

The meeting was called to order by Chairperson Hoy at 3:00 p.m. with the following Roll Call:

Members Present: Hoy, Pasbrig, Smith, Moede, Nitschke, Voss

Members Absent:

Others Present: Mayor Heron, Kathie Wild, Shelley Eilbes, Mike Kurutz, Vern Hilker, Bill Linzenmeyer, Chris Macneill, Ron Wellner, Christine Churchill, Ron Stadler, Linda Turk, Sarah Mireski, Kate Liebenow, Jean Natrop, Bill Stanke, Roger Williams, Sue Smith, Sally Kahlhamer, Sharon Chmielewski, Paul Kurutz, Dena Harris, Ryan Vossekuil, Kyle Parish, Nate Klapatke, Ryan Toellner, Tony Trunkel, Kim Mittelstandt

Item #2-2009 Budget Request Presentations.

A. Chamber of Commerce

Sarah Mireski from the Chamber of Commerce explained what the Chamber does. The council received a handout explained operating expenses and also the community events they sponsor along with the networking of the business community they provide. Audubon Days is a big event they sponsor in which they generate no revenue from. They have recently printed a new brochure. For 2009 they have requested \$10,000. In 2008 they received \$6,000.

B. Main Street Mayville

Kate Liebenow, the Main Street Manager presented the Main Street Mayville 2009 Budget and Work Plan. Kate Liebenow and Jean Natrop explained and answered various question on different expenses. For 2009 they have requested \$10,000. In 2008 they received \$6,000.

Ald Hoy explained that in the current 2009 working budget both the Main Street and Chamber are currently at \$4,000. This may not be the final number. Ald. Hoy explained that a room tax is being proposed in which 70% has to go toward tourism and promotion. Ald. Hoy asked the Chamber about the \$1,800 liquor liability for Audubon Days that the city has been paying. Linda Turk explained that the city hasn't paid that for six years. Ald. Hoy also mentioned that the city has been providing approximately \$10,000 worth of staff time for the events they sponsor and that she would like the city to receive our Chamber memberships for free which in the past the city has paid for them.

Item #3-Discuss/Recommend Creation of Standard Industrial Tax Increment District for Single Purpose Use for Mayville Engineering Company, Inc. Project.

The Mayor reported that recently an opportunity presented itself for the potential expansion of MEC to purchase the old Maysteel building on Main Street. MEC was looking for a partnership with the City and had also explored other communities as well. They were looking for a partnership in some form in the amount of \$250,000. The City didn't have that money on hand therefore there were three options that were available with one of the options being to form a TIF. The Mayor reviewed the agreement and the process of a TIF. MEC is looking at having the agreement completed by October 23<sup>rd</sup>. There would be some jobs created in the first two years; looking at a possibility of around 100 jobs. Ald. Smith explained that with a TIF they are foregoing the revenue of the taxes of the properties within the TIF and future taxes. Ald. Smith asked Ron Stadler, the city attorney, if there were any risks. Ron explained that #9 City Remedies was added to the agreement to cover the City in case the assessed value drops below the one million dollar increased assessed value of the project on January 1, 2012. If the projects increased valuation has dropped below the valuation established, MEC will have to repay the City a proportionate share of the incentive payment within 60 days. Also in #2 City Incentives the 60 days was changed to 90 days in which the incentive payment shall be made to MEC. This was recommended to be changed by Phil Cosson from Ehler's and Associates the city's financial advisor. Shelley explained the timing of the TIF. Motion by Ald.

Smith, second by Ald. Moede to recommend to council the creation of the standard industrial tax increment district for single purpose use for Mayville Engineering Company, Inc project. Motion carried 6-0.

Item #4-Discuss/Recommend Capital Improvement Plan – 2009-2013.

Shelley reviewed the document prepared by Ehler's Associates for the 2009-2010 Capital Projects & Equipment. She explained that borrowing would not be until March of 2009. Ald. Smith expressed that he didn't think we had resolved which items we should borrow for. He doesn't think that we should be borrowing for items that won't last for 10 years and aren't truly capital improvements. We need to determine what the critical items are and then put the other items on a separate list. The Mayor expressed that once we have money in our undesignated fund balance we can then designate money from the fund balance to cover the other items. There was discussion as to what items were still in question. Ald. Smith asked for another explanation as to the need for a new ambulance. Christine Churchill, the new EMS coordinator, explained that the third ambulance isn't a replacement ambulance. We have 600 calls per year which is increasing. She wants to have all three ambulances in service. Christine explained the EMS territory they cover and that the current unit they are looking at replacing is 10 years old and the average life expectancy is 10 years. She explained that she is exploring options of selling the old ambulance and expecting to get around \$15,000-\$20,000. She is looking at possibility selling the ambulance overseas. She explained that it is important to have equipment that will run. She expressed that she has a lot of new ideas for the EMS service and that she is putting them together and will be presenting them soon. Shelley explained that the estimated \$15,000 that they would receive for the old ambulance has already been taken off of the amount needed to purchase a new ambulance on the capital improvements figures. The other items that were in question were the \$9,000 for the carpeting for city hall and the police department and also some of the police department items that were requested. Once the operating budget has been decided then it will be determined how much of a fund balance will be available for the purchase of the items not considered to be capital improvements. It was decided to take the \$9,000 for the carpet off of the capital borrowing. Motion by Ald. Smith, second by Ald. Pasbrig to recommend to council to approve a two year capital improvement borrowing not to exceed \$1,080,501.00. Motion carried 5-1 with Ald. Voss voting nay.

Item #5-Discuss/Review/Recommend 1<sup>st</sup> Draft of 2009 City Budget.

The Mayor explained the summary 2009 budget spreadsheet with the 15% reduction.

Parks & Recreation and Tag Center-Mike Kurutz

Mike explained that the outdoor pool for this summer after it was decided to open it had a total of 28 season passes for a total of \$780. There was an average of 65 people per day. Ald. Hoy asked what would happen if we don't open the outdoor pool. Mike explained that there is an active spring that will keep the pool filled with water. They would view the pool as a temporary closing and would evaluate on a year to year basis. Ald. Smith expressed that if any department should get a pass it should be the Parks & Recreation department. They have already reduced their budget before we asked for the 15% cut and they have already looked at ways to increase their revenues. Mike explained that traditionally they have budgeted for the recreation programs in the general fund because not all the programs paid for themselves. Now the recreation programs will be on a self sustaining basis and will be put in a separate fund. The programs will only be run if they can generate enough revenue to cover the costs to run the program. There is a possibility to do some fundraising to build up that fund balance in the future.

Public Works-Vern Hilker

Vern explained that state transportation aids are based off of expenditures so we may be shooting ourselves in the foot by decreasing our expenditures. Vern explained that he initially budgeted \$96,000 for salt to pay for the 600 tons of salt they requested from Dodge County. He reported that they used 1,600 tons of salt last year and that they can't get any more than the 600 tons of salt. Due to the 15% requirement he cut the salt budget down to \$78,550 which will get them 490 tons of salt. He reported that they are going to buy flake calcium chloride from this year's budget. Ald. Smith asked if we need the additional 110 tons of salt could we still get it from the county. Vern reported that the county will have a total of 600 tons of salt for us to

use. Vern explained that his department will be putting together a map to determine the hazards areas and they obviously will be cutting way back on areas where they will be applying salt. Salt and sand will be mixed together. Vern explained that due to the 15% requirement he also had to reduce his paving account from \$80,000 to \$8,500. He explained that this will affect the city in the long run since we also didn't do any major paving this year because of available funds. He explained that they have starting to do more crack filling. Ald. Voss asked what affect it will have if we moved the dump truck requested in the capital improvements budget off another year. Vern explained that we would then need to put in the operating budget another \$10,000 for maintenance repairs for the dump truck. Vern noted that he did find some items in his budget that could be eliminated. They are downtown foliage for \$1,500 which is listed in the sidewalks and crosswalks supplies account and also the administrative code updates for \$435 which we can now get online. Ald. Pasbrig asked if there were any efficiencies that could be done to save money. Vern reported that he had an energy audit done and the savings for that were already reflected in the budget. Another idea was to get rid of bulk material drop off and have resident contact directly with the landfill for that service as needed. Ald. Voss asked how much was put into the budget for raises for the employees. Shelley explained 3% was put in for union employees which is what is stated in the union contracts and that the Mayor instructed her to put in 3% also for non-union. This would amount to an addition of \$3,719.77 for 2009 compared to 2008 due to changes in staff. Items that the committee wants to look at further are paving, dump truck, downtown foliage, and administrative code book updates.

#### EMS-Christine Churchill

Christine explained that they are proposing to increase the ambulances fees which would amount to additional revenue of \$19,000. Lifequest has done a rate survey. The approval of the rate increases will be put on Tuesday's finance meeting for approval. Kathie reported that the finance committee last approved an increase in fees in July of 2007 which were effective September 1, 2007.

#### Police-Chief Linzenmeyer

Chief Linzenmeyer explained that his first response when the Mayor requested all department heads to cut 15% of their budget was that he couldn't meet the request. However, after the Mayor required him to meet the request he then put in to reduce staff. The Chief explained that they are not overstaffed now nor have they been in the past. The future of our city is dependent on police. Ten years ago they had ten officers. A reduction of staff would be a downgrade and would lead to an ineffective police department. They have worked hard to get to the level they are at now. The reduction of staff would put more complains/work on less officers which would lead to less time for important issues such drug investigations and juvenile issues. It will also jeopardize the safety of the officers since some of officers will have to work by themselves and will also decrease morale. The Chief expressed that there won't be any room for increasing our staff in the future. The council needs to put aside opinions and look at the facts now and into the future. He wanted everyone to know that it isn't his idea to cut two officers. There was a question as to how much overtime is budgeted and if this could be reduced. Bill explained that they budgeted \$30,000 this year and is requesting \$35,000 for 2009. He explained the controlling factors for over time are the union contract in which we need to provide overtime for certain things, the type of calls and incidents, sick time, and court time. Ald. Smith expressed that he will not approve eliminating crossing guards. He feels that the safety of our children should be a number one concern. He reviewed a study that was done by the Wisconsin taxpayer's alliance that was done for the number of police officers. According to the study, we can be justified in having nine police officers. He expressed that he can't believe that Bill can't find any other items in his budget to cut besides officers. Bill explained that he did include some options such as increasing fines, implementing the tax intercept program, and development of a municipal court for Mayville. Ald. Hoy asked if it would be possible to remove the defibulator for \$1,200 and have fund raisers. Bill expressed that he didn't agree and felt that this is a necessity and we can't wait to have a defibulator. Ald. Smith asked if the K9 officer was as efficient as the other officers. Bill explained that he is more efficient because he has more tools to use. Ald. Nitschke expressed that she won't go along with the reduction of staff. There was a question as to if we can eliminate any non-mandatory training and if the benefits outweigh the cost of the training. Bill explained that he is not against crossing guards. We need to look at the placement/location of the crossing guards and to

see if all of them are needed. Items that the committee wants to look at further are crossing guards, staffing (two officers), and chasing bad check policy. Bill explained that the bad checks policy is a statutory requirement.

#### Fire Department-Roger Williams & Bill Stanke

Bill Stanke explained the things they have done to improve the efficiency of the fire department building. Shelley explained that Roger didn't meet the 15% requirement therefore the fireworks were reduced to zero. Roger put in a request that the training could be reduced to \$2,000 and they could also not replace tarps which would cost \$2,400. Shelley also added in an additional \$5,000 in revenue for the sale of the pumper truck for a total of \$15,000. Roger explained that the fireworks have increased each year and the budget hasn't been increased. The 4<sup>th</sup> of July is one of the fire departments biggest fundraises in which they use the profits to cover the fireman's life insurance and new equipment. Last year they used some of the money to put towards ice rescue equipment. Ald. Smith explained that we need the real cost for fireworks and asked if it would be possible to get corporate sponsors for the fireworks. Roger expressed that they go out and get a lot of donations for other things and that his department would not be the ones going out and getting donations for fireworks. That would have to come from the alderman. Items that the committee wants to look at future are fundraising/sponsorship for fireworks, training, and replacing tarps.

#### Legislative/Executive

Shelley reviewed that the registration fees, travel, meals, and lodging were reduced in this area. Ald. Hoy expressed that she would like to see the salary for the council to be reduced by 25%. She feels since we are asking departments to reduce their budgets we need to be leaders and also reduce our salaries. There was a discussion as to if the council and mayor are allowed to reduce their salaries or not. Further investigation will be done on this.

#### Administration-Kathie

A 2% room tax was added as additional revenue in the amount of \$10,500. Shelley explained how the estimated revenue figure was calculated. 70% of the tax needs to be used toward tourism. Ald. Hoy explained that she did some research and that virtually all the surrounding communities have the room tax. Some have up to an 8% room tax. Main Street and Chamber were reduced to \$4,000. Ald. Hoy expressed that she doesn't think we should cut them below the \$6,000 we gave them last year. Also the Chamber needs to include free Chamber memberships for the City with the contribution that we give them. Ald. Pasbrig asked how longevity was developed and feels it is a poor use of money. There was further discussion as to why longevity was developed and how it is calculated. Ald. Hoy asked about the Graceland cemetery contribution and if we could reduce that. Shelley thought this was protected by State Statutes. Items that the committee wants to look at further are Chamber and Main Street donations.

#### Comptroller-Shelley

Shelley explained that the wages for the comptroller were decreased down to 75% time in order to meet the 15% reduction.

#### Assessment/Risk & Property Management/City Hall

The risk and property insurance were not adjusted since we are waiting on the RFP's to come in. Ald. Voss asked if there was another janitorial service that we could look into that would cost less. His suggestion was contacting Green Valley.

#### Health/Human Services

We are waiting for the senior center to get back to us with their budget.

#### Public Library

The library's budget is set by state statutes and is a three year average.

Item #6 – Adjournment.

Motion by Pasbrig, second by Nitschke to adjourn at 7:27 p.m. Motion carried unanimously.

Kathie Wild  
City Clerk