

MONONA CITY COUNCIL COMMITTEE OF THE WHOLE MINUTES
Review of 2015 Operating Budget
October 30, 2014

The Committee of the Whole meeting of the Monona City Council was called to order by Mayor Miller at 6:01 p.m.

Present: Mayor Robert Miller, Alderpersons Brian Holmquist, Kathryn Thomas, Jim Busse, Doug Wood, and Mary O'Connor

Excused: Alderperson Chad Speight

Also Present: City Administrator Patrick Marsh, Finance Director Marc Houtakker, Senior Director Diane Mikelbank, City Planner Sonja Reichertz, Director of Administrative Services Leah Kimmell, Public Works Director Dan Stephany, Media Coordinator Will Nimmow, Fire Chief Scott Sullivan, Library Director Erick Plumb, Library Board Vice President Todd Stebbins, Police Chief Walter Ostrenga, Police Sergeant Curt Wiegel, Recreation Director Jake Anderson, and City Clerk Joan Andrusz

ROLL CALL AND PLEDGE OF ALLIGENCE

COUNCIL REVIEW OF 2015 OPERATING BUDGET

Mayor Miller made opening remarks and reported that \$150,000 will be used for debt repayment. Finance Director Houtakker presented a Power Point budget summary. Equalized value increased 2.79%. Decreases in aids and increases in revenues were reviewed. The Fund Balance of 23% is above the policy of 15% to 20%, but challenges include a possible new Governor, decreasing aids, and rising health care costs. Water, sewer, and stormwater rate increases were discussed.

Senior Director Mikelbank displayed a graph showing attendance increases, which is happening at Senior Centers all over the country. While increased attendance is a good thing, it does create space issues. Budget changes were reviewed, including a \$2,000 increase in Program Fees. She is very careful about fee increases because it tends to decrease attendance. The East Madison/Monona Coalition of the Aging increased rates for the Case Management and Home Chore Coordinator by \$1,403. The Electronic Attendance system maintenance fee increased by \$1,900. RSVP, which takes people to places the Monona Lift and Express don't serve, has increased \$1,200 due to increased use.

Director of Administrative Services Kimmell reviewed budget changes including a \$4,000 increase in Consulting Services and a \$2,000 increase in Equipment Maintenance and Repair, both based upon actual 2014 expenditures. Service Contract increases of \$16,650 for Office 365 cloud-based email licenses and MUFN network connection fees were discussed. The new email system will not require a server and will require license user fees and software upgrades, both of which last five years. City Administrator Marsh stated the expectation is continued use of the MUFN network connection. The City's IT consultants will be asked to attend if members have further questions.

City Planner Reichertz reported there will be no changes to Part-Time Wages for the Intern, Professional Development, or Supplies. The Intern works 20 hours per week and helps with public notices, mailings, Plan Commission meeting packets, as well as other duties.

City Clerk Andrusz reviewed Clerk and Elections budget changes including a \$500 increase in Professional Development and increases in Postage and Public Notices to cover rate changes and

increased use. Election Salaries are maintained at the same rate every year and do even out. Election Supplies increased to cover increased expenses including Special Voting Deputies.

Public Works Director Stephany reviewed budget changes in all the Public Works Departments. Finance Director Houtakker explained wages are allocated throughout the funds but have decreased overall due to staff changes. City Administrator Marsh reported details of the telephone system change aren't known at this time, but there will probably be savings in 2016. Public Works Director Stephany reported the crew is now doing small concrete work and other work that used to be contracted out. Care of landscaping along streets will be a priority next year. Terrace and median maintenance, including tree trimming, will be done by staff rather than contracted out. City Administrator Marsh stated properties will be maintained and business owners will be notified of the maintenance required by Ordinance. Public Works Director Stephany reported the Department almost ran out of road salt so additional quantities will be ordered. That increase and crack filling and pothole repair are the largest Street Maintenance & Construction budget increases. Street Lighting expenses increased as more lights were added. MG&E is working on a rate structure for LED lighting. Brush pick-up will go out for an RFP mid-year in 2015. The Dane County yard waste disposal site is now closed and the City has contracted with Purple Cow Organics. This cost would have increased even if Dane County was still an option. An electrical system will be installed that prevents corrosion in the water tower. Madison Metropolitan Sewerage District increased their rates by approximately 10%.

Finance Director Houtakker reviewed an MG&E report on electric-only usage by Public Works, the Library, and City Hall to track solar power savings. Rec credit amounts are being analyzed. Savings are allocated to each building.

Media Coordinator Minnow reported all radio station expenses and volunteer staffing aren't known at this time. An increase in part-time staff hours to six per week and wages by \$3,981 is needed to allow time for antenna placement, work with four committees, managing multiple volunteers, and getting the station operational. Hours will be 9:00 a.m. to 12:00 p.m. and 3:00 to 5:00 p.m. Professional Development will increase by \$450, for fees and television and radio training. Digital Radio Transmission fees may decrease because HD radio is a significant cost with not a lot of benefit. Music Licensing may need to increase from the \$2,000 estimate, and must be the same license for television. Studio and Program Development will increase by \$2,000 for marketing efforts including newsletters, flyers, bumper stickers, shirts, banners, etc.

Mayor Miller urged members to view the great YouTube videos of the High School concert. Media Coordinator Nimmow congratulates Assistant Jim Janus on the quality. Alder Wood stated he doesn't want the station to fail due to lack of funds and asked what more is needed in this budget. Media Coordinator Minnow replied running a radio and television station needs more staff, and the station hasn't gotten recognition of its importance and potential.

Mayor Miller stated the School District AV Maintenance position used to move and install equipment in classrooms in the past and he doesn't want this to continue. He commends Alder O'Connor for her work with these committees. Alder O'Connor commends Media Coordinator Nimmow, Lindsey Wood Davis, and all the other Committee members for their help and the cost savings they provide the City. Mayor Miller announced the next City newsletter will include a contest to suggest radio call letters for the station, four letters starting with a "W".

Fire Chief Sullivan distributed a Fire and EMS budget that was approved by the Public Safety Commission last night. Changes were made to reflect actual usage of utilities and supplies. EMS Professional Development decreased \$4,000 and the Intern Program decreased \$13,240 as they are now in year two of their training. The effect of the closure of the Blooming Grove fire station was discussed. That station was the City's primary back-up ambulance. Last year there were 72 calls and as of

September of this year there are 62. Reliance will now be on Madison from Cottage Grove Road or Badger Road which will increase the response time from the current 4.8 minutes. Blooming Grove has 400 calls a year in their territory so Madison will now have to cover those. The City uses 10 times the mutual aid that it gives. Mayor Miller requests an ad hoc committee to review Monona's Public Safety needs in 5 to 10 years, which may need experts from outside the City.

The lack of volunteers available was discussed. A limited number are available during the day. He may recruit Blooming Grove's volunteers who fall within the City's distance boundaries and he wants to have a similar stipend letter. Because current building materials are polyester, fires get bigger faster. Public education and volunteer staffing issues were reviewed. Current full-time shifts are being studied, especially for coverage issues.

At its meeting last night the Public Safety Commission voted to add one career staff member. This increases the budgets by \$58,640, including the volunteer stipend. Transport Fees are requested to be increased to \$625 (an additional \$100) for residents and \$1,000 (an additional \$200) for non-residents. City Administrator Marsh stated the timing of this decision the night before this budget hearing creates a tight timeline for consideration. Fire Chief Sullivan stated he requested three career staff and the Commission approved one.

Library Director Plumb reviewed budget changes including a \$15,308 City appropriation increase to offset the \$6,838 decrease in County aid and the lack of use of the Library Fund Balance. Expenses were increased or decreased based upon use and projections. Service Contracts increased \$2,765. Ebooks are not part of the County's report of circulation, but use is up 33%. Circulation is down in all libraries as the economy improves. The negative effect on circulation because of the new Pinney Branch Library to be constructed in the Royster complex on Cottage Grove Road was discussed. A Strategic Plan will be drafted to deal with future issues and the community wants and needs, including a possible increase in Children's Services as that seems to be a growing need. A 20-hour Children's Librarian position will be added.

Mr. Stebbins expressed appreciation for the Council's support of the Library. The Board is looking at Library Director Plumb's vision of growth in the children and teen programs, and supports this additional part-time staff. Skills being sought for this position were reviewed. Alder Thomas suggested a staffing grant for bi-lingual and other skills. Alder Holmquist suggested re-allocating staff from those areas of decreasing use. Library Director Plumb will review both ideas as he works on the Strategic Plan.

Police Chief Ostrenga and Sergeant Wiegel reviewed budget changes, including increases in Uniform Allowance and Professional Development costs for new officers. Police Supplies increased \$2,500 due to ammunition cost increases. Sergeant Wiegel reported the \$2,000 Fitness Incentive Program is a new budget category that was created after it was shown that participants in the current fitness incentive efforts used less sick leave than non-participants. Those who passed a fitness challenge were the lowest sick leave users in both 2013 and 2014.

Recreation Director Anderson reviewed budget changes in Parks including increased Part-Time Wages for additional spring/fall mowing, and increases required to fund the Oneida and Lottes Park shelters utilities and supplies. \$1,100 for Beach Testing at Schluter and Frost Woods Parks is a new budget item. Security cameras at park facilities were discussed, damage occurs frequently with no way to identify the offenders. There were no changes to the Community Center budget.

Mayor Miller asked about assistance for low-income children to allow them to participate in Recreation programs. Recreation Director Anderson reported the budget will only allow the current 50% scholarships. Alder Holmquist reported the "Friends" group is just starting up and may help with this but it's been challenging finding volunteers. Fundraising to offset costs was discussed. Recreation Director

Anderson reported he would like to do a free or low-cost activity-based after-school program, and would have to work with Winnequah School for space needs. A work group is looking at swimming pool operating hours but a budget impact is not anticipated. The goal is to increase use rather than revenues.

City Administrator Marsh reviewed increases to the Executive Other budget to reflect actual expenditures in Professional Development, newsletter, dues, and other expenses. Sustainability Initiatives were reduced by \$5,000 due to a lack of planned projects. A \$25,000 expense was added to codify, update, and maintain the Municipal Code of Ordinances.

Finance Director Houtakker reviewed General Fund Revenues. Transportation Aid fluctuates year to year based upon a State formula. Anything over \$210,000 in room tax will be split 50/50 with the Chamber of Commerce. Mayor Miller reported these funds are now in the Operating Budget as the City is grandfathered in to use these funds for purposes other than marketing. The Chamber has a one-person staff and area municipalities use room tax to pay their Chamber. He would like the funds used for marketing videos. Finance Director Houtakker reported the approved salary increase will go into effect for three Alderpersons and Mayor as they are elected in 2015 and for the three Alderpersons who are elected in 2016.

City Administrator Marsh and Finance Director Houtakker reviewed remaining Operating Budget items and provided information including:

- CVMIC will be providing cyber liability insurance at no cost.
- TIF #2 (Pier 37) should be paid off in 2018. It is a donor district and excess funds go to TIFs #4 (lower Monona Drive) and #5 (Garden Circle). It may be extended by the CDA for one year to fund the housing program. Alder Wood stated this would limit future TIF.
- The plan is to ask for funds for TIF #9 (Triangle Project) from TIF #8 (Treysta).
- The Parkland Fund is zero now and that will change.
- A marketing consultant will be presenting a plan for Transit which will require funding.
- The CDA (Community Development Authority) is funded by \$25,000 in the General Fund from room tax and the rest from TIFs. Mayor Miller requests \$5,000 for projects outside of TIFs.
- A health insurance increase of 8%, bringing total cost to \$82,000, is not firm but the quoted cost is an additional \$26,000.
- The additional Fire/EMS staff member will cost \$70,000 and work will be done with the Fire Chief on this position.
- The Library amendment of \$25,000 and the Fire/EMS amendment of \$70,000 will take the budget over the levy limit increase of \$56,000, and then the fund balance will have to be used.

Finance Director Houtakker concluded by stating the current 23% General Fund balance is over the 15-20% policy but is a more comfortable margin to have based upon future issues he anticipates. Alder Busse stated he doesn't want to use the Fund Balance to pay for Operations as that means the City is living beyond its means. Alder Wood stated that the larger balance could also mean the City has taxed residents more than is needed. Alders Busse and O'Connor request a summary report and presentation of proposed changes for all the budgets. Mayor Miller invites viewers to attend the first reading of the Operating Budget at the next City Council meeting on November 3rd.

ADJOURNMENT

A motion by Alder Wood, seconded by Alder O'Connor to adjourn, was carried. (9:58 p.m.)

Joan Andrusz
City Clerk