

BUDGET WORKSHOP

In Attendance:

Mayor S. Bierce, Aldermen C. Brown, I. Clark, B. Dziwulski, R. Reinbold, P. Vetterkind, and J. Wamser.

Also in Attendance:

Administrator S. Klein, DPW Director M. Wagner, Fire Chief K. Bierce, Assistant Chief M. Hoppe, Park & Recreation Director N. Phalin, IT Director B. Kewan, Director of People and Culture K. Woldanski, City Planner & Community Development Director N. Fuchs, City Assessor R. Tuff, Director of Lake Pewaukee Sanitary District T. Koepp, Library Director N. Champe, City Accountant C. Sazama, Deputy Treasurer N. McMillian and Clerk/Treasurer K. Tarczewski.

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 Related to the Proposed 2023 Budget

Mr. Klein gave the following summary:

Levy and Tax Rate

- * The proposed tax levy for 2023 is \$11,287,472 (a 9.2% increase over last year's Tax Levy of \$10,331,629)
- * The City's 2023 assessed value increased by \$51 million.
- * The proposed tax rate for 2023 is \$3.03 per \$1,000 of assessed value (a 7.8% increase from 2022)
- * The proposed fund balance is 27.8% of revenues. Our stated goal is to keep the fund balance at about 25%. We will end 2022 with a projected balance of 30.5% or more (depending on project and equipment budgets that are not spent).

Revenues

- * There is a decrease in intergovernmental fund of \$787,000 due to ARPA Funds being characterized as being deferred rather than an actual revenue.
- * There is an increase of \$346,000 in public charges for services primarily due to an increase in ambulance fees.
- * There is an increase of \$72,000 in interest due to higher interest rates on investments.
- * There is an increase of \$408,000 in miscellaneous because we are now showing the sale of capital equipment and the lease payments from Trinity Academy.
- * There is an increase of \$188,000 in building permits next year, based on the new developments that are underway.
- * There is an increase of \$34,000 in the fines and forfeitures due to a projected increase in activity.
- * There is an increase of \$50,000 in recreation programs due to an increase in programs offered.

- * There is an increase in of \$48,000 in contracted fire services with the Village.

Expenditures

- * There is a decrease of \$36,000 in elections due to no large elections.
- * There is an increase of \$63,000 in IT due to equipment replacements.
- * There is an increase of \$262,000 in the law enforcement contract, and \$12,600 for license cameras.
- * There is a decrease of \$94,000 in Engineering due to the reallocation of staff time to the Utilities.
- * There is an increase in Highway administration due to adding a full-time laborer.
- * There are increases in the recreation programs for staffing the new programs and supplies.
- * The deer management program and fireworks are in the Budget.

Ms. Brown stated there were no recommendations from the Finance Department regarding this budget.

Mayor Bierce asked about the debt services. Mr. Klein spoke about last year's borrowing as well as the borrowing that took place this year.

Mayor Bierce stated there is nothing outlandish in this budget. He said most of the increases were due to the inflation.

Ms. Brown stated when the budget was being reviewed by the Finance Committee, the capital budget was \$500,000 short and the Administrator was going to make some creative cuts to balance the budget. Mr. Klein stated a few major purchases have been put off such as the fire engine. He said due to the economy and supply shortages it wasn't even going to be available in 2023. He said \$90,000 was saved by deferring the purchase. Mr. Klein stated Chief Bierce also received \$100,000 for defibrillators. He said the backhoe was not set aside for and pushing the purchase out is saving \$140,000. He said there were smaller items that we were using additional fund balance towards. He said they fully anticipate there will be items that we want to purchase next year that simply won't be available and will have to be held over to the following year.

Mayor Bierce stated the capital budget will be reviewed more thoroughly to determine what the true purchase prices will be and taking inventory on the current equipment to see if more years can be gotten out of the gear.

Mr. Klein stated there is a flip side to prolonging the purchases. He said the trade in amount will be less for older equipment.

Mr. Dziwulski asked Ms. Champe about the report related to her current year expenditures. She told him that was as of the end of June. He said he'd like to see more current numbers on where she stood with her budget.

Ms. Brown commented on the large increase of the Lake Pewaukee Sanitary District (LPSD) budget. She said the sewer charge is anticipated to increase 13% but the overall budget is increasing 15%. She asked if the charges for sewer were part of this revenue from the City or is that totally different. Mr. Koepp said they own and maintain sewer pipes in the City of Pewaukee and the City is billed for the residents' usage and then the City in-turn bills the residents individually. He said the major increase is due to what Brookfield charges to use their treatment plant.

Ms. Brown stated they don't usually have a surplus in their budget but in 2023 they are anticipating \$20,000. She asked why it fluctuates so much. Mr. Koepp stated it was for their capital replacement fund. Ms. Brown stated according to their budget it looks like they are hoping to have extra money to put towards something else, typically an overage is not budgeted for. Mr. Ruf stated Brookfield's charges fluctuate so much it is difficult to budget the LPSD expenses. After reviewing the budget, Mr. Koepp stated that money is to be used to replace manhole covers when the City resurfaces roads on Apple Tree and Pear Tree.

Mr. Clark stated the Village Lake Patrol is requesting to purchase a single UTV to replace the two ATVs they are currently using. He said they do not have all the funds needed for the purchase and are asking the City for an additional \$1,043. Mr. Clark noted that the Village is planning on trading in the ATVs and intends to divide the proceeds by how much the three municipalities proportionately control the lake. Ms. Sazama stated she believes the City owns one of the ATVs and is trying to verify that. In that case, splitting out the trade-in value would not be fair to the City since it is our asset. Mr. Clark stated he will look into it as well. None of the Aldermen expressed concern about purchasing the UTV, but would like to resolve the ownership of the ATVs that are going to be traded in.

Mr. Vetterkind asked about the Sports Complex maintenance. He asked Mr. Phalin if he had enough money to maintain it and upgrade it. Mr. Phalin stated they do their best to maintain the property based on the man-hours of their full-time and part-time staff. He said unless they can have more manpower, there is no need for more product.

Mayor Bierce asked when the public hearing would be held. Ms. Tarczewski stated it was tentatively scheduled for Monday, November 14, 2022.

3. Public Comment – None.
4. Adjournment

A motion was made and seconded (C. Brown, I. Clark) to adjourn the meeting at 6:43 p.m.

Motion Passed: 6-For, 0-Against.

Respectfully Submitted,

Kelly Tarczewski
Clerk/Treasurer