

PROCEEDINGS OF THE CITY OF NEW BERLIN
SPECIAL COMMITTEE OF THE WHOLE MEETING
Budget Work Session

Monday, October 1, 2007
11:00AM to 1:56 PM

NEW BERLIN CITY HALL
COMMON COUNCIL CHAMBERS
3805 SOUTH CASPER DRIVE

Please note: Minutes are unofficial until approved by the Committee of the Whole at the next regularly scheduled meeting.

Call Meeting To Order

Mayor Jack Chiovaturo called the meeting to order at 11:09 AM.

Roll Call; Declaration Of Quorum; Public Notice

Present: Aldermen Hopkins, Harenda, Poshepny and Moore. Excused: Aldermen Ament, Seidl and Augustine. Also present: City Clerk Marilyn Gauger, Finance Director Mike Holzinger and other City employees.

This meeting was noticed on Thursday, September 27, 2007 in accordance with the Open Meeting Law.

Discussion and possible action on the City's 2008 Operating and CIP Budgets:

➤ Human Resources Department/Director Potkay

\$687,858

Mayor Chiovaturo indicated the increase is coming mainly from salary and health insurance. A 0% impact would be Retiree Health insurance would be brought down to 9% (projected increase is 9%-12%) level from \$204,153 to \$187,972. Unemployment Compensation would reduce to \$23,860 then the budget is at 0% increase. Mayor Chiovaturo indicated the line item Printing/Advertising should be brought back to \$2,400.

Director Potkay indicated the Workers Compensation Mod rate is down to 65%. The premium impact is related to payroll which is up. A \$60,000 dividend is not subtracted from this line item it (dollars received) goes in to the General Fund. Office supplies cut in half due to anticipated and purchasing this year. Conference down due to taking CVMIC classes as well as Staff Safety training is provided by CVMIC programs.

Motion by Alderman Hopkins to accept the budget at \$689,258. Seconded by Alderman Poshepny and carried unanimously.

➤ Library/Director Schulz

\$1,121,543

The minimum amount per Waukesha County is \$1,109,185 and to bring down to this level would need to take out of electricity or heat – staff and materials are already at minimum per the Waukesha County requirement. May be able to take from building maintenance.

Director Schulz indicated if taken from utilities and/or maintenance the library may have to close 1 day a week. Director Schulz suggested the City could pull out of the Waukesha County Federated Library System however then city residents can only use the New Berlin Library, but would not have to fund at a certain level.

Motion by Alderman Harenda to remove from the table (9-24-07 meeting). Seconded by Alderman Poshepny and carried unanimously.

The following motion was now on the table from the 9-24-07 meeting:

Motion by Alderman Harenda to reduce by the amount (\$12,358) required to pay to Waukesha

County (\$1,109,185). Seconded by Alderman Augustine.

Upon voting motion failed with Alderman Harenda voting yes.

Motion by Alderman Moore to approve the budget at \$1,121,543. Seconded by Alderman Poshepny and carried with Alderman Harenda voting no.

➤ Fire Department/Chief Dobernig

\$2,615,777 to \$2,590,777 (Mayor Chiovatero removed \$25,000)

Mayor Chiovatero indicated we did not approve the budget at the last meeting - waiting for 24 persons being hired for the paramedic level of coverage versus 19 persons being hired and how it would affect other accounts.

Chief Dobernig added 2 columns to his spreadsheet showing the 24 persons versus the 19 persons. He indicated when adding paramedic level of service the cost of training is more to maintain than the EMT basic whether full time or part time.

There was discussion on Senate Bill 276 regarding property owners not being responsible for tenant's charges – this will be researched further by City Attorney Blum.

A grant application was made to assist with funding of additional personnel and freeing up budget dollars however normally receive grant information approximately November. Exceeding the levy limit could be put out via referendum ballot.

Alderman Hopkins indicated we have about half of us here today – should not make a decision today – should wait until all the Aldermen are here. The Mayor and Aldermen do not want to decrease other city budgets to maintain this additional dollar amount - \$1,080,628.

Discussion followed on: the need for this level of service; the number of calls for this level of service on a daily basis; incremental hiring; reverting back to the EMT basic level of service; loss of additional income and the loss of dollars spent to date on training. Alderman Harenda indicated the Fire Department Committee can look at this and make a recommendation – adding \$2 Million to the levy would mean the need to eliminate other departments to allow this budget.

He also indicated the City has done many things since 2002 to assist the Fire Department such as implementing the part time persons. The State has not set the levy yet and when they do will they make it retroactive. Finance Director Holzinger indicated the dollar amounts for the additional hiring of 24 persons does not include their holiday pay; however Chief Dobernig indicated that could be absorbed within the family vs. single health insurance coverage costs.

Motion by Alderman Harenda to approve the budget at \$2,590,777. Seconded by Alderman Hopkins.

Motion amended by Alderman Moore to request the Fire Department Committee have the recommendation for the full Department and recommend that budget amount by October 15th. Motion dies lack of a second.

Alderman Poshepny called the question. Seconded by Alderman Hopkins and carried with Alderman Moore voting no.

Upon voting original motion (budget at \$2,590,777) the motion carried with Alderman Moore voting no.

➤ Finance Director Holzinger indicated the following changes need to be made to principal and interest:

Interest – from \$1,630,518 to \$1,608,711 and Principal from \$4,384,990 to \$4,434,990 which is a result of the \$4,730,000 for Promissory Notes approved by Council at the 9-25-07 Council meeting.

Motion by Alderman Harenda to make changes on principal and interest based on actions from last council meeting. Seconded by Alderman Hopkins and carried unanimously.

Break taken at 12:55 PM.

Alderman Harenda requested the revised dollar amounts from Finance Director Holzinger as to where we are now:

- Total Budget is at \$33,131,091 up \$30,000
- Levy is at \$22,782,893, an increase of 6.69% over the 2007 budget

Alderman Harenda indicated revenues and state aids are decreasing – need to find other revenue sources. He requested the following information:

- Breakdown on training budgets and what is required for certification vs. for educational purposes in the future
- Breakout of city fleet with mileage
- Dollar amounts from Director Potkay on health insurance and what was used to compare with other insurances.

Alderman Harenda suggested looking at ways to defer costs:

- Finance – any additional reimbursements from utility
- Streets look at fee schedule for recycling center users with regards personnel and revenue streams from Waukesha County increasing
- Charging for services from Director Schulpius to library
- Weights and Measures ordinance to recoup costs from businesses
- Golf Course increase their contribution (\$110,00 to \$125,000) to operating budget
- User fees within Park and Rec to offset costs
- Volunteers for recycling center
- Leasing instead of purchasing

Alderman Harenda felt these things (ways to defer costs) should be incorporated into this budget and challenged the Department Heads to come up with more. He is concerned with the increase in the levy that does not include our debt service. We should evaluate our services and how provided; private vs. city employees. Now and in the future and set benchmarks and make things more efficient. Once we do this it could reinforce that we are getting a better product with staying municipal.

Alderman Moore indicated the reason for government is to spread the cost over the large populous. Spread the cost across so we all can enjoy the parks, sidepaths, etc. Increasing user fees keeps from making available those pursuits of happiness for everyone. He is opposed to increasing user's fees because of that loss of pursuit of happiness.

Mayor Chiovatero indicated we have discussed some of these issues at our (Department Head) updates. Training is needed; new ideas come forth from this training; many of these costs we are required to provide; the recycling center would need to employ 2 additional persons to have punch cards; fleet numbers were given out last year; user fees were updated last year; not sure how we can monitor the parks and user fees; golf course contribution I agree with and Director Schulpius services to the Library we can look into and it may be cheaper for Facilities Maintenance budget. The City does not have an administrator to look over all the costs; Director Holzinger does a good time keeping up on this. Employees come in with ideas; insurance companies are crunching numbers everyday; Director Potkay would be happy to provide the information but a lot of it is negotiations on getting the best rate - speak with her; lots of this stuff is done on a daily basis. I get calls on the waste however they don't know what we are mandated to do to maintain the safety; calls that the City take over garbage pick up should be looked at.

Alderman Poshepny indicated there are private donations in certain areas and we are privileged to those donations. Book sales etc. The Library agreed to raise money to contribute to the cost of building the new library. There are donations to fire and police.

Alderman Seidl arrived - 1:40 PM

Mayor Chiovaturo indicated these donations can not be used to balance the budget and cautioned that the donations are used for specific programs that provide extra that are not within the budgets.

Alderman Poshepny requested this information however not for purposes of offsetting the budgets.

Alderman Seidl indicated he does not want to cut services but is looking at ways to increase revenues.

Discussion and possible action on setting dates and deadlines per the Budget Timeline

Mayor Chiovaturo indicated the budgets will be on the COW agenda next Tuesday, October 9 and that we can utilize special COW and Council meetings, if needed.

Adjourn

Motion by Alderman Hopkins to adjourn at 1:56 PM. Seconded by Alderman Poshepny and carried with Alderman Seidl voting as being present/abstain.

Respectfully submitted:

Marilyn Gauger, CMC/WCMC
City Clerk