

**CITY OF CEDARBURG
COMMON COUNCIL
October 20, 2008**

CC20081020-1

A special meeting of the Common Council of the City of Cedarburg, Wisconsin, was held on Monday, October 20, 2008 at City Hall, W63 N645 Washington Avenue, second floor, Council Chambers. Mayor Myers called the meeting to order at 7:02 p.m. The meeting began with a moment of silence followed by the Pledge of Allegiance.

Roll Call: Present - Common Council – Mayor Gregory P. Myers, Council Members Chris Reimer, Steven Glamm, Noel Jepson, Michael Maher, Kip Kinzel, Amy Goyette

Excused - Council Member Paul Radtke

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, Building Inspector Mike Baier, Wastewater Superintendent Ron Clish, Parks and Recreation Director Mikko Hilvo, Library Director Mary Marquardt, Public Works Superintendent Jeff Boerner, Parks and Forestry Superintendent Kevin Westphal, Fire Chief Rich Van Dinter, Emergency Government Director Frank Even, Senior Center Director Carol LaFontaine

STATEMENT OF PUBLIC NOTICE

At Mayor Myers' 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.

2009 BUDGET PRESENTATIONS

City Administrator/Treasurer Mertes gave a brief overview of the proposed 2009 budget:

- The proposed tax rate increase is .10/\$1,000 of assessed value, or 1.6%.
- The proposed assessed tax rate is \$6.49 per \$1,000 of assessed value, up from \$6.39 per \$1,000 of assessed value.
- Approximately \$114,000 would need to be cut from the proposed budget in order for there to be a 0% increase in the assessed tax rate.
- The tax rate increase amounts to a \$30 property tax increase for a \$300,000 home.
- The proposed budget includes a 2.9% increase in the tax levy, or \$206,351. This increase is \$136,199 less than the amount allowed by the State levy limit.
- A 0% tax levy rate, as directed by the Council, would have allowed a tax levy increase of approximately \$92,000.

- An approximate \$97,000 increase in salaries and benefits, an approximate \$65,000 increase in the refuse collection contract, and an approximate \$69,000 increase in the recycling collection contract made it impossible to realize a 0% tax rate increase.
- The actual expenditure restraint percentage has not been received yet; however it is estimated General Fund expenditures can increase 5.3% to qualify for the program. This would allow for another \$125,000 in expenditures.
- For every additional \$11,421 added to the budget the assessed tax rate would increase by \$0.01.
- The unfunded list includes three items totaling \$81,522, which will be addressed by the Department Heads.

Emergency Government

Emergency Government Director Frank Even presented an overview of the proposed 2009 Emergency Government budget.

- The proposed 2009 Emergency Government budget is basically the same as the 2008 budget.
- Emergency Government is not requesting any capital projects or purchases.

Sewerage

Wastewater Superintendent Ron Clish highlighted the proposed 2009 Sewerage budget.

- The proposed budget is increasing 2.7%, or \$67,000.
- The increase in the Sewerage budget is due to a \$27,000 increase in salaries, a \$24,000 increase in fuel, and a \$16,000 increase in operating costs.
- There will be a 4.8% increase in the flow rate to \$4.63/1,000 gallons. There will be no change in the fixed rate. This will amount to a \$1.26 per month increase for the average residential customer.

Parks and Forestry

Parks and Forestry Superintendent Kevin Westphal highlighted the proposed 2009 Parks and Forestry budget.

- Overtime is increasing 17% to reflect the actual amount of time it takes for weekend park duties.
- Part-time salaries is increasing 9% due to longevity increases for returning summer employees.
- The increase in DPW crew salaries of 9.38% is due to the addition this year of a .5 FTE employee.
- The only other increase is due to rising fuel costs.
- The Capital Improvement Plan includes \$25,000 for the replacement of the Forester's vehicle.
- \$75,000 has been included on the unfunded list for the continued treatment of City-owned ash trees in 2009.

Recreation

Parks and Recreation Director Mikko Hilvo gave an overview of the proposed 2009 Recreation budget.

- Other expenses are increasing 64%, or \$700, due to an increase in the software licensing fee.
- There will be a 7% decrease in part-time salaries because the Director and Recreation Supervisor will be supervising some programs.

Special Revenue Funds

Parks and Recreation Director Hilvo presented highlights of the proposed 2009 Special Revenue budgets.

Recreation Programs

- Kickball fees are down because there were fewer teams this year.
- There are no increases in salaries in the Recreation Funds budgets, other than the general increase that is included for other City employees.
- There has been a drop in participation in aerobics classes because a fitness center downtown has started offering similar classes.

Youth Center

- A new television with Wii has been added at the Youth Center this year.

Youth Basketball

- A summer basketball program has been added.
- The increase in basketball fees is due to the amount that is paid to the School District for custodial services.

Youth Football

- The football program is a great revenue generator. The fund balance is used for equipment and maintenance of fields.

Swimming Pool Fund

Parks and Recreation Director Hilvo summarized the proposed 2009 Swimming Pool Fund budget.

- The salary for the Recreation Supervisor is increasing 17.8% because more time will be spent supervising the pool. An equivalent amount was removed from the basketball fund.
- The concession stand generated about \$58,000 in 2008. The City took over this program in 2007 and will continue to operate the concession stand in the future.
- Part-time salaries are the biggest part of the budget with returning employees getting yearly increases.
- An increase in permits and licenses is expected because of an increase in the State water park license.

Director Hilvo said that capital improvements for the Park and Recreation Department include \$25,000 for the asphalt overlay of the south Interurban Trail, \$30,000 to replace playground equipment at Cedar Creek Park, \$60,000 for a shelter at Zeunert Park, \$13,000 to revise the Park & Open Space Plan, and \$25,000 to renovate three outdoor basketball courts

Director Hilvo said the project of connecting Cedar Pointe Park to Western Road has been pushed back to 2011 and developing a park at the Prairie View subdivision has been pushed back to 2010. He has begun researching recreation center architects.

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.
- The cost of new classes will be offset by the fees charged for the classes.

Police Department

Police Chief Tom Frank highlighted the proposed 2009 Police Department budget.

Station and Administration

- An increase of \$500 for building repairs and maintenance has been included in the proposed budget.
- A 9% increase in officer/dispatcher salaries is expected because of step increases for newer employees per the union contract.
- An additional \$3,000 has been included in the budget for maintenance contract costs.

Patrol and Investigations

- Patrol salaries are increasing 4.45% because of step increases for newer employees per the union contract.
- An increase of \$11,000 for gasoline is expected due to rising costs.
- Only one squad car will be replaced in 2009.
- A capital improvement item is the replacement of all handheld radios at a cost of \$47,000. It is possible to purchase one-half of the radios in 2009 and the remaining radios in 2010.

Library

Library Director Mary Marquardt summarized the proposed 2009 Joint Library budget.

- The Library Board is anticipating a \$2,000 increase in fines and fees in 2009 and a \$1,500 increase in the revenue received for serving patrons in other counties.
- Personnel expenses are increasing per the union contract.
- A \$2,700 increase in utilities is expected.

- A \$2,964 increase in publications is included in the proposed budget.
- \$1,692 is included in the Technology account to purchase a program that will allow patrons to sign up electronically to use the computer workstations.
- The unfunded list includes \$2,000 for a people counter at the library.
- A capital improvement item is the ongoing library project.

Assessor

City Assessor Cathy Timm presented the 2009 budget for the Assessor's office.

- The Professional Services account includes an increase of \$1,500 due to the new three-year contract for commercial assessment services.
- Computer supplies will increase \$105 due to an increase in maintenance, State fees for manufacturing properties will increase \$100, and employee training and travel will increase \$100.
- The revaluation has been moved from 2010 to 2011.

Fire Department

Fire Chief Van Dinter summarized the proposed 2009 Fire Department budget.

- There will be a 2.4% increase in operating costs.
- The brick replacement at Station #3 has been pushed back to 2010 and repairs and painting to windows at Station #3 will be done by the Department.
- The Fire Department will replace one engine in 2009 at a cost of \$450,000 to \$500,000; although no tax dollars will be used for this purchase.

Building Inspection

Building Inspector Mike Baier explained the proposed 2009 budget for Building Inspection.

- An 8.85% increase in expenditures is expected. Revenues are expected to decrease by 2.62%.
- 20 homes were expected be built in 2008; however, it is likely that only 17 homes will be built.
- A comparison of fees of surrounding communities and recommendations for increases was distributed. It is estimated that an increase in fees for building, plumbing, and HVAC permits will generate \$5,000, which has not yet been included in the budget.

City Hall Complex

Building Inspector Baier presented an overview of the proposed 2009 City Hall Complex budget.

- A 1.17% decrease in expenditures is expected in 2009.
- A 2009 goal is to remove and replace all brick on the complex grounds and replace with concrete.

Cemetery Fund

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

- Lawn maintenance at Zur Ruhe Cemetery has been contracted out rather than done by part-time staff. Staff will look at doing this at Immanuel Cemetery.
- A 2.1% increase in expenditures in the Cemetery Fund is expected.

Conservation and Development

City Planner Jon Censky summarized the proposed conservation and development budget for 2009.

- The only changes in the Planning budget are an increase of \$476 for supplies and expenses and an increase of \$200 for training and travel to cover costs associated with the new Economic Development Coordinator position.
- A comparison of Plan Commission fees and recommendations for changes was distributed.

Engineering

Director of Engineering and Public Works Tom Wiza summarized the proposed 2009 Engineering budget.

- Sick pay outs are increasing due to seniority.
- Professional Services is down by \$5,000 due to not participating in a GIS consortium as planned.
- Revenues, which are driven by the economy, are down. Engineering and Administrative fees and Stormwater Management Permit fees are both decreasing by \$1,000 because there has not been much development.

Director Wiza said that the Capital Improvement Plan includes \$20,000 for consulting services related to NR 216 compliance, \$120,000 for improvements to the Doerr Way storm sewer, \$30,000 for stormwater improvements on St. John Avenue from Cleveland Street to Center Street, \$15,700 for stormwater project engineering, \$475,000 for street improvements, and \$20,000 for repaving the alley between Western Road and Center Street located between Madison Avenue and St. John Avenue.

In terms of Strategic Plan items, Director Wiza said work on improving County Trunk Highway T is now scheduled for 2011, Phase I of the Creek Walk is under construction and should be completed in the spring, work on the cleanup of the Amcast site with the DNR, EPA, and the City Attorney continues, the Highland Drive lift station was completed in 2008; connecting Cedar Pointe Park to Western Road is expected to occur in 2011 in conjunction with State Highway 181 improvements, and compliance with NR 333 in terms of the dams is on hold until further direction is received from the DNR.

Public Works

Public Works Superintendent Jeff Boerner explained the proposed 2009 Public Works budget.

- The Public Works Department will experience the same utility increases other departments are expected to experience.
- The Equipment Outlay account includes funds for the purchase of a recycled oil furnace.
- The Capital Outlay account includes funds for the replacement of the overhead door on shed #3.
- The Street Sweeping account will see a major increase of approximately \$9,400 due to an increase in dumping charges for debris.
- There was a large increase in the cost of snow and ice materials and the amount used in the past year due to a record amount of snow.
- Capital items include \$115,000 for replacement of an 18 yard garbage packer, \$39,000 for replacement of a ¾ ton pickup truck, and \$163,000 for replacement of a mechanical street sweeper.

Health and Sanitation

Director Wiza and Public Works Superintendent Boerner summarized the proposed 2009 Health and Sanitation budget.

- The monthly cost for refuse collection in 2009 will be \$5.96 per household, compared to \$6.46 in 2008.
- The monthly cost for recycling collection in 2009 will be \$3.25 per household, compared to \$1.79 in 2008.
- The total cost for refuse and recycling collection in 2009 will be \$532,278, compared to \$397,000 in 2008.
- The fuel surcharge is estimated to be 20%, or \$97,250. If gasoline prices continue to fall, as has been the case in the last few weeks, the fuel surcharge will decrease.
- Revenue from the recycling grant will increase from \$50,000 to \$68,000.

City Clerk

City Clerk Constance McHugh presented the proposed 2009 budget for the Clerk's office.

- Non-personnel costs will increase 2.9%, or \$906, due to attendance at the International Institute of Municipal Clerk's conference by the City Clerk and Deputy Clerk.
- Elections will increase by 3.7%, or \$792, for the purchase of new electronic voting equipment in 2009.
- Staff will assume the duties related to the Statewide-voter Registration System in 2009; therefore, \$3,600 in charges from Ozaukee County has been removed from the budget.
- Central duplicating costs will increase by 6.72%, or \$600, to reflect charges beyond the lease amounts for both copy machines and the anticipated increase in the number of copies due to the printing of poll lists and election reports.

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.

- In 2008 the Treasurer’s budget included part-time salaries and contracted services, which will be eliminated in 2009 because of the hiring of a full-time Deputy Treasurer/Payroll Officer.
- A decrease in the sick leave payout and longevity accounts will occur because a new employee was hired.
- A decrease in the telephone and office supplies account will occur to bring the accounts in line with actual expenditures.
- The employee training account has been decreased, although the new Deputy Treasurer/Payroll Officer will attend the Treasurer’s Institute in Green Bay.
- The Treasurer’s budget will increase 5.09%.
- Computer equipment will decrease by 9.52% as computers are now being replaced every four years instead of three years.
- The budget for the Mayor and Council will basically remain the same.
- The retainer for legal services will remain the same in 2009. The amount for labor relations counsel was decreased by \$2,500 because there will be no union negotiations in 2009.

Debt Service

City Administrator/Treasurer Mertes explained the proposed 2009 Debt Service budget.

- A borrowing is scheduled for 2008 to include \$5,025,000 for the Library and \$800,000 for street projects.
- With this borrowing the City will be at 24.6% of the City’s legal debt limit.
- \$936,400 of tax levy will be used to fund the Debt Service Fund, a decrease of \$60,000.

Internal Service

- Costs for this Fund include insurance premiums and claims costs for the City.
- A decrease in Workers’ Compensation insurance is expected due to a decrease in the experience modification factor from 1.19 to 1.07.

Unfunded List

The list of the unfunded items is as follows:

<u>Item</u>	<u>Amount Unfunded</u>
People counter at the Library	\$ 2,000
Increase in Common Council salaries	\$ 4,522
Chemical treatment of City-owned ash trees	\$76,000

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 vacation time, negotiations with the five unions was completed in 2007, GASB 45 compliance will be done by the end of the month, work on cleanup of the Amcast site will continue, a draft Fleet Safety policy is in the works, and new computer servers are scheduled to be purchased in 2010.

City Administrator/Treasurer Mertes said that \$158,541 of fund balance will be used to cover the cost of the following items: \$16,916 for electronic voting equipment, \$23,000 for the Fire Department retaining wall, \$35,000 for funding of street projects, \$5,000 for a recycling oil furnace, \$7,000 for an overhead door on a shed at the DPW garage, and \$23,500 for partial funding of the Police Department radios. The amount of fund balance to be used includes \$48,125 of savings realized in 2008 from a change in health insurance plans. This will bring the fund balance to \$1.59 million.

It was the consensus of the Council to not fund an increase in Council salaries in 2009. The Council agreed, with the exception of Council Member Jepson, not to fund the people counter at the Library.

It was the consensus of the Council to fund chemical treatment of City-owned ash trees in 2009 and that City Administrator/Treasurer Mertes refine the estimated costs of such treatment with Forester Westphal.

It was the consensus of the Council that City Administrator/Treasurer Mertes premise the budget on an increase in Inspection and Plan Commission fees; however the proposed fee adjustments for the Plan Commission are to be clarified with Planner Censky.

ADJOURNMENT

Motion by Council Member Kinzel, seconded by Council Member Glamm, to adjourn at 9:10 p.m. Motion carried without a negative vote with Council Member Radtke excused.

Constance K. McHugh, CMC
City Clerk