In Attendance:
Mayor Steve Bierce, Aldermen C. Brown, I. Clark, B. Dziwulski, R. Grosch, P. Vetterkind and J. Wamser.

Also in Attendance:
Attorney S. Riffle, Administrator S. Klein, DPW Director M. Wagner, Fire Chief K. Bierce, Park & Recreation Director N. Phalin, IT Director B. Kewan, Director of People and Culture K. Woldanski, City Planner & Community Development Director N. Fuchs, Library Director N. Champe, Clerk/Treasurer K. Tarczewski, Accountant C. Sazama, Payroll Specialist N. McMillian.

1. Call to Order and Pledge of Allegiance

   Mayor Bierce called the meeting to order at 6:00 p.m.

2. Public Comment - None.

3. Discussion and Possible Action Regarding the 2021-2022 Preliminary Financing Plan

   Johnathan Schatz from Ehlers was present and discussed the City's current debt schedule and explained what the tax impact would be if the City was to borrow this year. The Council was in favor of moving forward and decided to act swiftly so that the borrowing could be done before other municipalities went to the market to attempt to get a more favorable rate. Mr. Schatz stated the borrowing would have to be done prior to the 2022 budget being adopted in order for it to benefit the 2022 budget. He said resolutions would be prepared for the next Common Council meeting.

4. Discussion of the 2022 Proposed Budget

   Mr. Klein reported on the following information:

   Levy and Tax Rate
   - The proposed Tax Levy for 2022 is: $10,331,629 – a 4.06% Levy increase
     - Without the proposed borrowing the Levy would be $9,213,374 – a 5.55% decrease.
       - Due to the inability to use Utility Debt Service
     - Last year's Tax Levy was: $9,928,842
     - The maximum Tax Levy allowed for 2022 is: $10,331,629
   - The City's 2022 Assessed Value increased by $6.7 billion and is now $36.3 billion
   - The proposed Tax Rate for 2022 is: $2.85 per $1,000 of assessed value – 15.1% decrease from 2021.
   - The proposed Fund Balance is 30.4% of Revenues. This is the balance after transferring $1.3 million to the General Fund. Our stated goal is to keep the Fund Balance at about 25%. We will end 2021 with a projected balance of 35.8% or more (depending on project and equipment budgets that are not spent). This higher balance will present financial stability to Moody's for borrowing this year for road and facilities projects.

   Revenues

- The General Fund Tax Levy decreased $715,000 due to the inability to use the Utility's Debt Service.
- There is an increase of $121,000 in the Room Tax revenues.
- There is a decrease of $106,000 in State Transportation Aids.
- There is an increase of $260,000 in Building Permits next year – based on the new developments that are underway.
- There is an increase of $50,000 in the Fines and Forfeitures due to a projected increase in activity.
- There is a decrease of $125,000 in Ambulance Runs due to more runs paid by Medicare.
- There is an increase of $59,000 in Recreation Programs due to an increase in programs offered.
- There is an increase of $44,000 in Contracted Fire Services with the Village – an increase of 3%.
- There is a decrease of $250,000 in Interest on Investments.
- We no longer receive Recycling Aids from the County.

Expenditures
- There is an increase in Elections due to a gubernatorial election.
- There is an increase in City Hall Wages which will be transferred to Planning for the Zoning Code project
- There is a decrease in Employee Services due to the completion of the Compensation Study.
- There is a decrease in Assessor due to the reduction of staff with the completion of the revaluation.
- There is an increase in IT due to equipment replacements.
- There is a 2.2% increase in the Law Enforcement Contract.
- There is an increase in Highway Administration due to adding a full-time laborer and adding utility and equipment costs for the new DPW building.
- There is a decrease in the Boat Ramp – no replacement planned.
- There is an increase in the Recreation Programs for staffing the new programs.
- There is an increase in Planning for the Zoning Code Update.
- The Deer Management Program and Fireworks are in the Budget.

Capital
- The borrowing this year is to pay for acquiring the Trinity Academy and Quad land, the precast panels and steel for the new DPW building, and the Oak / Peninsula and Meadowbrook Road projects.

The Council members have a few questions. There was discussion regarding the deer control plan for 2022.

Mr. Klein stated salaries and benefits has always been the bulk of the budget. There was discussion regarding the new positions that were being proposed for next year.

The Highway Department wants a laborer. According to Ms. Wagner they are at the cusp of creating a new snowplow route. They think the Streets Supervisor could be more effective managing snowstorms if he wasn't out plowing with the rest of the crew. She stated they hope to implement a dual crew leader so as not to be too taxing on one individual.

The Assessor was looking to add a permanent full-time staff member. It was mentioned that the revaluation was extremely successful, and they wanted to ensure the data is maintained properly moving forward. Mr. Klein mentioned that person could also assist with the Zoning Code project.

The Recreation Department is looking for a part-time recreation coordinator to help with the summer programs. Mr. Phalin stated this position would be offset by program fees. He mentioned that it is difficult to hire park summer staff because other local businesses were offering more pay.

The Fire Department is trying to balance staffing issues. Chief Bierce stated he use to have 102 paid-on-call firefighters, and he now only has eight on the payroll. He said his overtime budget is large to try to accommodate for staffing shortages. He said this shortage is statewide. He said he wants to maintain the level of service the City is accustomed to, but finds it difficult. He said all of the new developments are a challenge. Chief Bierce also stated the City's demographics are drastically changing and there is less direct-pay for services rendered. It is being paid by Medicare and Medicaid at a lesser rate. Chief Bierce also stated all the consolidated departments limit the number of mutual aid relationships. There was additional discussion regarding staffing. The Council members agreed that safety is important and would like to see him hire three additional full-time firefighters.

Ms. Brown stated the Finance Committee reviewed the budget and nothing struck them as out of line.

Mr. Klein stated staff will be looking at the capital equipment replacement schedule. It is believed more time can be gotten from the equipment.

Ms. Brown asked the Library Director about her budget. Ms. Champe stated she has been very frugal, and her budget is flat, but due to the equalized value the City is required to pay 77 percent of it. It was noted that the Village fell below their maintenance of effort requirement and would be contributing additional funding that most likely would be placed in the Library's capital improvement account.

Ms. Brown wanted to make it clear that her inquiry was not a personal attack but a budget issue. Every year the City's portion increases, driving the maintenance of effort amount higher and typically the City has been paying over the required amount. Ms. Brown voiced her concern over this matter.

There was discussion related to the City's general fund and whether to reduce it to 25 percent or leave it at where it currently sits at 30 percent. The Council decided to leave it where it was and reduce next year.

5. Public Comment - None.

6. Adjournment

A motion was made and seconded (I. Clark, C. Brown) to adjourn the meeting at 7:59 p.m.
Motion Passed: 6-For, 0-Against.

Respectfully Submitted,

Kelly Tarczewski
Clerk/Treasurer