

**Town of Menasha Board of Supervisors Special Meeting - Budget Workshop
Municipal Complex - Assembly Room - Friday, September 17, 2010**

Minutes

1. CALL TO ORDER

Town Chair Arden Tews called the special meeting to order at 7:30 a.m. Clerk Karen Backman took roll call. Present were Supervisors Dennis Gerhart, Barbara Hanson, Greg Ziegler, and Dale Youngquist. Staff included Administrator Jeff Sturgell and Dir. of Finance Myra Piergrossi. Others present for portions of the workshop included: Police Chief Rod McCants, Street Superintendent Randy Gallow, Parks and Rec. Director Mike Kading, Comm. Development Director George Dearborn, Fire Chief Keith Kiesow, Deputy Fire Chief Susan Phillips, Lieutenant Tim Seaver, Detective Scott Blashka, Network Administrator Tim Plagenz, and Resident/Winnebago County Supervisor Paul Eisen.

2. OVERVIEW OF THE 2010 BUDGET

Administrator Jeff Sturgell gave opening remarks; estimated net growth of \$10 million or .6% growth; due to lack of growth the Town hoped to maintain current operating levels with no new services provided, no new personnel added nor increased staff hours. General Operating expenditures increased 2.25%; total Revenues is 2.50%.

Finance Director Myra Piergrossi read a portion of an article from National League of Cities (7/27/10) which mentioned tough financial times and job losses in local governments and the effects with the current down economy, comparing it to the Town. She gave the following budget highlights: the Town will maintain personnel; in 2011 the levy limit will be 3%, same as 2010; approximately \$34,000 of available levy limit money was not used in this budget, as well as an additional \$48,000 available from prior years which was not used; State highway aid expenditures funding is expected to decrease by 1%; there was a major increase in payroll; an 8% increase in health insurance for the lowest cost plan; an increase in WI Retirement (.6% general, 4.8% protective category) affected the budget by over \$100,000; Police Dept. reduced one full-time Communication Technician to part-time; the WPPA contract was approved however the AFSCME and Teamsters' contracts were still in progress; an estimated 3% rise in Short-Term Disability; Dental Insurance decreased rates 15% due to the Town's favorable claims history. An assumption was used for increased assessed value in the Town of \$10 million. Continue to transfer \$100,000 from the Stormwater Utility into the General Account to pay back prior year's expenses.

Debt Service; There will be assumed 2010 borrowing of \$2.5 million with only the interest due in 2011; the Town is seeing a decrease in interest revenue. Finance Director Piergrossi explained splitting the vehicle replacements of the Stormwater Utility from the Town budget. She then gave an overview of Total Taxes of 2009, G. O. Debt vs. Capacity (Town vs. Utilities), Town Tax Levy 2010 & 2011, Levy Limit, Town Assessed Value, Tax Rates and Comparisons. A Cost of Services by department was shown, street capital projects/costs and expenditures, and handouts for the Utility District's Water & Sewer and Stormwater Utility budgets will be discussed at a future meeting.

3. PRESENTATION OF DEPARTMENTAL BUDGETS

Police Department (8:15 am)

Director Piergrossi gave highlights; there was an overall expenditure increase of 3.72% mostly due to payroll changes, but additionally explained other increases; a change in an additional officer on disability reflected an increase; vehicle replacement and staying with the Crown Vic vs. the Impala was discussed; the Board put it on hold to decide at a later meeting. Training requests and providing appropriate training was discussed. Purchasing smart phones was discussed for the Lieutenants, along with air cards for the squads and both were put on hold for now. It was thought the air cards would better benefit all officers while on duty in their squads, and Lt. Blashka gave comparisons of investigations now versus time-savings while performing investigations off-site using air cards.

Officer Jason Weber and Dep. Fire Chief Susan Phillips reported on the history of the Fox Inn and its continuing deterioration, including various code violations, health risks, and effects on the newer building located next door from getting potential future business. Officer Weber asked for guidance from the Board regarding issuing citations and whether to move forward with the raze repair order; there's a question as to whether the Town can recoup the money spent on razing the building. Finance Dir. Piergrossi and the Board discussed placing \$100,000 into the 2011 budget to raze the building and Dir. Piergrossi suggested working on foreclosure with

Winnebago County. Supervisor Youngquist encouraged staff to use any possible legal measures available to force the property owner of the Fox Inn to comply.

Community Development (9:20 am)

Director Piergrossi reported a 13.3% overall expenditure increase which presents an 8.56% decrease to the levy offset, not usually seen. Community Development has two activities; inspections had a 2.8% increase, and Community Development experienced a 1.74% increase. Assuming the Town will have planning/zoning authority for only a partial year in 2011, only a partial year will show up in some of the revenues and expenditures; there's no vehicle replacement planned now in C. D., however, in the future replacing the Ford Fusion (back to C. D.) with an SUV type vehicle was suggested for the Bldg. Inspector due to the vehicle being too small.

Director Dearborn gave a County zoning update and stated that late 2011 will now be the final target date for getting out of County zoning (want to incorporate farmland preservation); the Town is assisting the County with some permitting; cited current building revenues are \$20 million, compared to \$8 million last year; due to the zoning delay, Dir. Dearborn proposed reducing the 03-25 Legal/Display Ads budget. Staff explained how the newly formed Stormwater Utility has created a large demand on the Community Development and Finance Department's time - approx. 50% or more of each department; although Director Piergrossi feels the demand will taper off in time. Director Dearborn stated due to the recent demands for service, there is a need for a code enforcement officer in their department and suggested that otherwise service levels may decline and/or cause shifting of other projects in order to keep up. After a discussion about Comm. Dev. budgeting projections for staff time (15% C. D. Director, 15% Assoc. Planner and 12% Bldg Insp.), Chairman Tews suggested raising staff time to 25%, but then decided to leave it as is for now. Building permit revenue was placed on hold for possible increases.

Street Department

Highlights of the budget: reviewed accounts and potential equipment requested including a \$20,000 asphalt milling machine to be split with stormwater budget; money transferred to equipment replacement fund has decreased (split with storm sewer); Valley Transit received grant funds so the budget increased 2%; Dir. Piergrossi is in the process of creating an RFP with Fox Valley Cab for elderly transportation; the department requested replacement of the 1998 Gradall (shared with stormwater budget) but it was left undecided until a future meeting. The Board discussed removal of \$106,000 from the budget for crack/chip sealing, and Street Supt. Gallow explained the necessity of keeping up with repairs to extend the life of the Town's roads. After discussing, Supervisor Youngquist asked Supt. Gallow, should he have \$100,000 back in the budget where would it be more effective. Supt. Gallow stated crack and chip sealing. The Board then placed all road accounts on hold for further consideration.

Municipal Complex

Highlights include a 1.57% decrease in expenditures; electricity increased 3%, but natural gas decreased. Budgeting for maintenance agreements and their high costs was discussed. Chair Tews felt we are paying double; the cost of the agreement, and paying again when a part breaks down. Chair Tews asked whether it would be more cost-effective to be on an annual maintenance program. Supt. Gallow along with Fire Chief Kiesow explained how agreements cover annual maintenance items such as filters, etc. which are regularly changed/tuned to keep things running so that there is longer lasting life and in turn keeps the eventual maintenance costs down. The Board asked that all departments watch their maintenance agreement costs. Supervisor Gerhart asked about our increased electricity costs and whether staff had taken into account the Town's solar panels which have been installed for over one year now; Finance Dir. Piergrossi stated without the panels the increase would have been approximately 10%, or a savings of \$5,000/year.

Capital Projects

Administrator Jeff Sturgell reviewed the Town projects:

- **Stroebe Road Causeway (Design & Soil Borings)** - MOVED FROM 2010 TO 2011
Ongoing problems with causeway - south side of road sinking; must find out what the requirements are of the DNR. Sewer and water lines may need work.

- **Irish Road Reconstruction Includes 10' Trail - CTH II to Jacobsen Rd. (Design Options & Soil Borings)**
Street Supt. Gallow stated we must contact the railroad to get their thoughts prior to beginning work. Options were to not complete the road, or simply widen the shoulder rather than put in a trail. The Board discussed having \$146,000 in funds set aside without knowing what the Town wants; Chair Tews felt the amount was too high and proposed cutting \$125,000 from this project's budget. Administrator Sturgell reminded the Board that this is not borrowing but rather approving an estimated cost to budget for the project. He further stated the entire amount may not be spent and gave examples. In the end, the project was put on hold until later in the budget process.
- **CTH AP (Midway Rd) Concrete Sidewalk Construction - Racine Rd to Oneida St. (Design), and**
- **CTH AP (Midway Rd) Concrete Sidewalk Construction - Racine Rd to Oneida St. (Construction)**
Martinson & Eisle is working on creation of the right-of-way plat; it's a joint project with the City.
- **Lake St. Reconstruction w/Concrete Sidewalk & Asphalt Trail - Winchester Rd to Town Limits (Construction)**
- **Lake St. Reconstruction w/Asphalt Trail - Fritse Park to Winchester Rd (Construction)**
Borrowing occurred in 2010; there's no future borrowing.
- **Southwood Drive Reconstruction / Urbanization - Calumet to Wilson (Construction)**
Board scheduled a meeting to discuss. Storm sewer and sanitary sewer is under construction on Southwood Dr. The owners of apartment buildings agree to sign special waiver of assessments, but want the Board to consider moving this project up from 2012 to 2011 for construction of the road.
- **Wilson St. Rural Reconstruction - Southwood to Oneida (Design)**
Departments intend to make changes under the Utility budget for water, sewer and storm sewer on Wilson Ave. in 2011. Move forward with designing/road reconstruction in 2011, and reconstruct Wilson in 2012. Board and staff discussed benefits of looking at RFPs (Request for Proposals) for engineering or other Town services, but left it undecided for now.

Finance Dir. Piergrossi reviewed with Board members the items left to be decided at a future budget meeting: Air cards vs. Smart Phones (Police), Ford Interceptor vs. Impala (Police), Salary splits with Stormwater Utility for Community Development Dept., Building Permit revenue; the Gradall (Street), Building Department's Subscriptions/Dues & Training (for Assessor), Road Repair Accounts, Capitol Projects - Irish Rd. and Wilson Rd.

Chairman Tews discussed the sale price of the fire truck; Chief Kiesow stated the previous list price of the truck was \$72,000 and suggested it be lowered to \$59,995. He stated the amount in the budget is \$50,000.

Administration

Finance Dir. Piergrossi gave a brief overview of this budget. Supervisor Youngquist suggested that there be a list of pros and cons of incorporation with the goal of possibly incorporating next year. Finance Director Piergrossi stated that the Town had attempted to change its name in the past, and incorporating would help our debt situation.

4. **MOTION TO RECONVENE TO SEPTEMBER 20, 2010 AT 5:00 P.M.**

At 1:05 pm, MOTION: Youngquist/Hanson to reconvene to September 20, 2010 at 5:00 pm. Motion carried unanimously.

Respectfully submitted,

Karen Backman, Town Clerk