

**MINUTES OF A SPECIAL COUNCIL MEETING
2010 BUDGET WORKSHOP – CONT.
FORT ATKINSON, WISCONSIN
October 28, 2009**

1. CALL TO ORDER

President Mielke called a special meeting of the City Council to order at 7:30 p.m. on Wednesday, October 28, 2009 in the Council Chambers of the Municipal Building.

2. ROLL CALL

On call of the roll, members present were:

Loren Gray
Davin Lescohier
John Mielke
Richard Schultz
Mark Zastrow

Also present were the City Manager, City Engineer, City Clerk/Treasurer and various department heads throughout portions of the meeting.

3. CONTINUED REVIEW OF THE 2010 BUDGET

The Council continued its review of the proposed 2010 budget.

Police Department

The Police Chief reviewed the Police Department budget with the Council. The salaries account will be over-budget due to the hiring and training of a new officer. There is an increase in the telephone/radio account for 2010 to allow for software support. The Police Chief then reviewed the replacement of the dispatch/911 equipment.

Electrical Department

The City Electrician reviewed the Electrical Department budget with the Council. No major changes were cited. The office supplies account was increased for computer programming and upgrades. The Electrical Department purchased the ARC flash equipment in 2009, so the tool account is back down to its normal amount.

Museum

The Museum Director reviewed the Museum budget with the Council. She is estimating the utility costs for 2010 will go down with the activation of a new boiler and other energy saving programs. The Director also reviewed the use of the Hoard Trust Funds with the Council. Some operating costs are taken out of the Trust Fund annually.

Water Utility

The Water Utility Supervisor reviewed the Water Utility budget with the Council. He stated that pumping is down about 7%. The cost of chemicals has increased approximately 5%. The overall budget for the Water Utility is going up 0.6%. The City Manager stated the Utility is at a break even point at this time. He said the main costs for the Utility are electricity, labor and chemicals. The net operating income is at 3.96%. The City Manager suggested that a possible application for a simplified rate increase be looked into at the end of 2009.

Engineering Department

The City Engineer reviewed the Engineering Department budget with the Council. Wages will decrease due to shifting a portion of the Engineer and Engineer Assistant's salaries to the Stormwater Utility.

Building Department

In the absence of the Building Inspector, the City Manager reviewed the building and plumbing inspection department budget with the Council. The vehicle expense account is over-budget for 2009 due to replacement of tires on the truck. The City Manager said the Inspector's conference budget is larger due to the fact that he has to attend code update conferences for building, plumbing and residential electrical inspectors to maintain his certifications.

Miscellaneous

The City Manager presented the following 2010 budget figures:

- Job classification/labor relations is a budgeted amount (\$1,000) for legal counsel if the City were doing labor negotiations and needed assistance.
- Independent auditing is budgeted at \$31,500 for the audit of the City's financials.
- Retirees health insurance is to cover post-retirement benefits.
- Manufacturing property account is to cover the assessing done by the State.
- The Sealer of Weights and Measures is an account to cover the expense to have grocery stores, gas stations, etc., scales and other equipment verified for accuracy.
- Ambulance services is a contracted service, which is approximately \$52,000 per year.
- Under the conservation and development budget, the line item entitled "advertising and promotion" is an annual contribution to the Chamber of Commerce.
- The subsidized taxi program is budgeted at \$20,000.

Revenues

The City Manager reviewed the revenues with the Council. For the taxes accounts, the Water Department does make a payment in lieu of taxes in the amount of roughly \$223,000. Transportation and expenditure restraint payments are both declining. Recycling Grant revenue is down; the FEMA Grant is complete and the City broke even on expenses from last year's flood; \$131,000 is received from the cable television franchise; building, plumbing and electrical permit fees are down considerably; Interest on general investments is down from \$104,000 to \$53,000.

The City Manager said the estimated City fund balance as of January 1, 2010 is \$670,000. This includes the nets from the T.I.F.s and revenues. The shortfall in revenue is mainly due to the permit fees being down as well as the interest income earned. The expenditures for 2010 are proposed to be about \$8,000,000, which is up 0.6%. When you add the capital, it is up 0.8%, so we will comply with the expenditure restraint program for payment in 2011. Debt service is up 0.9%. Therefore, the 2010 levy is up 3.48%, at \$6,170,992 and after adding TID increments is an increase of 3.88%, at \$6,319,375. The overall rate is up \$0.24 per thousand dollars of assessed value. The City's total estimated assessed value is \$891,842,000.

OVERDRAWS

The City Manager presented and reviewed the following list of overdrawn accounts and requested the Council approve a transfer from the General Fund to cover these amounts. These amounts have been calculated into the fund balance.

Acct.#	Account Description	Amount
01-51-5111-0700	Council - Publications	\$ 2,500.00
01-51-5121-0700	Court - Education	250.00
01-51-5141-0700	City Clerk - Code Update	66.00
01-51-5141-1300	City Clerk - Membership Dues	10.00
01-52-5211-0200	Police - Overtime pay	5,000.00
01-52-5211-0400	Police - Dispatch Salaries	2,000.00
01-52-5211-0500	Police - Dispatch Overtime	5,500.00
01-52-5211-1700	Police - Uniform Allowance	1,006.50
01-52-5211-2500	Police - Benefits	4,000.00
01-52-5231-1300	Fire Dept. - Truck Maintenance	3,150.00
01-52-5231-1700	Fire Dept. - Insurance	39.00
01-52-5241-1100	Building Inspector - Vehicle Allowance	1,100.00
01-52-5242-0600	Electrical - Office Supplies	50.00
01-54-5411-0600	Street Machinery - Supplies	9,175.00
01-54-5412-1100	City Garage - Fuel	1,000.00
01-55-5512-1000	Museum - Electricity	2,000.00
01-55-5512-1200	Museum - Repairs	800.00
01-55-5523-0600	Aquatic Center - Supplies	510.00
01-55-5523-0800	Aquatic Center - Concessions	900.00
01-55-5541-1000	Parks - Electricity	1,365.00
01-55-5541-1100	Parks - Equipment Maintenance	950.00
01-54-5435-0600	Snow & Ice - Supplies	615.00
01-54-5441-0100	Traffic Control - Salaries	3,260.00
01-54-5441-0600	Traffic Control - Supplies	1,150.00
01-54-5441-1000	Traffic Control - Electricity	725.00
01-54-5441-2500	Traffic Control - Benefits	1,880.00
01-54-5442-0100	Street Lighting - Salaries	2,000.00
01-54-5442-2500	Street Lighting - Benefits	1,180.00
01-51-5200-3000	Unemployment Compensation	1,000.00
01-51-5200-9001	Mfg. Property Assessment	453.00
	TOTAL:	\$ 53,634.50

Acct.#	Account Description	Amount
01-57-5770-3000	Subsidized Taxi Service	\$ 50,000.00
	TOTAL:	\$ 50,000.00

Cm. Gray, seconded by Cm. Schultz, moved to transfer \$103,634.50 from the General Fund to cover the overdrawn accounts and the subsidized taxi service. On call of the roll, the motion carried unanimously.

A discussion took place regarding the 2% wage increase and the City Manager indicated if that was taken out of the budget, it would only save the City approximately \$60,000. Pres. Mielke has investigated the number of employees in other cities, and Fort Atkinson seems to be lower than most.

Cm. Gray, seconded by Cm. Schultz, moved that the 2010 City Budget as proposed by the City Manager be approved, and that a summary of the proposed Budget calling for operating expenditures of \$7,996,233; debt service of \$571,440; capital outlay of \$371,400; capital projects of \$400,000; tax increment of \$148,383; and total revenues of \$3,168,081 for a total of taxes levied for City purposes of \$6,319,375 be published for a public hearing at the regular City Council meeting to be held November 17, 2009 at 7:00 p.m. On call of the roll, the motion carried unanimously.

4. ADJOURNMENT

Cm. Zastrow, seconded by Cm. Lescohier, moved to adjourn the October 28, 2009 Special Council meeting at 9:06 p.m. The motion carried on a voice vote.

/s/ Matt Trebatoski
City Clerk/Treasurer