

The meeting was called to order by Ald. Sertich at 5:00 p.m. with the following Roll Call:

Members Present: Ald. Sertich, Ald. Pasbrig, Ald. Schmidt

Members Absent:

Others Present: Mayor Moede, Ald. Pasbrig, Ald. Redeker, Ald. Toellner, Kathie Wild, Deanna Boldrey, Chief MacNeill, Attorney Hammes, Christine Churchill, Bob Smith, Linda Turk, Katie Leb, Megan Sheridan, Ben Brown, Gregory Justman, Mary Rake, Alan Voss, Joe Cheesebro, Dave Pieper, Lisa Schmitt, Brad Marx, Jon Borst

Item #2 – Approve the Minutes of the July 15, 2013, meeting.

Motion by Ald. Pasbrig, second by Ald. Schmidt to approve the minutes of the July 15, 2013, meeting.

Motion carried unanimously.

Item #3 – Citizen Comments.

Mayor Moede commented for the Council to speak up during the meeting as he has received complaints that the people at home cannot hear. He noted not to shuffle papers over the microphones.

Item #4 – Treasurer's Report.

A. Monthly Financial Report.

Kathie Wild reviewed the financial reports ending July 31, 2013. She reviewed the Summary of Cash Position by Fund Report. The Overall Cash Increased by \$113,373.

The General Fund Revenues and Expenditures compared to budget report was then reviewed which showed that we should be at 58% for the year. Total Fund Revenue is at 61%. We are waiting to receive the last installment of taxes that will come in August. The final Shared Revenue payment will come in November. The Mayor is at 124.4% due to the fireworks which we do have the revenue to offset. General Admin is at 59.1% because of the payment to the Chamber of Commerce, \$6,000 that we did budget for. Elections are at 64.2%; elections are complete for the year. City Hall is at 60.7% expenses, maintenance contracts that are paid up front. Comptroller is at 60.4% due to the audit fees. City Attorney 64.6%. There are three attorneys that go through this line item; the labor attorney, the municipal attorney and Madden go thru that line item. Assessor is at 59.5% due to the manufacturing assessment paid in advance. The Police Department was then noted at 59.3%. This will be covered in another item on the agenda. EMS is at 60.2%, will continue to monitor. Building Inspector there are revenues to offset. Parks and Recreation is at 68.3%, Mike Kurutz's wages will need to be allocated. Some allocated to DPW Department. The recreation director is causing that one to skew up. Golf Course is at 60.5%, due to the audit in advance.

Senior Citizens Center additional revenue to offset at 81.6%, due to expense of the carpeting. the Bachhuber foundation made a donation for carpeting. Total fund expenditures are at 56.4%. The TAG Revenues and Expenditures Compared to Budget Report was then reviewed. Public Charges for Services at 69%; and Total Expenditures are at 40.2%.

B. Report on Police Department Budget Based on Information of August 12, 2013.

Kathie noted that at the last week's, August 12th, Common Council meeting there were some comments made by the Chief that only bits and pieces of information regarding the police department budget was given.

We have provided to the Council in the packets for tonight's meeting and also made available for anyone attending the meeting, along with any one that would like to see the information, the police department's financial statements for the months of January – July. All of the city's financials are open records; therefore, anyone can request copies of these financial statements.

The financial statements are accurate and all expenses are approved by the Chief of Police who signs off on every invoice that goes through his budget. Or mostly every invoice unless it is an electric bill, then we just approve it, since there is City Halls numbers are also on there.

I have also put together a spreadsheet that is entitled 2013 Police Department Budget. This spreadsheet shows each month expenses per month January – July, year to date actual expenses, and current percent of budget and percent of fiscal year that has elapsed and amount over / under the budget. Most of the numbers for the spreadsheet are taken off of the financial statements.

As everyone is aware I bring up at each monthly financial meeting, budgets that are over their percentage of where each budget should be based on the percentage of the fiscal year that has elapsed. I have explained many times where expenses come up in a different time of the year and where there are expenses that are paid up front which explains why a particular budget is over.

In March there were three payrolls and in April Kim Mittelstadt's sick time was paid out which is why the monthly expenses were higher. I have also kept the council informed as to the status of the police department's overtime budget. The current overtime budget is at \$25,000 which is a big part of their budget.

The reason I brought this up to everyone's attention at the last couple of finance meetings was because overtime budget is being used up fast and I knew the department would have trouble staying within their overtime budget. As of 8/3/2013, the officers have used \$19,226 of the overtime or 76.9%; however, including comp time for the officers, including accrued time, this comes to 6,211.72 and would be paid out at the end of the year. The total overtime budget is at \$25,437.72 or 101.8% of their overtime budget. There are still five holidays that the City will be paying out at 12 hours each for overtime paid out for union officers for a total of 60 hours, which will amount to a minimum of \$1,570 wages or \$1,990 including wages, wrs retirement and social security.

Also in your packets also are the figures that show that the police department has been over in their overtime budget 14 of the last 15 years. Also the police department has been over in their overall budget 12 of the last 15 years.

I have also made copies of the invoices that were challenged for national night out. The Chief had initially wanted the expenses to come out of his general fund operating budget and after we challenged him on these expenses with his budget being over that he agreed to take them out of the police trust account. It was only after he was challenged him that he agreed to do this. We challenged him on these expenses along with another department that was over to take some of the expenses out of their trust account.

Copy of the above statement is attached to the minutes.

Ald. Sertich asked if anyone has any questions.

Ald. Schmidt questioned if the report was designed to enlighten the Council Members on the shortcomings or the short falls of the police department's budget or was that report designed to bash the Police Chief, that last statement kind of indicates to me that it was.

Ald. Sertich commented that she thinks, that the attorney, seeing that this was the issue that took place last week, Mike (Ald. Schmidt), of and correct me, Chief if I did not say that I would be happy to answer the questions pertaining to what you laid out. It is on tape as well. That we would get information and roll it out at tonight's meeting. Chief MacNeill commented that what he was trying to do was not bashing anybody but make sure that each of the Council knew, each

of the meetings seemed like it was the negative pointed out not the overall budget. He continued that he is over on overtime. He did tell the Council that. But as far as the budget over all that overage is being reduced and He thinks that they should be aware of that to get an overall picture so that they have an accurate picture so that they have accurate guidance to provide the department head.

Ald. Sertich commented on what she came away with and attorney you can tell me if I should probably not be saying this. This is what I came away with Chris, that you wanted . . . and my question is, was it your intent to make me look like I was untruthful as we were doing these presentations and lying.

Chief MacNeill commented absolutely not.

Ald. Sertich commented that is what I walked away from and that is a huge concern for me and anybody that knows my family and knows me, at least being in this town for 50 plus years. We have a lot of history and connection with this. I am not going to set back and have my ethics or honesty or anything challenged whatsoever. And that was very defensive and do not know if it was a fair statement that I should be saying and that is why we were put in a position not to bash anybody Mike (Ald. Schmidt) but to get the record out to the public. This bashing back and forth has to stop. Chief MacNeill commented correct. Ald. Sertich continued that all of this stuff that is spinning out and about and people were brought into pictures that were not even the source of causing some of the issues in this town. She commented that she has had it. We have somethings that the attorney will be addressing and giving us some advice. But if you think for one minute that I am going to be thrown under the bus without a fight you are badly mistaken. This impacts my family just as well as anybody and I know conflict of interest you can quote me in the paper for it. Along with Dale (Ald. Toellner) conflict of interest. Bottom line is we are concerned about our employees across the board. Ald. Sertich continued that , Chris and I may have our differences does that mean we should not have the respect for each other and the jobs we have to do.

Chief MacNeill commented absolutely.

Ald. Sertich commented that she took an oath to the Citizens and is not an employee. But an elected official and she noted that she promised when she ran to look out for the tax payers. She continued that, I do not think that anybody can argue with what we have turned around in three budgets for the City. What some of the departments got that never had a chance of getting whether it was second hand or not. The money that was saved in capital improvements, the \$2 million dollars that has been put into the deficit against \$2.4 million and that Kathie will talk about as well. She continued that, I apparently did not articulate that well enough for some. We will get that clarified next so that everybody has an understanding. You have my number, call me. Ald. Sertich noted that, If I do not have the answers I will be happy to obtain them. Kathie and I have worked very close for all of the things. Contracts that were never in place, that EMS that could not get help with from prior Councils. That saved the tax money on ambulances. She continued that, I do not know how much more I can do for a City but I will be doggone if anybody is going to throw me under the bus that I was not involved with causing. Bottom Line. I think it is a fair statement because I have had it. A lot of people should be very shameful on the other side of the fence as well as to what is coming down the pipeline on things. Ald. Sertich continued that how it plays out I can put my head down on my pillow every night because I can tell you that the love I had for the City of Mayville is not like it used to be. This is not what the City of Mayville stood for all of these years. Worrying about your neighbor and worrying about what our community was. Nobody gives a you know what anymore. Thank you.

Ald. Schmidt commented that his question had nothing to do with what happened at the prior meetings or what statements were made between Ald. Sertich, the attorney, and the Chief. My question was presented to the Comptroller in regards to the statement she made in her report that it was then and only then that the Chief decided to use his special account to finance the night out on the town. That was the whole reference. The report was fine up and great until she made that statement. That statement was totally unnecessary.

Ald. Sertich commented that she agreed maybe unnecessary, but look at the minutes that were just released. And she was over there with Kathie and talked to the Chief. She continued that in the minutes that were just released she offered her services to help the department head if he had any questions or anything to do with his budget to get him on track. She questioned the Chief if that was a fair statement, he nodded yes. She continued that she does not know what else she can do as a chairperson to help. What more can I do. Ald. Sertich commented that she gets what Ald. Schmidt is saying but the question is this. We had another department that was also over their budget and wanted to run it through their budget and we said it was not a budgeted item and you will have to take it out of your finances. Now this other department may not have liked it but they did it and have done it and saved the City a lot of money over the years because they cover a lot of expense with their fundraisers. You have a police department trust fund. You are over your budget and it was not a budgeted item. It is not like this is a surprise that this event comes once a year. Fair statement? Is this a fair statement? This is an annual thing. The Chief commented that is hopefully.

Ald. Sertich continued that what is the trust fund for? Is it not to cover some of these expenses?

Ald. Schmidt commented that he is not arguing that and is not saying that he should not have used his trust fund, was that last statement necessary. That statement to me sounded like a fight going on between the police department and us to get the police department to use the proper budget. It is just the way the report was formatted and that one statement was formatted was designed to make people think the police department does not want to pay their share. Ald. Sertich commented should the statement been made last week that we felt the need of correcting and making sure the public was aware that we did approach the chief and offer services to him to help him with his budget. We are here to help. Ald. Schmidt commented that he understood that. The statement that is there is the statement that we are providing to the public and make sure everyone is in agreement on the thing.

Ald. Sertich commented that the bashing back and forth does not help the city. It makes us look like we are not doing the jobs that we were elected to do as elected officials. It was a fair statement because it was a topic that was brought up. I respect your input on it. It was brought up and we needed to clarify the statement from last week and that was clarification. I respect your feelings on it.

Kathie Wild commented that the initial invoices he coded were coded with the general fund code number. That is what I meant by the comment.

Ald. Schmidt stated that his only complaint was the verbiage that was used.

Ald. Sertich asked if the attorney cared to comment on anything.

Attorney Hammes commented that everything has been said. The Council Members have addressed it and to move on.

C. Update on Nine Year Plan Including Tax Levy Information.

Kathie commented that she put together City of Mayville Nine Year Budget Goals and Levy Limit Spreadsheet which will clarify a few items. There has been spin going around in the paper. She has a spreadsheet that would be very helpful for everyone including the media. She put together when the 9 year plan was done these were the deficit balances as of 12/31/08. It shows the General Fund, Capital Improvements, the TAG Center, and Theiler Park. It shows approximately \$2.4 Million dollar in deficits not debt. These are totally separate things. Debt is money we owe to buy things. Deficit is a negative balance; we do not have cash to fund it. It is negative. Plus the 25% reserve, which the Council at the time agreed on \$800,000 reserve. The amount needed to fund the reserve plus the deficit is \$3.2 Million dollars. The next section shows what has been made up in the last years; in 2009 we made up \$218,366; in 2010 we made up \$317,461; in 2011 we made up \$587,641; in 2012 \$843,868. So current deficit fund balance is a negative \$516,685. With the \$800,000 25% reserve the amount needed to meet the reserve is \$1,316,685. In the last four years we have made up an average of \$491,845 per year. Year's needed to meet the goal is 3.61 years. If we continue to meet the \$365,000 we will meet the goal by 2016. City of Mayville portion of levy increase was noted. This is just the City of Mayville's portion not anyone else's not the School district, not the county, not Moraine Park. 2009 Levy Increase was 3.2%; 2010 8.5%; 2011 2.7%; 2012 1.5%; 2013 1.1%;

Any questions on this. Does everyone understand how we have gotten as far as we have.

Ald. Boelk questioned how much debt we have. Kathie noted that she sent it to him on an email. Ald. Sertich commented that there is some information that you requested that is still setting there.

D. Discuss 2014 Budget Process and Timeline.

Kathie reported that everyone should have the timeline for the 2014 budget. We are going to continue as like in the past years with a minor change. Everything as we have done it. The first meeting with the finance committee will be October 1 and following meetings October 8, 15 and if needed 21. The hearing for public input is slated for November 11. Ald. Sertich noted that the Mayor and Ald. Sertich will meet on September 17 and 18. Department heads have been informed of the time slots. Kathie is here until the 4th. The information will be taken and we will handle this different there will be no clean up front. What you see is in raw form gentlemen. You will have some long nights. Ald. Sertich commented that you guys are going to do your own budget. All of the \$90,000 plus \$100,000 that was cleaned up before you can look for it together. You will get copies after everything is updated. That will give you opportunity across the board for all of the departments, you can look them over, you can do your comparison, things should be reduced. The Mayor is on board and will allow us to do it in a timely fashion. The first meeting on the 1st of October and you can look at the stuff at home and see what needs to be done.

E. Resignation of Kathie Wild.

Mayor Moede read Kathie Wild's resignation letter. Her last day is Wednesday, September 4. She has accepted an assistant finance director position with Washington County. She is willing to help with the budget and train her replacement. Mayor Moede wishes her well and noted she has done a great job for the City. He noted we are ahead of schedule on the nine year plan. Ald. Sertich expressed her gratitude. She is a gem to work with. Done a hell of a job for the City of Mayville and on top of everything and wish her nothing but the best. Everyone applauded for Kathie. Ald. Sertich commented that we will need some assistance with the budget and Kathie has offered to come back in after her busy schedule of learning her new job as a part-time

employee and will be paid accordingly. She will be kind enough as well to train the new individual as necessary. She noted that Kathie has been like a daughter to her. Ald. Redeker commented that it is a pleasure to work with Kathie and she is always a professional.

Item #5 - Golf Course Update.

- A. Financials Update.
Joe Cheesebro commented on the Financials look good and that the requirements of the audit have been fulfilled. He will have capital improvements projects for the golf course by the end of September. Joe commented on the increase in membership fees in November. Will have the budget for the managerial contract by December 1st because he knows it is due in September would like to have in October. We are now renters and we pay rent payments through 2016. Mayor Moede commented that the golf course will be paid for in 2016. On December 31, 2016, there will be no more debt. Will have talk about a lot of different things. We are part of the City. Ald. Sertich asked Kathie Wild to clarify the golf course budget. Kathie Wild clarified that with the golf course the City budgets for the audit and building maintenance items. The equipment and building are the City's responsibility. Those are items to budget through the capital projects process because they are over \$5,000. We have in the past budgeted for the paving of the parking lot. So we did borrow money to fund that. Right now the City budgets \$10,750 for the Golf Course and of that \$6,500 has went through for the audit. The rest is for maintaining and repairing the building. They are paying a portion of the bond payment. They have a principal payment of \$55,000 and interest of \$7,630. They are an independent contractor.
- B. Membership Update.
Everyone is paid up. We budgeted \$82,000 and took in \$82,600.
- C. Banquet & Outings Update.
September and October are booked. Bookings for 2014 are filling up.
- D. Building and Course Update.
The Course is in the best condition it has been in. The building is from 1994 and getting old.
- E. Staff Update.
School will be starting.
- F. Long Term Maintenance Report.
No Report.
- G. Discuss/Recommend Expenditure from the Bachhuber Donation Funds for Mayville Golf Course – Renovation of Sand Traps due to Drainage/Wash Out Issues.
Ald. Sertich commented that this is from the Bachhuber Donation Funds and this is an item they asked for. Some of the items have went through already. This is the amount they had left from the originally requested and not to exceed \$13,306.98. This is money that is monitored by the City. This was an item from the audit. Motion by Ald. Schmidt, second by Ald. Pasbrig to Recommend Expenditure from the Bachhuber Donation Funds for Mayville Golf Course – Renovation of Sand Traps due to Drainage/Wash Out Issues. Motion carried unanimously.

Item #6 – TAG Center Report.

- A. Membership/Activities Updates.
Lisa Schmitt reported that the fall program is ready. It was in the Dodge County Pionier and is on the website. When the pool reopens there will be two more scuba diving sessions in October and November. Currently there are 262 active Silver Sneaker members. 800 other members. The payments for Silver Sneakers have been averaging between \$2,500-\$3,100 per month. In fall will contact those with inactivity via postcard. Ordered 12 more Silver Sneaker chairs. Was able to the equipment balance that we get from Silver Sneakers. Will look into the possibility of an ATM machine at the TAG Center. Wants to look at the expenses involved. The pool is closed until October 7, 2013. Busy summer.

B. Maintenance – Updates.

Dave Pieper's report is attached to the minutes.

Item #7 – Report on Fire Department Golf Outing Results.

Jon Borst commented that there were 5 teams at the golf outing on July 6, 2013. There were 22 sponsors and 12 donors. Profit of \$2,044.95. Took in \$4,066. The sponsors carried them. They are tentatively planning a golf outing on July 19, 2014. They are sending thank you letters to the sponsors. There was one team from the fire department. The other teams were from the community. Quite a few from Horicon.

Item #8– Discuss / Approve Fire Department Fundraiser Hamburger Fry on September 27 and September 28, 2013, during fire Department Open House.

Brad Marx introduced the item and stated that they want to coordinate with the open house. Businesses requested that they have the hamburger/brat fry on a Friday so that they can feed their employees and order large quantities of hamburgers. Motion by Ald. Pasbrig, second by Ald. Schmidt to Approve Fire Department Fundraiser Hamburger Fry on September 27 and September 28, 2013, during fire Department Open House. Motion carried unanimously.

Item #9– Discuss / Approve 9/11 Memorial Breakfast Fundraiser on September 8, 2013.

Christine Churchill came to the podium and commented that the EMS continues to be aggressive with their fundraisers. They have had to use their fundraiser money unexpectedly when a furnace goes down or a washing machine goes out. The replacement of their equipment does not come out of the budget. For the last four years you have not seen equipment replacement from the EMS budget. This is the fourth year for the 9/11 Breakfast. Motion by Ald. Pasbrig, second by Ald. Schmidt to Approve 9/11 Memorial Breakfast Fundraiser on September 8, 2013. Motion carried unanimously.

Item #10 – Adjournment

Motion by Ald. Pasbrig, second by Ald. Schmidt to adjourn at 5:58 p.m. Motion carried unanimously.

Deanna Boldrey, City Clerk

August 19th, 2013 Finance Committee

At last week's August 12th council meeting there were some comments by the Chief that only bits and pieces of information regarding the police department's budget was given. Therefore, we have provided to the council in the packets for tonight's meeting and also made available to anyone attending the meeting tonight along with anyone that would like to see the information the police department's financial statements for the months of January-July 2013. All the City's financials are open records. The financials are accurate and all expenses are approved by the Chief. I have also put a spreadsheet together that I have put by your spots for tonight that is titled 2013 police department budget. This spreadsheet shows each month's expenses per month for Jan-July and also shows YTD Actual expenses. It shows current % of budget at along with % of fiscal year has elapsed and amount over/under the budget. Most of the numbers from this spreadsheet are taken off the financial statements. As everyone is aware I bring up at each monthly finance meeting budgets that are over their percentage of where each budget should be based upon the % of the fiscal year that has elapsed. I have explained many times where there were expenses that have come in at different times of the year and some expenses where we have to pay them upfront which would explain why that particular budget was over. As I have noted on the spreadsheet for the police department budget in March there was three payrolls and in April Mittelstadt's sick time was paid out which is why their monthly expenses were higher. I believe that I have also kept the council informed as to the status of the police department's overtime which is budgeted to be \$25,000 which is a big part of their budget. The reason I have brought this to everyone's attention at the last couple of finance meetings was because their overtime budget was being used up fast and I knew that the department would have trouble staying within their over time budget. As of 8/3/13 the officers had used \$19,226 of the OT or 76.9% however including comp time for the officers which is currently accrued to \$6,211.72 and would be paid out at the end of the year the total overtime budget would be at 25,437.72 or 101.8% of their overtime budget. I have also noted on the spreadsheet that there are still 5 holidays that the City will be paying out 12 hrs each for of OT for the union officers for a total of 60 hrs (which will amt to a min of \$1,570 in wages or approx \$1,990 including wages, WRS & SS). Included in your packets also are the figures that show the police has been over their OT budget 14 of the last 15 yrs. Also the police department has been over their overall budget 12 of the last 15 yrs. Also, I have made copies of the invoices that were challenged for National Night Out that the Chief initially wanted to come out of his general fund operating budget and after we challenged him on these expenses with his budget being over he agreed to take them out of his police trust account. It was only after we challenged him that he agreed to do this. We challenged him on these expenses along with another department that has been over their budget to take some of their expenses out of their trust account.

AUGUST FINANCE MEETING REPORT

Aug. 19, 2013

August 7th, 8th, 9th Neuman Pools came and replaced the fan and motor bearings in both Menerga HVAC units, these units heat, cool, and dehumidify the pool hall.

This was planned maintenance; the units run 365 days a year for the past 11 years.

When disassembling the motors, Neumann's technician found that all the motor mounts on both units were cracked and deteriorating. I got an estimate of the cost and then asked them to replace all cracked motor mounts.

These HVAC units are made in Germany, Neuman Pools is the sole sales and service rep in the USA.

The cost to replace the bearings was \$3968.00

The cost to replace the 24 motor mounts was \$721.92

Total Cost was \$4689.92 and will be paid for with Bachhuber Foundation Grant money.

Dave Pieper