



FINANCE COMMITTEE MEETING MINUTES

MONDAY, AUGUST 7, 2023, AT 5:30 PM

MUNICIPAL BUILDING COUNCIL CHAMBERS – 106 JONES STREET, WATERTOWN, WI 53094

Members present: Mayor McFarland, Alderpersons Bartz, Davis, Lampe, and Moldenhauer

Others present: Finance Director Stevens, City Attorney Chesebro, Fire Chief Teesch, Police Chief Kaminski, Public Works Director Holloway, Library Director Checkai, Ald Smith, Ald Board, Lisa Schwartz, Andrew Beyer, Tony Rauterberg, Library board member Chris Koppes, Park/Rec Director Butteris (video), Street Operations Manager Winkleman, Sheri Rohr

1. **Call to order.** Mayor McFarland called the meeting to order at 5:30 p.m.
2. **Minutes** from the meeting of **July 24** were presented. Ald. Bartz, seconded by Ald. Davis, moved to approve. Unanimous voice vote.
3. Finance Director Stevens provided three pages of various comments for discussion on the impact of the **2023 WI Act 12's provision of supplemental shared revenue**. Watertown will receive \$712,000 additionally in 2024, and future amounts of all state shared revenue will increase each year based upon the prior year's sales tax revenue growth.

Discussion comments:

- Find a way (via calculation formula or targeted accounts) to return to tax payers
- Use the Expenditure Restraint Program amount to reduce tax levy
- Place a freeze on the city portion of citizens' taxes
- Fund increases in salary and benefits due to new contracts or increasing costs
- Determine the impact of the levy savings to taxpayers
- Be mindful of upcoming expenses- Main St bridge, fire station, FD/PD union contracts, infrastructure
- Reduce reliance on property tax
- An increase to public safety should be included
- Infrastructure needs a greater spending level so as to not get further behind

These comments are helpful to give direction to leadership team and the mayor as the 2024 budget is built.

4. **2024 Budget Introduction:** Mayor McFarland presented the 2024 operational goals to the committee. These were agreed upon by consensus. Finance Director Stevens reviewed the process of pay increases (both a cost-of-living-allowance and performance increase) and assumptions on benefits increases. The direction given to department heads is to limit budget proposals to 2% increases for the non-compensation portion of budgets.
5. Attorney Chesebro presented a recommended resolution to **repeal out of classification pay policy** within the employee handbook of policies and procedures due to an overlap of two similar policies. There is no impact upon employees within the unions. Ald. Davis moved, supported by Ald. Lampe, to recommend this to the Council. The committee unanimously approved.
6. Chief Teesch explained the necessity of **replacing the motor in the lead fire engine** (4161). Three quotes were secured. Initial diagnosis was accomplished **by Fire Service Inc**, and they provided the low estimate for remaining services needed. The total exceeds the Apparatus

Maintenance budget. The following adjustments to expense accounts will be requested in a budget modification:

- a. 01-52-31-59 Safety Equipment Testing- reduce \$12,000
- b. 01-52-31-22 Dues, Fees, Subscriptions- reduce \$1,000
- c. 01-52-31-41 Tires- reduce \$2,000

A sale of portable radios should yield \$20,000, and the recent additional services to Milford for EMS is \$2,660, both helping with the overage in the repairs budget. A motion was made by Ald. Davis, seconded by Ald. Bartz, to approve the repair to be completed by Fire Service Inc and to present a budget adjustment to Council. The committee unanimously approved.

7. Mayor McFarland introduced a desire to **create a Memo of Understanding between City of Watertown and Watertown Public Library** to allow better understanding of the arrangements between the City and the Library. The City would like to memorialize expectations of participation on Leadership Team, use of the lobby bathrooms and community room, adherence to employee handbook, and visibility of budget details, while the Library would like to protect limitations laid out in state statutes and reduce unspoken expectations with consistent pathways of communication. Ald. Davis moved, supported by Ald. Bartz, to direct Mayor McFarland and Attorney Chesebro to work with Director Checkai and board member Chris Koppes to draft an acceptable MOU that captures the shared inputs. Approved.
8. HR Generalist Schwartz presented a consideration of adding a **long-term disability benefit** to our employee benefits offerings. The recommendation, after comparing two options, was to pursue a product brokered through Cottingham Buttler that includes an EAP for participants at the net expense (eliminates current standalone EAP) of approximately \$20,000. After discussing what the State's income continuation insurance addition will be as of January 1, 2024, it was agreed to not pursue the addition of this insurance product.
9. Ald. Moldenhauer moved, supported by Ald. Lampe, to **convene into closed session** per Wis. § 19.85(c) considering employment, promotion, compensation, or performance evaluation data of any public employee over which the governmental body has jurisdiction or exercises responsibility (union wage requests). The committee approved via roll call vote.
10. The committee reconvened into open session.
11. Adjournment. Ald. Davis moved to adjourn, seconded by Ald. Bartz, and carried by unanimous voice vote.

Respectfully submitted,

Mark Stevens, Finance Director

Note: These minutes are uncorrected, and any corrections made thereto will be noted in the proceedings at which these minutes are approved.