

**SPECIAL FINANCE, LICENSE & REGULATION COMMITTEE MINUTES
TUESDAY, OCTOBER 9, 2018 – 6:00 PM
CITY HALL, CONFERENCE ROOM 2A**

Committee Members: Chairperson Ken Howell, Alderpersons: Selena Proksa, Doug Skates, John Halverson, and Rich Hedlund

Chairperson Howell called the meeting to order at 6:05 p.m.

Roll Call:

Present: Howell, Proksa, Skates, Halverson, and Hedlund

Absent: None

Others Present: Mayor Hartz, City Administrator Berner, Finance Director Hall, Clerk Kropf, Police Chief Rasmussen, Lt. Gritzner, Lt. Way, Parking Manager Mullally, and Alderperson Flower

Comments from the public as allowed by Wis. Stats. §19.84(2), limited to items on this agenda except for public hearing items. Comments will be limited to 5 minutes

None

Presentation/Workshop of Executive Summary for the 2019 Budget

Berner addressed the committee in regards to the budget process and what his role was through this process. He thanked the Finance Director and the staff for all of their hard work. He then presented his Executive Summary of the 2019 budget. He added that the property tax levy preliminary worksheet identifies that there may be an increase of up to 2.8%. He noted that the total expenditures will increase by \$99,666 for all Funds from \$16,756,984 in 2018 to \$16,856,650 in 2019.

The 2018 position count is 86 Full-time, 129 Part-Time and 22 Seasonal employees. The 2018 Budget for personnel is \$6,357,453. It is proposed that Managerial employees receive a 2% increase effective January 1, 2019. All other employees receive a 1% increase with an opportunity for a merit increase of an additional 2%. To accommodate these increases, the 2019 Budget includes an additional 2% in all the personnel accounts for a total of \$6,790,625, or 6.81%. Any increases from merit raises would require a transfer from the contingency account, which is at \$100,000. Said amounts include salary, wages and benefits, less health insurance. New positions proposed for 2019 and their cost are as follows: Three Police School Resource Officers, one Police Sergeant/Detective position, and one DPW Equipment Operator position. The total cost is \$550,000, which includes benefits. Combined operational costs will increase by \$477,751 from \$5,195,566 in 2018 to \$5,673,317 in 2019, or 9.2%.

Highlights in the 2019 Operations budget are as follows:

1. General

- Transfer from Lakefront; decrease of \$53,763 in Riviera revenues
- Transfer from Utility; decrease of \$154,678; using direct charge in 2019
- Increase in room tax revenue \$21,815; interest revenue of \$40,000; cable franchise fees \$20,000
- Decrease in contingency estimate of \$92,093
- Accounting & Data Processing; decrease of \$22,984 due to new utility allocation
- Diggers hotline work; increase by \$3,943
- Sanitation & Recycling; increase by \$41,060; maintain service with COLA and estimate of new homes
- Parks; increase by \$18,272; Labor allocation and supplies due to volume
- Veterans Park; increase by \$8,874; Labor allocation and trends
- Planning Commission; increase by \$55,054; 10 yr. update of Comp. Plan and Codification of Zoning Code

2. Debt Service

- Decrease of \$65,760

3. Lakefront
 - Decrease of \$35,760 in rentals due to Riviera renovation project
 - Use of surplus Funds and transfer to Capital Projects Fund of \$50,000 towards design phase for Riviera renovation project
 - Riviera overtime and security; decrease of \$10,850 due to trend
4. Parking
 - Parking App Collections; increase of \$20,000 due to trend in using app software
 - Other: decrease of \$10,500 due to (2) year renewals on parking permits
 - Parking expenditures increase by \$53,524 for part-time wages/license searches
 - Transfer to General Fund; decrease of \$38,687 due to drop in revenues and increase of employee wages
5. Cemetery
 - Increase in levy allocation to balance the fund in the amount of \$15,000
6. Cemetery Perpetual Care
 - No increase from 2018 budget
7. Library
 - Increase in levy allocation of \$14,856
 - Fines & fees; decrease of \$10,000 due to free system except damages
 - Walworth County Revenues decrease of \$12,747
 - Expenditures; decrease of \$7,171
8. Tourism
 - Revenues estimated to increase by \$45,278
 - Chamber of Commerce/Visit LG; decrease by \$70,557
 - Other expenditures; \$115,835

Berner then reviewed the 2019 Budget Goals with the committee and gave several considerations that could help to balance the budget. Those considerations were:

- Addition of three (3) School Resource Officers
- Addition of Police Sergeant/Detective and DPW Equipment Operator
- Health Insurance Premiums and Run out costs
- Health Insurance Reimbursements from Departments
- Health Insurance premium share from employees and retirees
- Health Insurance Administrative costs
- Property, Liability and Workers Comp insurance renewal reduced by approx. \$15,000
- Refuse and Recycling contract extension
- Assessor contract
- Cemetery - \$15,000 – Headstone repairs
- Lakefront – decrease in beach revenue to \$350,000 from \$385,000 – increase in capital outlay \$1,200
- Transportation aids – decrease from previous year
- Transfer of fund balance surpluses for Capital Improvements in 2019 vs. borrowing
- Use of \$15,000 from Parking Fund to pay for trail improvements

Berner noted that this is an Executive Summary to be considered further, He also added that the next workshop be canceled as there are still numbers that are needed to complete the budget picture. He added that the big piece that still needs to be determined is the health insurance and that a huge part of the budget that needs to be considered is the three school resource officers.

Adjournment

Motion by Hedlund to adjourn, second by Skates. Motion carried 5-0. The meeting adjourned at 6:42 p.m.