

CITY OF DELAFIELD COMMON COUNCIL BUDGET WORKSHOP MINUTES

Clerk's Note: Because this meeting was a workshop and not a regular Common Council meeting, regular meeting protocols were not taken. Also, these are not full minutes, only a brief summary of the discussion. Please see the attached presentation given by Administrator Tim Schuenke.

City Administrator T. Schuenke reviewed the 2011 Proposed Budget with the Common Council. He reviewed the goals and strategies which were developed during the goal setting session the Common Council held earlier in the summer.

GENERAL FUND:

- Estimated to end 2010 with a \$27,000 surplus which is very close to budget.

ESTIMATED 2010 REVENUES AND REVENUES

- Down compared to other years. The main reasons for low revenues are decreased room taxes and interest income from the bank. Lower expenses are a result of the Department Heads reducing their budgets mid year.

PROPRIETARY FUNDS - WATER, SEWER AND STORM SEWER.

- The Water and Sewer funds will become healthier in 2011. The Storm Sewer fund is showing a deficit which is due to the Milwaukee Street Pond repairs. If that lawsuit is settled in the City's favor, the deficit will become a surplus.

GENERAL OBLIGATION DEBT

- This is decreasing and will come back to this later.

GENERAL OBLIGATION DEBT – LESS TIF AND USE OF FUND

- Also decreasing

DEBT SERVICE FUND BALANCE

- Had \$700,000, using to draw down debt service over next few years to balance the payments. Payment schedule remains the same. Reviewed future debt, does not include special projects like dredging and gave a more accurate picture of debt service for the next several years.

PROPERTY TAXES

- Proposed Tax Rate of \$4.30 in 2011 as opposed to \$4.08 in 2010
- Result is an \$88 increase in property tax bill.

LIBRARY

- \$8,424 increase.

DISCUSSION ITEMS

- Recommended Revenue Increases
- Recommended General Fund Cuts
- Capital Projects Budget
- Garbage Contract
- Other

REVENUE INCREASES

- Proposed fee increases for the following:
 - Dog Licenses
 - Bartenders
 - Bleeker Street
 - Field Usage By Adult Softball / Baseball Leagues
 - Fish Hatchery
 - Building, Plumbing, Electrical, HVAC.

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- G. Gresch reviewed the proposed fee increases. Common Council members agreed not to change the dog license fees, increase regular bartenders, create a non-profit organization bartender fee, increase Bleeker Street Parking Stickers, create a Field Use/Maintenance Fee for softball leagues, create a non-resident and opening fee for Fish Hatchery usage and increase the minimum permit fees for Building, Plumbing, Electrical, HVAC permits. She stated she will update the Fee Schedule and Resolution and will have it on the same agenda as the budget adoption. The fees will go into effect January 1, 2011.

PROPOSED GENERAL FUND CUTS

- Cuts/changes already made in 2010:
 - Switched dental insurance plans to save money.
 - Changed Comp Time procedures in the Police Department.
- Cuts/changes for 2011:
 - Deferred purchasing new computers for one year.
 - Reduced printing the Communicator newsletter from four to three. Common Council suggested reducing it to two newsletters per year.
 - Defer refinishing the Fish Hatchery floors. Common Council would like a professional opinion on the floors and bring it back to the Common Council.
 - Contracted service for doing Plan Commission minutes. Clerk Gresch will do the Plan Commission minutes since she is already at the meeting.
 - Deferred purchasing Police Department copy machine for one year.
 - Deferred replacing the Police Department Suburban replacement for one year.
 - Deferred street crack sealing, less streets will be done next year.
 - Council supplies and materials is a miscellaneous expense line and is only being half used.
 - Legal expenses will be reduced by not meeting with the attorney weekly; will meet bi-weekly. Also, we can't be so quick to always use the attorney (and engineer).
 - Training was reduced and most of the reductions came from Administration.
 - Water Safety is lake patrol. The boat will be out fewer hours in 2011. Also, the comp time change in the Police Department helped with this.
 - City Engineering is the same issue as legal expenses.
 - Holiday party was eliminated for 2011. Common Council also removed the Holiday Party for 2010.
 - Cemetery Board will be disbanded and the Public Works Department will take over the responsibility which they do now anyways.
 - Allocation to Insurance Fund. \$8,000 was set aside annually to pay for small claims so they didn't have to go through the City's insurance. There is about \$30,000 in the fund. Common Council suggested moving that money to the General Fund.
 - Deer eradication was done for two years and was removed in 2011.
 - Extra two weeks for fall weed harvesting was put in the 2010 budget and was not used. It was removed from 2011.

OTHER ITEMS

- Lake Welfare Committee expenses were cut by \$7,700. L. Morrison asked that money be added back for a goose roundup since the City did deer eradication for two years. Common Council agreed and \$6,600 was added back to the Lake Welfare Committee budget.

GARBAGE CONTRACT

- Five year contract ends in 2010. Public Works Department started negotiations with Veolia. They originally wanted a 15% increase. City's only leverage was to remove the multi-family properties from the contract. Veolia was concerned about losing those 900 customers or \$90,000 per year. With that leverage, the City was able to negotiate a five year contract with a 4.5% increase per year for five years with the caveat that the City will not eliminate the multi-family properties from the contract.
- Veolia also wanted to add a fuel surcharge when fuel exceeds \$3 per gallon. The City would agree to that as long as the City receives a fuel credit when it is below \$3 per gallon. That condition is still being negotiated.

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- Spreading out the increase over the five year contract saves the City about \$92,000 and the most of the savings occurs right away.

CAPITAL PROJECTS

- Park and Recreation \$50,000 for Cushing Park renovation. Common Council requested an itemized list of the repairs and costs for this project and all other projects.
- Road resurfacing was reduced by half.
- Fireman's Park parking lot will be extended to allow for more parking.
- Dredging will be discussed at the Budget Public Hearing regarding keeping a placeholder in the budget for it.
- Lake Plant Management shows the City's costs. The City didn't receive the grant but we will re-apply.
- Golf Road Project is still in the planning stages. It was suggested it be kept in the budget as a placeholder.
- Shannon Property Easement is in the budget. The only way to get the property's assessed value back up is to fix the stormwater easement.
- Equestrian Trail is washing away and it is not in the Park and Recreation five year plan. This trail is too expensive to maintain.
- Genesee Street Bridge Project is in Waukesha County's budget for property acquisition in 2014, design in 2015 and construction in 2016.
- Lake Country Fire & Rescue Department is replacing an ambulance for \$192,712, which is the City's portion.
- Public Safety Campus storage area and fuel pumps replacement. During construction the Police Department lost area in the garage to store impounded cars so there is a need to create a fenced in asphalted area. Also, the fuel pumps were not part of the building project and they need replacement. It can be paid for with contingency money from the building project.

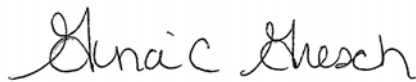
OTHER QUESTIONS

- Discussion on the Library funding and resident versus non-resident usage. Most of the Common Council members did not want to reduce the Library's budget during the first year in a new building.

The Budget Public Hearing is scheduled for Monday, November 15, 2010 at 7:00 PM.

Action will be taken at a special meeting on Monday, November 29, 2010 at 7:00 PM.

Minutes Prepared By:



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City of Delafield Clerk-Treasurer
Waukesha County