

City of Loretto
Budget Workshop Meeting Notes
Tuesday, August 18, 2015, 6:00 p.m.
279 N. Medina Street, Council Chambers

CALL TO ORDER/ROLL CALL

The Workshop was called to order at 6:00 p.m. by Mayor Koch.

Members present: Mayor Kent Koch, Council Members Brenda Daniels, Cari Girk, Henry Pepin and John Neumann.

Also present: City Clerk Treasurer Mary Schneider and Public Works Director Jeff Leuer.

There was one person in the audience.

WORKSHOP SESSION

The following items were discussed:

a. Interfund Operating Transfer – From TIF Fund to the General Fund

Council discussed budgeting a \$5,000 payment from the TIF Fund to the General Fund, which would leave the Interfund Loan with a balance of \$27,313. The budget proposed at the workshop includes this transfer with the funds allocated across the General Fund. Council consensus was to include the interfund operating transfer in the proposed 2016 budget.

b. Staff Wages

Council reviewed the **Proposed 2016 Wages** spreadsheet, which includes a three percent increase in wages for Mary, Jeff, and Dave; no increase for Council, Rich or Herb; Gordie increased to \$9.50 per hour (the required minimum for 2016); an adjustment in wage allocations for Mary (increasing the Wastewater allocation from twelve percent to fourteen percent and decreasing the Garbage/Recycling allocation from eleven percent to nine percent.)

Council discussed changes for the seasonal employee as recommended by Public Works Director Leuer: instead of this position being primarily a Parks position, the duties would include Streets, Parks, Water, Wastewater and Stormwater; increase in hours (up to 1,000 hours budgeted, an increase of 750 hours), and a wage increase to \$14 per hour. Leuer explained that the City is part of an equipment sharing agreement with area cities and that Loretto benefits greatly from the use of equipment and man hours through this agreement. Leuer explained the City needs to be able to provide man hours in exchange for the use of equipment, since Loretto doesn't have much to offer the other cities in the area of equipment. Leuer noted the City saved approximately \$25,000 on the asphalt patching project and \$10,000 on the wellhead protection project by using the equipment sharing agreement in 2015.

Council discussed an increase in hours and wages for the Utility Clerk as recommended by Clerk Treasurer Schneider who proposed a fourteen and a half percent increase to \$14 per hour and an increase in hours to thirteen hours per week. The additional hours would be used to help Leuer with an increased administrative burden mainly due to increased requirements in documentation and reporting for the stormwater permit. Schneider stated she is recommending the wage increase due to the Utility Clerk's additional responsibilities of accounts payable and backup for payroll processing.

There is no anticipated increase in PERA contribution rates nor any indication of an increase in the Social Security or Medicare rates.

Council consensus was to keep the above recommendations in the proposed 2016 budget.

c. Staff Benefits

Council discussed offering an insurance stipend of \$300 per month to thirty hour per week employees. Clerk Treasurer Schneider stated she is looking into what is permissible under current Affordable Care Act rules. Schneider noted the City is not required to provide health insurance to any of its employees because of the low number of full time and/or full time equivalent people it employs. Council directed Schneider to bring a policy recommendation regarding this issue to the September 8th council meeting.

d. Election Judge Wages

Council discussed a wage increase for election judges for the 2016 Presidential Election from \$9.50 to \$11 per hour for the Head Election Judge and \$8.50 to \$10 per hour for the rest of the election judges. Clerk Treasurer Schneider explained that election judges fall under minimum wage requirements, which would put all the judges at \$9.50 per hour. Schneider stated she will need to be able to recruit extra judges for the presidential election and believes the proposed increase is warranted for this position. Council consensus was to leave the increase in the proposed 2016 budget.

e. Website Upgrades

Council discussed the option of upgrading the City's website to include photos of Loretto and other upgrades that will personalize the website to Loretto. Council discussed the fact that the upgrades would be purely cosmetic in nature. Council consensus was to remove the upgrade costs from the proposed 2016 budget.

f. Newsletter in Color

Council discussed printing the City's newsletter in color starting in 2016. The estimated cost of this change for the year would be \$350 in total and has been figured into the copy machine budget that is spread across the different funds. Council directed Clerk Treasurer Schneider to look into the cost of distributing paper copies of the newsletter to all residents and businesses all four quarters. The current distribution schedule is as follows:

- Electronic copy distributed via email listing and website all four quarters.
- Paper copy distributed to those on an opt-in listing all four quarters.
- Paper copy distributed to all residents and businesses for the second and fourth quarter editions.

g. SunShare Proposal

Council reviewed the SunShare proposal for a twenty-five year subscription agreement to offset the City's energy use with Community Solar. This proposal was presented to the city council at the August 11th council meeting. Council directed Clerk Treasurer Schneider to check with local cities to see if any are pursuing this opportunity and to bring a letter of intent to the September 8th meeting for council consideration.

h. Review Proposed CIP and Maintenance and Repairs Spreadsheets

Council reviewed the **2016 Proposed CIP and Maintenance and Repairs** spreadsheets.

Regarding the 2016 Proposed Capital Improvement Plan (CIP), Council consensus was to add \$5,000 to a public safety line item to begin saving for siren replacement; add \$5,000 under Parks to begin saving for shelters at the Ponds and Highlands Parks; keep the rest of the CIP as recommended by staff.

Regarding the 2016 Proposed Maintenance and Repairs, Council consensus was to accept the report as recommended by staff.

CIP POINTS OF DISCUSSION

1) Quiet Zone

Council reviewed the Quiet Zone cost estimates. Council consensus was to discontinue pursuing the Quiet Zone due to the upcoming sewer pond/lift station budget concerns. It was noted that with the Townline Road crossing not having a quiet zone, Loretto would still be impacted by train horns even if the City obtained a quiet zone for the Loretto crossing.

i. Review Consultant Expenses for 2016

Council consensus was to accept staff recommendations for civil attorney, criminal attorney and engineering. For planning, Council consensus was to lower this to \$2,000 for the proposed budget.

1. 2016 Budget Proposal

Council reviewed the 2016 Budget Proposal Explanation spreadsheet. No action taken.

2. Stormwater Fund Imbalance

Council discussed the imbalance in the Stormwater Fund, noting the city is not meeting its reserve goal for this fund. Council directed Clerk Treasurer Schneider to contact the auditor for advice regarding a rate increase.

Adjourn

On a motion by Neumann, seconded by Daniels, to adjourn the Budget Workshop at 8:43 p.m.
Motion carried unanimously.

ATTEST:

Mary K. Schneider, City Clerk Treasurer

Kent Koch, Mayor