on the 2015 Capital Budget for the Transit Department (pages C-64 to C-66).

Motion (Lokemoen/Sukow) to move \$120,000 of the \$180,000 funded for the Fire – Brush Truck (page C-24, \$180,000) to the 2016 Capital Budget. The result would be that the 2015 Capital Budget for this purchase would be funded at \$60,000 and the 2016 Capital Budget for this purchase would be funded at \$120,000. Carried.

Motion (Schwartzman/Burgener) to move the Fire – Utility Vehicle (page C-26, \$60,000) to the 2016 Capital Budget. Carried.

Motion (Lokemoen/Meehean) to move the Normal Park – New Restrooms (page C-44, \$100,000) to the 2016 Capital Budget. Carried.

Motion (Schwartzman/Meehean) to delete the City Hall Parking Lot Expansion (page C-21, \$85,000) from the 2015 Capital Budget. Carried.

Public Comment

None.

Adjournment

Motion (Burgener/Meehean) to adjourn. Carried. Adjourned at 3:40 P.M.

Minutes prepared and submitted by:

William N. Heideman, CMC, WCMC
City Clerk