

**CITY OF CEDARBURG
COMMON COUNCIL
October 22, 2007**

CC20071022-1

A regular meeting of the Common Council of the City of Cedarburg, Wisconsin, was held on Monday, October 22, 2007 at City Hall, W63 N645 Washington Avenue, lower level, room 2. Council President Robert Loomis called the meeting to order at 7:00 p.m.

Roll Call: Present - Common Council – Mayor Gregory P. Myers (arrived 8:00 p.m.), Council Members Chris Reimer, Steven Glamm, Haly Besaw, Paul Radtke, Kip Kinzel, Robert Loomis

Excused - Council Member Sandra Beck

Also Present - City Attorney Kaye Vance, City Administrator/Treasurer Christy Mertes, Director of Engineering and Public Works Tom Wiza, Police Chief Tom Frank, City Clerk Constance McHugh, City Assessor Cathy Timm, City Planner Jon Censky, Wastewater Superintendent Ron Clish, Parks and Recreation Director Mikko Hilvo, Library Director Mary Marquardt, Sue Karlman of the Joint Library Board, Public Works Superintendent Jeff Boerner, Superintendent of Parks and Forestry Kevin Westphal, Assistant Fire Chief Jeff Vahsholtz, Emergency Government Director Frank Even, Senior Center Director Carol LaFontaine.

STATEMENT OF PUBLIC NOTICE

At Council President Loomis's request, City Clerk McHugh verified that notice of this meeting was provided to the public by forwarding the agenda to the City's official newspaper, the *News Graphic*, to all news media and citizens who had requested copies, and by posting in accordance with the Wisconsin Open Meetings Law.

2008 BUDGET PRESENTATIONS

City Administrator/Treasurer Mertes gave a brief overview of the proposed 2008 budget:

- The proposed budget includes a 0% increase in the assessed tax rate.
- Transportation aids are expected to decrease 5%, or \$20,000, based on the actions of the State Legislature today. This reduction is not reflected in the proposed budget.
- It is anticipated that expenditures will be over revenues because of funds borrowed for the library that will be spent in 2008.
- 2007 estimates are as of July and August and will continue to be updated.
- The State levy limit is unknown at this time. If there is a 2% levy limit, the City will have \$122,000 in additional levy; if there is a 4% levy limit, \$308,000 will be available in additional levy.
- A revised unfunded list has been prepared. For every \$11,281 added to the levy set by the Council there is an increase of .01 to the tax rate/\$1,000 of assessed value.
- The proposed tax levy is 1.3%, or \$91,320, higher than last year.

- The revised unfunded list includes an item for repair to the retaining wall on the north side of the fire house.
- The Tourism Promotion & Development Committee is requesting the City take over the flower basket project in the amount of \$6,140. This would have to be added to the unfunded list.

Emergency Government

Emergency Government Director Frank Even presented an overview of the proposed 2008 Emergency Government budget.

- The proposed 2008 Emergency Government budget is basically the same as the 2007 budget.
- The budget for Emergency Government carries the complete cost of the former police building although Emergency Government only uses one-half of the building.
- A diesel powered generator for truck #6 is requested in the Capital Improvement Plan at a cost of \$17,000.

Sewerage

Wastewater Superintendent Ron Clish highlighted the proposed 2008 Sewerage budget.

- The proposed budget is increasing 2.1%, or \$51,000.
- The Sewerage Commission is not recommending an increase in sewer rates in 2008.
- The biggest increases in the Sewerage budget are due to an increase of 11.42% in electric costs, a 14.3 % increase in gas costs, a 35.3% increase in chemical costs, and a 3.2% increase in sludge hauling costs.
- 2008 objectives include replacing the bar screen, replacing Bank "A" UV bulbs, replacement of a 6" portable pump, re-issuance of the discharge permit, holding confined space training, and replacing the gates on the fence.
- The Plant Interceptor project has been completed and work has begun on the Highland Drive lift station improvements.

Parks and Forestry

Parks and Forestry Superintendent Kevin Westphal highlighted the proposed 2008 Parks and Forestry budget.

- The proposed Parks and Forestry budget includes a 3.83% increase, mainly due to salary and cost of living increases.
- Professional Services is increasing 5%, or \$500, for elm tree injections.
- There is an 11.42% increase in electric rates and an 8.43% increase in water rates.
- Contracted Services is increasing \$9.96%, or \$1,400, in response to projected 2007 spending.
- Included in the 2008 Capital Improvement Plan is \$35,000 for replacement of a mower/snow blower.

Recreation

Parks and Recreation Director Mikko Hilvo gave an overview of the proposed 2008 Recreation budget.

- The overall Recreation budget is increasing 1.82%.
- The printing budget is decreasing \$1,000 because more printing is being done in-house.

Recreation Funds

Parks and Recreation Director Hilvo presented highlights of the proposed 2008 Recreation Funds budgets.

- The Recreation Programs Special Revenue Fund budget is increasing 2.1%.
- Fees for gymnastics and aerobics classes are down because membership has decreased.
- The Youth Center is doing well and the City's contribution to the Center remains at the same level as 2007.
- Supplies and expenses are decreasing \$1, 400, or 16.7%.
- The Youth Basketball fund is increasing 40.5%, mainly due to an increase in part-time salaries because of more basketball teams and games.
- There is a 9.1% increase in supplies and expenses in the Basketball fund.
- The Youth Football Fund remains unchanged from 2007.
- There are no capital items proposed for the Recreation Funds.

Swimming Pool Fund

Parks and Recreation Director Hilvo summarized the proposed 2008 Swimming Pool Fund budget.

- The swimming pool concession stand had a \$17,000 profit this year. The goal for 2008 is a \$20,000 profit.
- Part-time salaries are expected to increase 13.6%, or \$16,266. Part-time salaries are very difficult to estimate because salaries are weather-dependent.
- Chemicals and supplies are expected to increase \$4,000, or 25%, mainly due to increased fuel costs.
- No major capital items are proposed for the swimming pool in 2008.

Parks and Recreation Director Hilvo said that Strategic Plan items for the Recreation Department include connecting Cedar Pointe Park to Western Road in 2010, developing parkland at the Prairie View subdivision in 2009 or 2010, researching recreation center architects and builders in 2008 for a possible aquatic use center, indoor track and new youth center in 2013 or 2014, and developing Forestry information on the City's website. An analysis of on-line registrations for recreation programs was completed and determined that at this time on-line registration is cost-prohibitive.

Senior Center

Senior Center Director Carol La Fontaine presented an overview of the proposed 2008 budget for the Senior Center.

- There are no changes in the Senior Center budget, with the exception of bookkeeping changes to reflect that the Director works 1,500 hours per year and the Assistant Director works 1,200 hours per year.
- \$450 was moved from the supplies and expenses account to the employee training and travel account to more accurately reflect actual expenditures.

Police Department

Police Chief Tom Frank highlighted the proposed 2008 Police Department budget.

Station and Administration

- Electric rates are expected to increase 11.42% and water rates are expected to increase 8.42%.
- \$1,500 has been included in the Building Maintenance account for minor repairs to the police building.
- The Telephone account is increasing 3.75% due to the addition of six new phone lines.
- The Repairs and Maintenance account is increasing \$3,872 due to an increase in maintenance fees for digital records, records software, and a new 911 system maintenance agreement. This account will also increase \$6,850 for replacement of the batteries in the UPS unit.
- A new copy machine will be leased increasing the Equipment Outlay account \$2,520.

Patrol and Investigations

- An increase of greater than 3% in salaries is expected due to pay grade step increases for three officers.
- An increase of \$6,000 in overtime for training requirements and lengthy investigations is included in the budget.
- The proposed budget includes an increase of \$3,000 for training requirements and outside education reimbursement and incentives. Increases in training are offset by \$4,000 in grants.
- A \$600 increase for supply costs is expected.
- A \$500 increase for equipment costs is expected.
- An additional \$1,300 for investigative overtime is included.
- There is an increase of \$700 for investigative supplies.

Chief Frank said that included in the Capital Improvement Plan for 2008 is the replacement of two squad cars at a cost of \$64,000 and an upgrade to the ventilation system at the shooting range in the amount of \$50,000.

Library

Library Director Mary Marquardt summarized the proposed 2008 Joint Library budget.

- A 22.8%, or \$5,200, increase in revenues from fines and fees is expected.

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- A \$7,686 increase in revenues from Ozaukee County is expected because residents in adjacent counties with communities that have no library will pay a tax to use the City's library.
- Gas, electric and water rates are expected to increase, as is the case with other Departments.
- Professional services will increase \$250 to provide additional children's programming.
- Postage will increase \$300 because of the recent rate change.
- \$1,500 is included in the proposed budget for technology to upgrade computer workstations.
- There is a \$622 increase due to an increase in the EasiCat maintenance and licensing fees.

Mayor Myers arrived at this time (8:00 p.m.)

Assessor

City Assessor Cathy Timm presented the 2008 budget for the Assessor's office.

- There are only minor changes in expenditures for the Assessor's office.
- Revenues are decreasing \$6,800 because one of the largest Title companies has decided to do special assessment letters on its own.
- A revaluation is planned for 2010.

Fire Department

Assistant Fire Chief Vahsholtz summarized the proposed 2008 Fire Department budget.

- There is no increase in the proposed 2008 Fire Department budget.
- Items on the unfunded list include painting of the windows at station 2 in the amount of \$2,000, repair of the retaining wall on the north side of the fire house at a cost of \$5,500, and engineering for the repair of another retaining wall in the amount of \$7,150.

Building Inspection

Building Inspector Mike Baier explained the proposed 2008 budget for Building Inspection.

- It was expected that 25 homes would be built in 2007, however only 14 homes have been built to-date reducing revenues.
- It is expected that 20 homes will be built in 2008.
- Because of the 20% reduction in the planned number of single-family residences to be built in 2008 it is estimated that building permits will decrease \$12,000, electric permits will decrease \$3,600, HVAC permits will decrease \$1,700, plumbing permits will decrease \$3,600, erosion control permits will decrease \$250, revenues from house numbers will decrease \$100, and State fee tags will decrease \$150.

City Hall Complex

Building Inspector Baier presented an overview of the proposed 2008 City Hall Complex budget.

- There will be an increase in utility costs.

- There is an overall increase of 1.65% in the City Hall Complex budget.
- A goal in 2008 is to paint portions of the interior of City Hall, the gym, and the Lincoln building.

Cemetery Fund

A summary of the Cemetery Fund was presented by Building Inspector Baier.

- Part-time/seasonal salaries and overtime has been reduced over the last few years to reflect current practices.
- Electric rates are expected to increase 11.42% and water rates are expected to increase 8.42%.

Conservation and Development

City Planner Jon Censky summarized the proposed conservation and development budget for 2008.

- The Planning budget remains unchanged.
- A draft of the Comprehensive Smart Growth Plan has been completed and will be submitted to the Council for approval.
- Goals of the Strategic Plan include re-codifying the Zoning Code so that it is consistent with the Smart Growth Plan, working on matters related to TID #2, developing an RFP for marketing the business park, and adopting FEMA's Flood Insurance Rate Maps.

Engineering

Director of Engineering and Public Works Tom Wiza summarized the proposed 2008 Engineering budget.

- The Engineering budget has no major changes.
- There is a reduction of overtime for clerical staff because staff is taking comp-time rather than being paid.
- Sick payout is increasing 16.32%.
- There is a reduction of \$1,000 in Professional Services.
- One increasing revenue source is the engineering fees for plan reviews.
- The overall increase in the Engineering budget is 1.03%.
- The Capital Improvement Budget includes \$830,000 for the annual road improvement program and \$365,000 for stormwater capital projects.

In terms of Strategic Plan items, Director Wiza said that the Wastewater Treatment Plant Interceptor project is completed, efforts to build the Cedar Creek Walkway have begun, the Centennial Park pond dredging and improvements are completed, work on the Highland lift station has started, and installation of aerators in the Centennial Park ponds will be brought to the Council for approval at the next meeting.

Public Works

Public Works Superintendent Jeff Boerner explained the proposed 2008 Public Works budget.

- The Public Works Department will experience the same utility increases other departments are expected to experience.
- An increase in overtime is expected to continue to do street patching work.
- A \$1,000 increase in uniforms is included in the budget for the switching over to lime green clothing as suggested by CVMIC.
- Capital items include \$110,000 for street sweeper, \$76,000 for the replacement of #75 and #79 pickup trucks, \$135,000 for replacement of dump truck #95, and \$7,000 for the joint purchase of a hot mix asphalt trailer.

Health and Sanitation

Public Works Superintendent Boerner summarized the proposed 2008 Health and Sanitation budget.

- Expenditures are expected to increase 3.21%, and reflect the anticipated 20 new homes in 2008.
- Contracted services will increase by 3.10%.

City Clerk

City Clerk Constance McHugh presented the proposed 2008 budget for the Clerk's office.

- Non-personnel cost will increase 1.95%, or \$608 due to slight increase in equipment maintenance costs, professional dues, training, and legal publications.
- Elections will increase by 124%, or \$16,342, for the following reasons: four big elections in 2007, compared to two elections in 2006; a small increase of \$5 per day for poll worker compensation is being proposed; \$520 is included for the central count of absentee ballots beginning with the September 2008 election; funds are included for State-mandated poll worker training; and Ozaukee County will now be charging the City \$3,580 for costs related to the State-wide Voter Registration System (SVRS).

Treasurer, Council, Mayor, City Administrator and Legal Services Budgets

City Administrator/Treasurer Mertes highlighted the budgets for the Treasurer, Council, Mayor, City Administrator, and Legal Services.

- The Council budget includes \$1,500 for membership to the Ozaukee County Economic Development Board.
- There are no changes in the Mayor's budget.
- There is a decrease in the City Administrator's budget due to a salary decrease because the position was combined with that of the Treasurer position.
- There is a \$50 increase in the Leadership Development account to reflect the actual costs of employee meetings.
- There are no changes in the legal services budget.

- The Treasurer's office budget will decrease because of the combination of the City Administrator position with the Treasurer position.
- Telephone costs will decrease to reflect actual costs.
- Costs for auditing services will increase \$4,800 for actuarial services related to GASB 45.
- A decrease in computer supplies is anticipated because the new copier is also a printer, fax machine and scanner. The lease for the copy machine includes the cost of toner.
- Revenues in the Treasurer's office are expected to increase 17% due to an increase in interest income.

City Administrator/Treasurer Mertes said that in terms of the Strategic Plan, she will be working on developing a policy on the donation of employee sick time, union negotiations will begin shortly and continue into November, work on compliance with GASB 45 will begin shortly, a light duty policy will be developed, a Fleet Safety policy will be established, and work on improving the CVMIC risk assessment score will be on-going.

Council Member Loomis said that he would like to see an item added to the unfunded list. The item is an increase in pay for Council Members from \$2,400 per year to \$3,000 per year, for a total of \$2,400.

Debt Service

City Administrator/Treasurer Mertes explained the proposed 2008 Debt Service budget.

- A borrowing is scheduled for 2008 to include the remaining \$4,950,000 for the Library and \$300,000 for street projects.
- With this borrowing the City will be at 26% of the City's legal debt limit.
- A \$102,000 decrease in the debt service fund balance is proposed.
- The tax levy support for the general City debt is budgeted to decrease \$128,600 to \$936,400.
- The actual debt support needed in 2008 is \$1,156,382, which has been lowered by \$219,982 from the Debt Service Fund Balance generated by impact fees and investment interest income.

Internal Service

- A 2.5% increase in General Liability insurance is expected.
- A decrease in Workers' Compensation insurance is expected due to a decrease in the experience modification factor from 1.32 to 1.19.

The Council took a 15 minute break at 8:50 p.m. City Attorney Vance left the meeting at this time.

Unfunded List

A revised unfunded list was prepared by City Administrator/Treasurer Mertes and distributed to the Council prior to the meeting. Department heads and staff explained the items on the unfunded list.

The list of the unfunded items is as follows:

<u>Item</u>	<u>Amount Unfunded</u>
Annual allocation for future revaluation	\$ 5,000
Repair of retaining wall on north side of Fire Station.....	\$ 5,500
Painting of windows at Fire Station 2	\$ 2,000
Engineering for repair of retaining wall at Fire Station	\$ 7,150
Purchase of renewable energy at Library	\$ 139
Interior repairs at Library	\$ 4,490
Publication and subscriptions at Library	\$ 2,753
Public school janitorial service charges for Lifeguard class	\$ 650
Public school janitorial service charges for Youth Basketball.....	\$ 2,933
Additional crew person – ½ Public Works, ½ Forestry	\$61,768
Utility vehicle – ½ Public Works, ½ Forestry	\$19,000
Replace 2 garage doors on shed 4	\$ 4,000
Web-based GIS system	\$ 6,000
Tree replacements	\$22,000
Hot mix asphalt trailer – joint purchase	\$ 7,000
New asphalt for alley – Portland Road to Spring Street	\$12,000
New asphalt for alley between Western and Center	\$20,000
Dam engineering proposal for compliance with DNR.....	\$66,000
Increase in funding for environmental issues.....	\$40,000
Increase in rent for non-profits for space at Gym and Lincoln building.....	(\$ 190)
Part-time Economic Development Coordinator position	\$30,000
Increase in rent paid by driving school for space in Lincoln building.....	(\$1,380)
Non-resident fee for child safety seat instruction.....	(\$ 300)
Change in health insurance plan to Heath Savings Account – General Fund.....	(\$32,751)
Change in health insurance plan to Health Savings Account – Library Fund	(\$2,266)
Mediation with the Town of Cedarburg	\$ 9,600
Salary increase reduced to 2% - General Fund	(\$52,527)
Salary increase reduced to 2% - Library Fund.....	(\$ 4,185)
Salary increase reduced to 2% - Pool Fund.....	(\$119)

ADJOURNMENT- CLOSED SESSION

Motion made by Council Member Besaw, seconded by Council Member Reimer, to adjourn into closed session at 10:40 p.m. pursuant to Wis. Stats. 19.85(1)(c) to consider employment, promotion, compensation or performance evaluation data of any public employee over which the governmental body has jurisdiction or exercises responsibility, specifically compensation for specific employees. Motion carried without a negative vote with Council Member Beck excused.

Motion by Council Member Besaw, seconded by Council Member Kinzel, to adjourn at 10:58 p.m. Motion carried without a negative vote with Council Member Beck excused. Meeting did not reconvene into open session.

Constance K. McHugh, CMC
City Clerk