



FINANCE COMMITTEE MEETING MINUTES – 2023 BUDGET

MONDAY, OCTOBER 10, 2022 THROUGH MONDAY, OCTOBER 17, 2022

MUNICIPAL BUILDING – 106 JONES STREET, WATERTOWN, WI 53094

Monday, October 10

Members present: Mayor McFarland, Alderpersons Bartz, Davis, Lampe, and Ruetten

Others present: Finance Director Mark Stevens, Alders Romlein and Smith, Attorney Steven Chesebro, Public Health Officer Carol Quest, Media Services Director Lisa Famularo

1. **Call to order:** Mayor McFarland called the meeting to order at 5:30 p.m.

2. **Budget Presentations and Discussions:**

Council President Ruetten presided over budget presentations and discussion.

A. City Attorney / Special Legal

Steven Chesebro presented budget. In light of the reworking of staffing, he requested consideration that his pay rate transition from G/S T2 to T4.

B. Cable TV / Media Productions

Lisa Famularo presented budget.

C. Health, Environmental Health [14], Emergency Preparedness [15], Seal-a-Smile [18]

Carol Quest presented budgets.

D. General Government, HR, Mayor, IT, SIDC [60]

Mayor McFarland reviewed these accounts.

E. Finance, Clerk, Elections, Assessor, Audit, Insurance, Public Enterprises, Riverfest [12], Transit [13], Tourism/Room Tax [22], Housing Block Grant [65]

Mark Stevens reviewed these accounts and funds.

The Riverfest [12] proposal shows a planned loss of \$23,000, which is following an estimated loss of \$40,000 in the current year. Revenue met its targeted budget for an event that was held with little weather interferences; expenses have risen in many of the various aspects of the event. Ald. Smith recollected that an agreement practiced years ago was that excess profits over a \$75,000 fund balance were given to the Watertown Community Foundation. No one recollected this practice that has not been followed in recent years.

Transit [13] is presented with a 5% increase in purchased transportation costs, but recent documentation from Passenger Transit is indicating an rise consistent with the CPI is allowable. Staff is in the process of verifying with WI. The City Local Share will need to rise from \$60,000 to \$82,625 for the 5% increase. Mark Stevens recently met with the Transit Commission to share a rate study compiled by Passenger Transit and suggested that the group contemplate rate increase considerations to help reduce the General Fund portion.

The Room Tax in Tourism [22] is rebounding in the current year, allowing an increase in next year's proposal.

TID funds were not reviewed. Instead, Mark Stevens will send the packet provided at the Joint Review Board.

The City received the WI DOT estimate calculations for 2023 General Transportation Aids (GTA) and Connecting Highway Aids after the Mayor's budget was finalized. Revised amounts were suggested.

Renewals for liability insurance were received after the Mayor's budget was finalized. Revised amounts were suggested.

Mayor McFarland had intended to not include recommended Enterprise Support funding to Cornerstone of Grace, a NPO that she serves as a board member. This was removed from her budget, but was reinstated by the Finance Committee.

Account	Name	Original	Modified	Impact to Fund 01 Bottom Line	First	Second
01-42-73-64	State Aid- Road Allotment	1,014,290	964,266	(50,024)	Davis	Bartz
01-42-73-65	State Aid- Connecting Streets	50,044	50,107	63	Lampe	Bartz
01-51-94-40	Public Liability	195,000	196,500	(1,500)	Bartz	Davis
01-51-81-56	Contingent Fund	50,000	48,500	1,500		
01-51-94-48	Property/Fire Insurance	60,000	62,600	(2,600)	Lampe	Bartz
01-51-81-56	Contingent Fund	48,500	45,900	2,600		
01-51-94-52	Underground Storage Tank Ins	5,000	5,155	(155)	Lampe	Davis
01-51-81-56	Contingent Fund	45,900	45,745	155		
01-57-11-63	Cornerstone of Grace	2,000	-	2,000	Davis	Lampe
	Removed from Mayor's request					
01-57-11-63	Cornerstone of Grace	-	2,000	(2,000)		
	Added to Finance Com request					

3. **Adjournment.** Ald. Davis moved to approve to adjourn at 7:48 pm, seconded by Ald. Lampe, and carried by unanimous voice vote.

Wednesday, October 12

Members present: Mayor McFarland, Alderpersons Bartz, Davis (video), Lampe, and Ruetten

Others present: Finance Director Mark Stevens, Alders Licht, Smith, and Wetzel, Fire Chief Travis Teesch, Police Chief Robert Kaminski, Recreation Director Kristine Butteris, Public Works Director Jaynellen Holloway, Ben Olsen, Jeff Doyle, Maureen McBroom, Anthony Rauterberg, Chad Butler, Greg Wallach, other fire fighters, Eric Gutzdorf

1. **Call to order:** Mayor McFarland called the meeting to order at 5:50 p.m.

2. **Budget Presentations and Discussions:**

Council President Ruetten presided over budget presentations and discussion.

A. BS&Z, Planning and Development

Jaynellen Holloway presented these budgets. She requested an addition of \$500 to BSZ Dues & Fees to afford participation of a new zoning administrator in the Leadership Watertown program and an increase in Contract Planning Services for the Hoffman Drive sub-area planning.

B. Park Dept., Park Garage, Forestry

Kristine Butteris reviewed these budgets. A combining of Senior Center into Recreation – Admin and Park Garage into Park Department is recommended.

The Mayor had reduced \$26,500 in Park Capital Outlay projects. Ms. Butteris requested consideration that Developer Park [07] funds be budgeted to fund the requests.

The request includes the addition of a full-time Town Square programmer and a part-time recreation programming staff member.

C. Recreation, Aquatic Center, Indoor Pool, Senior Center, Developer Parks [07]

Two capital improvements projects were added to the CIP list after Finance Committee had been given the initial list in a prior meeting: aquatic center slides replacement (original slides are not useable) and Senior/Community Center terrace retaining wall. These two projects total \$300,000, replacing the Riverside wall replacement as a higher priority.

D. PD/Crossing Guard/Dispatch/Municipal Building

The budgets presented by Robert Kaminski.

E. FD/Emergency Government

These budgets presented by Travis Teesch.

Account	Name	Original	Modified	Impact to Fund 01 Bottom Line	First	Second
07-58-11-15	Park Improvements	-	26,500	xxx	Ruetten	Lampe
01-55-21-18	Rec Dept: Supplies	30,000	31,000	(1,000)	Bartz	Lampe
01-51-81-56	Contingent Fund	45,745	44,745	1,000		
01-52-41-22	BSZ Dues, Fees, Subscriptions	2,000	2,500	(500)	Lampe	Bartz
01-51-81-56	Contingent Fund	44,745	44,245	500		
01-54-09-69	Contract Planning Services	5,000	9,400	(4,400)	Lampe	Bartz
01-51-81-56	Contingent Fund	44,245	39,845	4,400		

Mayor McFarland presided over remainder of meeting.

3. **Review and take possible action:** Adjustment of 2022 Payroll Resolution to add Public Works Project Manager at Grade M. Ald Ruetten moved, seconded by Ald Bartz, to approve as presented, to be effective day after Council approval.
4. **Review and take possible action:** Adjustment of 2022 Payroll Resolution to adjust Stormwater Project Manager to Grade M. Ald Bartz moved, seconded by Ald Ruetten, to approve as presented, to be effective day after Council approval.
5. **Review and take possible action:** Adjustment of 2022 Payroll Resolution to adjust Assistant City Engineer to Grade Q. Ald Lampe moved, seconded by Ald Ruetten, to approve as presented, to be effective day after Council approval.
6. **Review and take possible action:** Adjustment of 2022 Payroll Resolution to adjust Zoning Administrator to Grade N. Ald Ruetten moved, seconded by Ald Lampe, to approve as presented, to be effective day after Council approval.
7. **Adjournment.** Ald. Lampe moved to approve to adjourn at 7:38 pm, seconded by Ald. Bartz, and carried by unanimous voice vote.

Thursday, October 13

Members present: Mayor McFarland, Alderpersons Bartz, Davis (video), Lampe, and Ruetten

Others present: Finance Director Mark Stevens, Public Works Director Jaynellen Holloway, Assistant Engineer Andrew Beyer, Acting Streets Superintendent Stacy Winkleman, Utility Manager Pete Hartz, Maureen McBroom

1. **Call to order:** Mayor McFarland called the meeting to order at 5:06 p.m.

2. **Budget Presentations and Discussions:**

Council President Ruetten presided over budget presentations and discussion.

A. Water [03]

B. Wastewater [02]

Pete Hartz provided an overview of the Water and Wastewater fund requests. A sewer rehab opportunity was introduced as an additional request.

C. Annual Streets [05 last page]

D. Engineering

E. Stormwater Utility [16]

Andrew Beyer reviewed the proposed streets projects in the Capital Improvements fund [05], Engineering, and Stormwater [16] requests.

The annual streets proposal extends beyond the usual \$1.5M to take advantage of federal Bipartisan Infrastructure Law matching grants.

The Capital Outlay budget for Stormwater includes \$300,000 for a street sweeper that will not be needed if a used one under consideration in the current year is purchased.

In light of almost \$1.6M in capital outlay projected from Stormwater [16], a question was posed as to the standards for fund balance retention for other funds. The Mayor indicated that she and the finance director had initiated conversation on this topic and will be working to recommend guidelines in the future.

F. Street Dept., Street Garages, Machinery & Equipment, Snow and Ice Control, Signs and Markings, Street Lighting

G. Solid Waste [17]

Stacy Winkelman presented the budget proposals for these funds.

Ald Davis left the meeting at 6:24 pm.

Discussion included comment on the desire for fund balance standards for other funds. Mayor McFarland relayed that she and Mark Stevens had already talked about a desire to research the appropriateness of establishing parameters for other funds.

Account	Name	Original	Modified	Impact to Fund 01 Bottom Line	First	Second
02-97-30-11	Sewer Rehabilitation	392,500	622,500	xxx	Bartz	Lampe

3. **Adjournment.** Ald. Lampe moved to approve to adjourn at 7:38 pm, seconded by Ald. Bartz, and carried by unanimous voice vote.

Monday, October 17

Members present: Mayor McFarland, Alderpersons Bartz, Davis, Lampe, and Ruetten

Others present: Finance Director Mark Stevens, Alders Licht (left after budget discussion) and Smith, Acting Streets Superintendent Stacy Winkelman, Fire Chief Travis Teesch, Library Director Peg Checkai, Police Chief Robert Kaminski (video), Assistant Engineer Andrew Beyer (video for street questions), Anthony Rauterberg, Library Board president Chris Koppes, a couple of fire fighters

1. **Call to order:** Mayor McFarland called the meeting to order at 5:06 p.m.
2. **Review and approve minutes** from September 26 and October 4, 2022. Ald. Ruetten moved to approve, seconded by Ald. Lampe, and carried by unanimous voice vote.

3. Budget Presentations and Discussions:

Council President Ruetten presided over budget presentations and discussion.

A. Airport

Krys Brown presented the airport budget.

B. Library/Library Special Fund [11]/Library Trust Fund [20]

C. Additional Budget Discussion:

- Request for budget modifications

- Library board president C. Koppes requested a reconsideration for the full funding of personnel costs from the General Fund for \$16,180. The mayor's recommended budget limited the 2023 budget to a 4.1% growth over 2022, an equitable amount to the wage increases of city employees. A motion was made by Ald. Lampe, supported by Ald. Bartz, to add \$16,180 to the City support of the library compensation costs [01-55-11-xx]. The vote was 2:2; the motion failed.
- Recreation programming staff: A motion was made by Ald. Davis to reduce the programming staff request from one FT and one PT staff to one PT staff, but motion died for lack of support. A second motion was made by Ald. Davis to reduce the programming staff request from one FT and one PT staff to two PT staff, supported by Ald. Lampe. After some discussion, the motion failed 1:3. A third motion was made by Ald. Davis to reduce the programming staff request from one FT and one PT staff to one FT staff, supported by Ald. Lampe. Following additional discussion, a friendly amendment was introduced by Ald. Bartz, agreed upon by Alders Davis and Lampe, to cost share the compensation of one FT staff with 75% City and 25% RDA Future Fund. It was noted that this position should include the scope and expertise to include Riverfest and other events. The motion, as amended, was approved by unanimous voice vote.
- A few smaller adjustments were recommended by the finance director for items researched over past week (reduction of Manufacturing Property Assessment Fee, BSZ payroll account adjustments due to recent payroll resolutions, known changes in insurance coverage needs for Street Dept staff).
- Based on a budget presentation of last week, Stacy Winkelman presented changes to budgets to share Capital Improvement [05] requests with Stormwater [16] and Solid Waste [17].
- Ald. Bartz had asked for a review of the EMS charges. With to-date collections along with a 2-3% increase in call volume, it was agreed that an increase could be anticipated. Further investigation will take place as to whether it would be appropriate to revisit the charge rates.

- Capital Projects Borrow Request

- The Public Works Commission forwarded two requests for budget consideration: Fieldcrest Court mill & overlay and lighting on Chadwick Drive. After discussing both, the Finance Committee agreed to add \$32,000 into the Capital Improvements [05] request for four lights.
 - A review took place of the Capital Purchases requests [05], and it was agreed that a borrow request of \$4M was acceptable. This includes \$600K for fire station design and \$225K for aquatic center slides.
 - The Debt fund [04] was altered to account for a first interest payment for the agreed borrow amount (First: Davis, Second: Lampe; unanimous voice vote).
- Other requests
- In the review of the General Fund, the committee agreed to replenish the Contingency to \$50,000 (First: Davis, Second: Lampe; unanimous voice vote).
 - Considering the increased unassigned General Fund fund balance from the prior five years, the committee agreed to reduce the anticipated fund balance in 2023 to an amount that estimates the unassigned fund balance to be approximately 30% of the annual expenditures budget, the high end the City's desired range of 20%-30%. To this end, a motion was made by Ald. Davis, supported by Ald. Bartz, to reduce the tax levy to \$10,400,000 and expect a reduction of the fund balance by approximately \$720,000. Approved by unanimous voice vote.
 - Ald Ruetten asked for a motion to pass the modified budget on to the Council for its approval. Motion was made by Ald. Lampe, seconded by Ald. Bartz, and approved by unanimous voice vote.

Account	Name	Original	Modified	Impact to Fund 01 Bottom Line	First	Second
01-51-52-44	Manufacturing Prop Assess Fee	9,000	8,500	500	Lampe	Bartz
01-51-81-56	Contingent Fund	39,845	40,345	(500)		
Building, Safety, Zoning						
01-52-41-10	Salaries	221,902	220,384	1,518	Lampe	Bartz
01-52-41-16	PT Wages	61,245	58,544	2,701		
01-52-41-33	WI Retirement	16,647	16,544	103		
01-52-41-34	Social Security	17,617	17,356	261		
01-52-41-35	Medicare	4,120	4,059	61		
01-51-81-56	Contingent Fund	40,345	44,989	(4,644)		
Street Maintenance						
01-54-31-36	Health Insurance	225,771	256,570	(30,799)	Lampe	Davis
01-54-31-38	Dental Insurance	12,514	14,363	(1,849)		
01-51-81-56	Contingent Fund	44,989	12,341	32,648		
05-54-11-70	Streets Major Capital Outlay	225,000	144,500	xxx	Lampe	Bartz
16-58-16-60	Storm Water Capital Outlay	1,582,620	1,604,120	xxx		
17-58-17-60	Solid Waste Capital Outlay	-	59,000	xxx		
City Attorney						
01-51-61-10	Salaries	194,548	191,760	2,788	Davis	Lampe
01-51-61-33	WI Retirement	13,229	13,040	189		
01-51-61-34	Social Security	12,062	11,889	173		
01-51-61-35	Medicare	2,821	2,781	40		
01-51-81-56	Contingent Fund	12,341	15,531	(3,190)		

Account	Name	Original	Modified	Impact to Fund 01 Bottom Line	First	Second
01-44-21-25	EMS Charges	(850,000)	(870,000)	20,000	Bartz	Lampe
01-43-51-00	Building Permits	(75,000)	(77,500)	2,500	Lampe	Bartz
Transit						
13-57-11-46	Purchased Transportation	906,374	934,860	xxx	Bartz	Davis
13-42-73-01	State Mass Transit Aid	(208,466)	(215,018)	xxx		
13-42-73-02	Federal Mass Transit Aid	(290,039)	(299,155)	xxx		
Rec Admin: programming staff				-		
01-55-20-10	Rec Admin Salaries	383,334	347,750	35,584	Davis	Lampe
01-55-20-33	WI Retirement	24,711	23,674	1,037		
01-55-20-34	Social Security	24,548	22,342	2,206		
01-55-20-35	Medicare	5,741	5,225	516		
01-55-20-36	Health Insurance	95,258	90,424	4,834		
01-55-20-37	Life Insurance	640	540	100		
01-55-20-38	Dental Insurance	5,256	4,980	276		
01-51-81-56	Contingent Fund	15,531	60,084	(44,553)		
01-54-10-16	Engineering PT Salaries	15,960	7,980	7,980	Lampe	Bartz
01-54-10-34	Engineering SS	20,259	19,764	495		
01-54-10-35	Engineering Medicare	4,737	4,621	116		
01-51-81-56	Contingent Fund	60,084	68,675	(8,591)		
16-58-16-16	Stormwater PT Salaries	55,952	60,572	xxx		
16-58-16-34	Stormwater SS	29,097	29,592	xxx		
16-58-16-35	Stormwater Medicare	6,805	6,921	xxx		
24-55-41-70	Riverside Park Wall/Bridge Reha	-	75,000	xxx	Davis	Bartz
05-5-42-70	Street Lighting Capital Purch	-	32,000	xxx	Davis	Bartz
01-51-81-56	Contingent Fund	68,675	50,000	18,675	Davis	Lampe
04-59-26-52	'23 \$4.0 GO Notes Interest	65,625	75,000	xxx	Davis	Lampe
Subtotal of Changes				(8,786)		
01-49-99-16	Tax Levy	(10,700,000)	(10,400,000)	(300,000)	Davis	Bartz
Subtotal of Changes				(308,786)		
Mayor's Original Budget				(411,185)		
Finance Com Budget (Impact to Fund Balance)				(719,971)		

Mayor McFarland presided over remainder of meeting.

4. **Review and approve:** one-year contract with Passenger Transit, Inc, for shared-ride taxi service. The Transit Commission is recommending the City agree to a one-year extension of its current contract with Passenger Transit, Inc. to provide shared-ride taxi services for 2023 at an hourly service rate of \$31.27, an amount equal to 1.083 higher than the current rate. Ald. Ruetten moved to approve as presented, seconded by Ald. Lampe, and carried by unanimous voice vote.
5. **Review and approve:** one-year vehicle lease with Passenger Transit, Inc. for shared-ride taxi service. An annual lease is necessary to allow the use of the City's taxi vehicles by the company contracted to provide shared-ride taxi service. Ald. Ruetten moved to approve as presented for 2023, seconded by Ald. Bartz, and carried by unanimous voice vote.
6. **Adjournment.** Ald. Lampe moved to approve adjournment at 8:20 pm, seconded by Ald. Bartz, and carried by unanimous voice vote.

Respectfully submitted,

Mark Stevens, Finance Director

Note: These minutes are uncorrected, and any corrections made thereto will be noted in the proceedings at which these minutes are approved.