

**Town of Menasha Board of Supervisors Special Meeting - Budget Workshop
Municipal Complex - Assembly Room - Monday, September 21, 2009**

Minutes

1. Call to Order

Chairman Tews called the special meeting to order at 5:00 p.m. Board members and staff present were Chair Tews, Supervisors Gerhart, Hanson, Ziegler, Youngquist, Clerk Backman, Administrator Sturgell, Dir. of Finance Piergrossi, Assessor Eiberger, Community Dev. Dir. Dearborn. Other staff and commissioners attended throughout the workshop: Pk. Commissioners Mike Dillon, Randall Meyer, Mike Lynch and Debbie Swiertz, FF Jeremy Short, FF Steve Heinz, FF Sean Mueller, FF Tim Raddatz, Publ. Safety Ed./FD Assoc. Pam Jentz. Resident Barb Knaack attended.

2. Budget Workshop

Assessor 5:00 - 5:25 pm

Dir. Piergrossi gave some highlights of the Assessor's department budget which includes an overall expenditure increase of 1.77%, and a 3.57% increase to the levy offset. Still allocated each year since the last revaluation in 2005, is \$8,000 for the next reassessment.

The Palisades and Tayco Pond projects were discussed. Fin. Dir. Piergrossi explained there will be 100 additional hours allocated in the Stormwater Utility budget (official start date: 8/3/09), for work on land acquisitions. Supv. Youngquist stated he would like to consider using capitalization in the future for Cold Spring pond.

Discussion ensued regarding the extensive hours the Assessor has spent on the Cold Spring pond property and slowdown of the workload once the detention ponds are built. Supv. Ziegler questioned the need to fulfill a request to hire a full-time Street/Storm laborer and a seasonal laborer for stormwater activities or whether to utilize current staff with expertise in this field, namely the Assessors. He suggested the possible shifting of the Assessor's hours over to the Stormwater Utility. However, Adm. Sturgell stated his hope is to potentially utilize the Assessors in the Community Development Dept. to assist the Community Development Director and Associate Planner. Assessor Eiberger explained to the Board the large growth and higher values of the Town now as compared to years back, and even during slow times how the Assessors' job remains constant throughout the year. Discussion shifted again toward the request of a full-time Street/Storm employee and Supv. Ziegler suggested hiring a half-time person instead or utilizing the staff we have, due to the reduced workload with the pond maintenance. At this point, Adm. Sturgell suggested this be discussed internally with the Street Supt.

After the discussion, Supv. Youngquist wanted to clarify that approving the Stormwater budget does not mean the Board is approving an additional FT employee to begin on January 1. Fin. Dir. Piergrossi explained this would be done at a later meeting when the Board adopts a position control chart which includes employees and salaries. Supv. Youngquist then asked that the full-time position be suspended for now.

Supv. Hanson asked when the next reassessment would be, which Assessor Eiberger stated is not planned for the immediate future. The Assessor reminded the Board of a presentation they gave at the Spring Workshop which showed performing reassessments in-house would be more cost-effective with the use of additional part-time staff.

Fire Department 5:25 - 6:30 pm

Highlights in this budget include an overall expenditure decrease of 3.22%, and a 1.43% increase to the levy offset. The Salary and General Union accounts, Hourly/Non Rep account, and WI Retirement was reviewed. Fin. Dir. Piergrossi stated the firefighter's payroll plan is still being worked on. Per the State, Dir. Piergrossi explained emergency services cannot have a decrease in expenditure funding or the state will reduce the amount of shared revenue the municipality receives. Fiscal year 2009 will be a beginning base in calculating the level of emergency service expenditures. However, one-time expenditures can be reduced from the base amount, since the DOR is looking at service levels. Since the Town receives less money in shared revenue than it expends in emergency services, the question is how the state will handle the possible shared revenue reduction if emergency services were reduced. Supv. Gerhart asked whether there would be latitude on ancillary items, and Dir. Piergrossi felt there would be, as long as service levels remained the same for the residents. The DOR is in the process of making decisions on how to handle the new legislation and we should know more in the next few weeks.

The Equipment Rental/Contracted account increased, as well as the Repair/Maint./Other account due to purchasing a color copier. The Water/Sewer account increased 36.21% for estimated Storm Utility charges for the fire stations.

The Vehicle Maint. account is \$11,125 higher than the \$18,000 recommended in the 2009 budget. There are still several repairs needed to Engine 41 and Ladder 40, specifically corrosion, and Ladder 40 needs the front breaks repaired. The Board posed questions about the degree of corrosion and repairs needed. Supv. Gerhart noted the amount budgeted was much less than in 2009 and asked whether enough is budgeted, expressing concern that the vehicles would suffer.

Supv. Ziegler inquired about the status of a student working in the dept. Fire Chief Kiesow stated funds were removed from the 2009 budget, but the student continues to work to obtain school credit. Firefighter OT and employee wages were discussed; ways to be cost-effective in sharing videos and joint training opportunities. The Capital Equipment account was discussed; it includes hose replacement, portable radio, pagers, new extrication cutter and driver simulator. Board members asked the importance of keeping up accreditation and Chief Kiesow explained reasons; one being evaluators arrive and confirm processes of the department and makes recommendations for improvements.

Supv. Gerhart asked about the developing of tools to evaluate effectiveness with the public education program and what the department was using in evaluating the program. Publ. Sfty. Ed. Jentz and Chief Kiesow replied through verbal comments and feedback letters received. Regarding the pursuit of grant funds for purchasing ice rescue equipment, Chief Kiesow stated they are still waiting.

Firefighter and chairman of the Apparatus Committee Jeremy Short next spoke to the Board and gave reasons to support replacement of the 1990 P41 Pumper in 2010. He cited increased manufacturing costs, and stricter emission standards for diesel engines. Chief Kiesow gave current pricing from Pierce Mfg. and stated once the truck reaches 25 yrs. old it is not very saleable on the open market. Supv. Youngquist agreed with replacing Pumper 41. Some Board members suggested getting other competitive bids. Chief Kiesow gave several reasons for choosing to stay with Pierce, citing problems with companies going out of business or if purchased out of state, the vehicle could not get serviced. Discussion ensued. Chair Tews asked whether old equipment would be kept from the current pumper truck and Chief Kiesow listed the items such as the ladders, generator, hand tools, and anything from the manufacturer. Chair Tews had asked whether the pumper truck could be traded in, and Chief Kiesow stated it could not. He encouraged the Board to think about ordering new on the open market; and if approved, he could prepare to get the bids out early.

At 6:30 pm a 5-minute break was taken.

PARK & RECREATION DEPARTMENT 6:35 - 7:35 pm

Park & Rec. Dept. budget highlights were given by Fin. Dir. Piergrossi. In this budget, overall expenditures increased 1.45%, and there was a 1.18% increase to the levy offset. This presents increases of 46.70% in park revenues and 4.75% in recreation program revenues.

PARK

Fin. Dir. Piergrossi reviewed several items in the Hourly/Non-Rep/PT (Seasonal employees) and Hourly Union accounts. In the Park accounts, the Prof. Service/Contracted account contains \$5,000 for an update to the park/open space plan required by the DNR. The Sewer & Water account increased \$9,100 for Storm Utility fees- it is higher due to the Fritse Park facilities; Bldg Repair & Maint. increased \$3,000 for Palisades restroom partitions, and other expenses were reviewed such as a fountain replacement and vandalism; the Tree/Brush Control is a new account which reflects \$10,000, a portion of which is retained for future problems with the emerald ash borer/tree maintenance. The Board questioned keeping money in an account for 2010, without seeing the presence of the insect or destroyed trees, knowing the town may not see the affects if any, for a few years. Park Dir. Kading explained reasons for using certified experts in the field of removal, and his wish to retain the funds to allow gradual replacement of ash trees. The Board didn't agree. He explained live trees are easier to remove than dead trees. Park Comm. Dillon also expressed his feelings about the need to retain this minimal amount. He stated of the total amount, \$5,000 is for regular maintenance in the removal of dead trees citing the cost of one cottonwood costing \$3,500 to have it taken down.

The Capital Equipment and Capital Misc. accounts were discussed. The Board discussed replacement of the 2001 6' John Deere mower. Questions were asked about possible repairs. Also suggested was bidding on another model other than a John Deere but Dir. Kading stated he would rather not and gave reasons why. Supv. Gerhart questioned the discrepancy on the mower's hour meter this year as compared to last year. [Dir. Kading would check and report back later in this meeting--it was discovered the hours were wrong last year].

- Replacement of the 2001 6' John Deere mower was left undecided.

- \$10,000 for tree removal has been placed on hold for now. Chair Tews had heard there may be state funding available in the future for handling the ash trees due to the emerald ash borer.

RECREATION

The Water & Sewer account increased \$700 for estimated Storm Utility fees for the Community Center. The Repair/Maint/Service/Other account was discussed. Dir. Kading was asked about cleaning the dance floor, and explained the many activities held in the Community Center's dance room that requires regular maintenance of the wood floor. Also discussed was the Crack Sealing account for seal coating/stripping the Comm. Center parking lot, and the Capital Equipmt. account containing funds for table replacements and landscaping. Fin. Dir. Piergrossi will move \$350 for landscaping now in the Cap. Improvemnt. Bldg & Land account, into the Grounds Maint. account.

Questions were posed and answered about the Capital Projects Fund: 1) O'Hauser Park pavilion restoration; \$48,000 - Dir. Kading explained the higher costs were due to requirements to meet ADA state approved plans, and moving items such as plumbing, etc. 2) Palisades Park; \$21,600 for basketball courts and trail, 3) Schildt property house/barn demolition; signing over of the property to the Town. Adm. Sturgell stated the demolition should be done--it has been requested by the Town's Police Department.

At this time, the three capital projects are on hold and Chairman Tews stated he did not want to commit to borrowing with the hope that donations will be raised for the Fritse Park project.

Discussion ensued about borrowing for projects. Fin. Dir. Piergrossi stated she wanted to meet with some of the Board members to explain a situation the town has with lenders confusing the Town of Menasha with the City of Menasha when attempting to borrow. She explained circumstances briefly at the meeting, although she stated it is a much larger issue. Regarding borrowing, due to these unsettled issues, she feels it may be a better idea to do a small borrowing in fall, and another later in spring; it would not make sense to borrow at times so close together. Borrowing closer to actual costs makes more sense, she said. Some Board members still want to think about the prospect of borrowing.

- Fritse Park Capital Improvement borrowing \$255,000 was put on hold and no decision made.

Administration 7:35 - 7:55 pm

The Administration budget reflects an overall expenditure decrease of 5.75%, and a 4.23% decrease to the levy offset, mainly due to transferring of payroll wages to the Stormwater Utility.

In the Repair Maint/Service/Other account, an increase was seen due to the color copier maintenance. An increase was shown in the Capital Replacement Fund due to the purchase of a staff mini-van. In the Newsletter Ads account, there will most likely be a decrease due to going to a new layout next year. Supv. Hanson discussed the Professional Services/Contracted account which she felt should have an additional \$5,000 funded for future incorporation. The Risk Management account was explained; it contains an annual amount of \$4,000 to become DCOMM/OSHA compliant (we are not compliant and working on getting compliant); discussed hiring a consultant. Supv. Hanson asked if a time would come that we would not have to fund the \$4,000 each year, and Park Dir. Kading stated yes, we could become compliant in a year or two; once the programs are started the funding can cease.

- Additional \$5,000 in Prof. Services/Contracted account has been placed on hold for now.

Finance Department 7:55 - 8:10 pm

There was a decrease in overall expenditures of 3.72%, and a 16.11% increase to the levy offset for this department's budget. In 2009, with elimination of the PT Finance Clerk, seasonal hours were increased to allow the position to be filled during the busiest times. She explained the Professional Services account increased since the Town may need a single audit in 2010. In the Financial Review account, \$450 was funded for CPAs to review the town's financial statements and recommend improvements, and possibly award the Town a Certificate of achievement for Excellence in Financial Reporting. The Insurance account was reviewed; overall insurance costs have increased with Worker's Comp., but since there was a transfer to Storm Utility, this shows a decrease. Due to the state changing the Worker's Comp. calculation laws, it now includes employer paid WI Retirement. Credit card payments were briefly discussed.

General Operations 8:10 - 8:20 pm

Fin. Dir. Piergrossi explained the 6-13 account reflecting a transfer from the Storm Dept. for \$100,000 for partial repayment of prior stormwater operating expenses and debt service. The Transfer to Accrual of \$10,000 and the Transfer to Reserve account of \$40,000 is funded by undesignated fund balance. The Contingency Fund is for payroll changes including health insurance, Union Contracts, non-represented wage increases and miscellaneous expenses. Chairman Tews inquired about the \$1 million borrowing for the

Stormwater Utility ponds and the budgeted debt payment, which Fin. Dir. Piergrossi stated will reflect an amount transferring into the Debt Service account. Supv. Youngquist asked what the amount was in the Transfer to Spec. Revenue Fund account. Fin. Dir. Piergrossi thought the balances were from 1995 or prior for D.O.C. and D.O.T. grants, and the transfer of \$10,690 was to bring the Town's negative funds into balance. Supv. Youngquist suggested at some point they be removed from the books.

Legislative 8:20 - 8:30 pm

Fin. Dir. Piergrossi briefly explained; the Board should review their Goals and Objectives, left the same as 2009. There was a 7.58% increase in overall expenditures and an increase of 8.89% to the levy offset. The Professional Services account reflects a 20% fee increase for video taping the meetings currently provided by a UW-Fox Valley student. A Board member inquired about videotaping performed in-house, and Adm. Sturgell explained it could not due to editing, copying the DVD, and getting it to Time-Warner Cable for showing on television. The Board discussed items in the Capital Equipment account; Adm. Sturgell stated the items were an amp for the assembly room for meetings, as well as wireless microphones cut from the budget last year and put back into this year's budget.

A break was taken at 8:30 pm.

Debt Service 8:35 - 8:57 pm

Fin. Dir. Piergrossi explained this account will show the transfers from the Garbage/Recycling fund, Open Space, and Stormwater Utility. She explained the City of Menasha's recent financial issues caused 'red flags' on the Town of Menasha's borrowing when years back prior to 1993, our CUSIP numbers (first 5 digits) were identical to the City of Menasha. To lending institutions it will appear as if we have defaulted; either we won't get bids, or bid interest rates would be very large and the Town would have a tough time selling the notes. Board members asked about comments Fin. Dir. Piergrossi has received about the situation. She stated she has spoken to various bankers as well as the State. It was recommended she go to a negotiated sale for bonds/notes, and gave the pros and cons. Her recommendation to the Board was to wait for time to pass since Menasha's default before going to a competitive market. Board members feel the issuer of the CUSIP number has an obligation to the town to rectify this issue. The Board and staff have agreed to continue to pursue this further and get it resolved.

3. Motion to Convene Into Closed Session

At 8:57 p.m., pursuant to WI Stats. 19.85(1)(c), MOTION: Ziegler/Hanson to convene into closed session, specifically to discuss non-represented employees pay plan and wages. On roll call, motion carried unanimously.

At 9:00 p.m., Chairman Tews called the meeting to order. Present were all board members; Chair Tews, Supvs. Gerhart, Hanson, Ziegler, Youngquist. Adm. Sturgell was present at the start of the meeting but left early. Discussed were non-represented employees' wages.

At 9:52 p.m., pursuant to 19.85(2) of the WI Stats, MOTION: Ziegler/Youngquist to reconvene into open session. No decisions were made.

4. Motion to Reconvene to September 30, 2009 at 5:00 pm

At 9:55 p.m., MOTION: Hanson/Youngquist to reconvene to **September 30, 2009 at 5:00 p.m.** Motion carried unanimously.

Respectfully submitted,

Karen Backman, Town Clerk

Note: These minutes are not to be considered official until acted upon at an upcoming regular meeting, therefore, are subject to revision.