

The COMMON COUNCIL of the City of Tomah met in **SPECIAL SESSION, October 19, 2020** at 6:00 p.m. with Mayor Mike Murray presiding in the Municipal Building, 819 Superior Avenue, Tomah, WI. Members of the public were asked to join the meeting via Zoom due to COVID-19 restrictions.

Following the Pledge of Allegiance, roll call was taken with Mike Murray, Donna Evans, Lamont Kiefer, Jeff Cram, Richard Yarrington, Dean Peterson, Adam Gigous, and Shawn Zabinski present. The Aldermanic District 5 seat is vacant. Absent: None. Also in attendance: City Clerk JoAnn Cram and Becki Weyer, Parks and Rec Dir. Joe Protz, Public Works & Utilities Director Kirk Arity, Public Safety Director/Fire Chief Tim Adler, City Treasurer Julia Mann, Tina Thompson, Ex. Dir. Chamber/CVB, Director of CDBG and Housing Authority, Rachel Muehlenkamp, Judge Tom Flock, and Library Director Irma Keller. Gregg Hagen did not videotape the meeting

Budget Summary (Expenditures & Revenues) –City Treasurer

City Treasurer Mann went over the general fund expenditures for operations and general fund outlay. The proposed General Fund Budget for 2021 is \$7,896,482. The proposed 2021 levy rate is 5.07% or an increase of \$285,115. The proposed tax levy for 2021 is \$5,900,566. The Evidence Custodian will be working in evidence only. We cannot support a full-time position at this time and the Code Enforcement Officer is not funded. Therefore, this was reduced to a half time position. Solid waste tipping fees were reduced and some adjustments were made to the Tourism Marketing budget. \$153,500 was moved from operations and moved to the TID by administration which included street operations and maintenance that were TID related. Treasurer Mann went over the capital projects in the proposed budget for consideration. Total capital expenses would be \$8,049,754 if all projects were approved. Mann listed out the proposed personnel changes which included borrowing of \$7,699,254; a room tax transfer of \$40,000, Park Space Fees applied of \$33,000, donation for Point Trail of \$25,000, possible DNR Recreation Grant \$250,000, interest at \$2,500 with no capital fund balance being applied. There were some increases in revenues and also increases in expenditures for the coming year. Total debt ratio is the equalized value multiplied by 5%. Debt ratio for 2020 is \$38,767,710. Outstanding debt is \$20,058,341 which gives an available debt limit of \$18,709,369. The City currently has \$20,058,341 in outstanding debt with \$7,699,254 of 2021 estimated borrowing would give a total outstanding debt of \$27,757,595. Total % of debt estimated debt would be 71.59%. This percentage would make it difficult to stay within the 75% debt limit per City policy and still allow for the additional \$5,000,000 needed to be borrowed for the remainder of the Public Safety Building.

Mann distributed a list of potential proposed capital projects through 2025. Ehlers will be looking at this list and recommending how to proceed based on best financial practices.

Financial Management Planning-Capital Planning Workshop – Ehlers

Dave Ferris of Ehlers joined the meeting via Zoom to present the Ehlers Financial Management Planning Workshop. The Equalized Valuation projections were presented from 2016 to 2028 including the TID 10 projected closure in 2025 which will affect the 2026 value. This will help the debt tax rate be less to pay more principal those years.

The first schedule he presented was the existing base General Obligation Debt plan which includes the Debt Service, Abatement Sources, and Projected Rate Impact. The current model is built with the Capital Improvement Plan provided by staff. The plan should attempt to stabilize the tax rate minimizing the impact to the taxpayer and debt limit. The current project schedule requires two significant increases to the tax rate over the next 5 years. Ferris indicated that the council should consider developing or reviewing debt policies on an annual basis. The City has a debt limit policy of 75%.

Ferris then presented a financing plan based on all the current proposed projects. Bank qualification is an important issue which is why the borrowing was split over two years for the \$10 million Public Safety Building project. Ferris then showed the projected impact of the proposed projects over the next 5 years including adding 10 million dollars to the Debt Service budget. Ferris presented charts showing the impact of the proposed projects on the debt tax levy and Debt service Tax Rate.

The presentation included the debt limit calculation and debt capacity at 50% of the statutory limit vs. debt capacity at 75% of the statutory limit. The information presented indicated that we cannot afford to do all of the capital projects that have been proposed over the next 5 years.

Ferris will be presenting additional information in the future on how to maintain the City's Moody's rating. If we do all the projects, there would be a significant increase in the tax rate and it is not recommended that we go over the 75% debt limit that is in our policy. By going over, there is a potential to be downgraded by Moody's. Ferris recommended considering moving capital projects around.

2023 projects in particular may be looked at, as the addition of the Public Safety building has a significant impact in that year. Ferris suggested that for at least one year, potentially 2-3 years, major projects are delayed keeping the debt limit within acceptable levels.

No one desired to appear before the Council.

CDBG – Rachel Muehlenkamp – The program gets 15% of whatever is paid and those fees are used to fund the budget, it does not come from the tax levy. In 2020 the budget was \$21,317 and the proposed budget for 2021 is \$21,492.

Tourism Budget.

Ex. Dir. Thompson presented the 2021 Tourism budget based on the projected income and consumer confidence. Advertising and marketing are the largest expenditures. This will vary depending on consumer confidence and travel with COVID 19 restrictions. Total personnel is currently three employees. A fourth has been delayed until consumer confidence is trending higher again, so the personnel portion of the budget is lower than last year. Travel guides will be done differently this coming year as it is a significant expense. The proposed budget includes using a third party to complete the guides.

Library – Irma Keller

The library budget is similar to last year, with the exclusion of repairing the front steps of the library with the added expense of \$50,000. The total budget from 2020 \$517,137 and the proposed budget for 2021 is \$572,158.

Parks & Recreation – Joe Protz.

Director Protz advised total expenditures are similar to last year. Some utilities and operating supplies increase slightly, but no major changes from 2020. With Covid-19 there was less revenue in 2020. Depending on enrollment for next year in Parks & Recreation programs, there may be more revenue than projected: \$70,000 for Recreation Park, \$55,000 for the Aquatic Center, \$ 55,000 for the Recreation Department, and \$33,000 for Park Space Fees.

Judicial – Tom Flock

Judge Flock advised there were few additions to the budget for 2021.

Public Works/General Buildings/Refuse/Airport/Superfund/Utilities – Kirk Arity.

Public Works – Some money was shifted into the TIDs. Some operating expenses went down from last year. The tipping fees are going up dramatically the first of the year from \$49 to \$57 per ton. This year a surcharge was added to recycling as well. Total tonnage between garbage and recycling has stayed even historically. The amount of recycling for 2020 has gone down significantly because of COVID restrictions and the citizens delivering it to the City shops instead of being picked up. Recycling totes were being used for garbage pickup. There is a need for the totes to get out there to provide a two-tote system and \$150,000 has been added to the capital projects for this purpose. In Public Works there is an open position that has not been filled, and totes were purchased with that proposed budget that was not used for personnel. A resolution has been added for the change in the position titles and costs. Solid Waste Disposal budget for 2020 was \$193,000 and the proposed 2021 budget is \$216,000. Recycling of televisions has gone down. Each resident is allowed to dispose of two electronic devices per year. At this time the City is paying about \$16,000 per year to dispose of televisions, but it is trending down. Recycling Brush – Still in the process to get down about 200 trees per year depending on weather. This will stay consistent into 2021. The budget includes street lighting that will be put into two new subdivisions

General Buildings There is an additional \$200,000 capital project needed for an HVAC upgrade that is not in the budget

Lake – Looking to do upgrades to the dam and allocate some funds from the grant application to the Winnebago project.

Water & Sewer – Cash flow funds will be used to pay for projects other than the \$2,000,000 the City owes the utilities for prior projects related to the TIDs. The first of the year, anticipate a 1%-1.5% increase to the water bill which totals \$60,000-\$70,000 added income. Managing cash flows to remain fiscally healthy. Some debt cannot be paid early, but they are working at paying those debts down. \$1.75 million cash on hand currently. Dir Arity foresees doing a consistent upgrade to the Water & Sewer to maintain a constant upgrade to facilities each year. A reminder that the City has obligations with the County on a sizeable project for an agreement that was entered in previously for the year 2023. The project may or may not occur depending on grants received.

Airport – Anticipate a \$10,000 capital project to upgrade the fuel system.

Resolution Authorizing a Change in the 2020 Position Count by the Abolishment of Three

Sanitation Operator Positions and the Creation of Three Additional Full Time Truck Driver Positions

RESOLUTION NO. 2020-10-19-33

A RESOLUTION AUTHORIZING A CHANGE IN THE 2021 CITY OF TOMAH POSITION COUNT BY THE ABOLISHMENT OF THREE SANITATION OPERATOR POSITIONS AND THE CREATION OF THREE ADDITIONAL FULL TIME TRUCK DRIVER POSITIONS

WHEREAS, the Common Council of the City of Tomah hereby authorizes a change in the 2021 City of Tomah position count by the abolishment of three full time Sanitation Operator's effective approximately January 1, 2021, and
WHEREAS, the Common Council of the City of Tomah hereby authorizes the creation of three additional full time Truck Drivers, and
WHEREAS, the Common Council of the City of Tomah hereby determines that Sanitation Operator's will become Truck Driver's due to the transition to automated refuse pickup, and
WHEREAS, the Common Council of the City of Tomah establishes the Truck Driver wages as Grade H with benefits as defined in the City of Tomah Personnel Manual Policy, and
NOW, THEREFORE BE IT FURTHER RESOLVED that the City of Tomah Common Council does hereby authorize a change in the 2021 City of Tomah Position Count by the abolishment of the Sanitation Operator positions and hereby authorizes the creation of three additional Truck Driver positions as described above
Dated this 19th day of October, 2020.

Michael Murray, Mayor

ATTEST: Rebecca Weyer, City Clerk

Motion by Yarrington second by Evans to approve **Resolution No. 2020-10-19-33** Authorizing a Change in the 2020 Position Count by the Abolishment of Three Sanitation Operator Positions and the Creation of Three Additional Full Time Truck Driver Positions. Motion passed without negative vote.

Capital Outlay and Capital Projects:

Parks & Recreation – \$500,000 has been allocated to Winnebago Park phase one with the addition of the grants and working with the Water & Sewer department. Project includes a new bathroom, new parking for boat launch and playground and roadway improvements. The \$25,000 donation from an anonymous donor and park space fees would be used for a walking trail and asphalt area for handicapped accessibility by the lagoon at the park, and a pad of concrete. Also included would be the repair and widening of the sidewalk by 3 feet in the trail in the park. The new open pavilion at Rec Park would be moved forward for 2021.

Water & Sewer

Equipment proposal to buy a single axle dump truck with plow and grader. This will be replacing a truck from 2001 and a grader from 1998.

Highways and Street – Road construction costs for King Avenue from Brownell to Monowau and E Monowau to King are proposed at \$520,000 each and \$250,000 is proposed for seal coating of targeted city streets.

Recycling Outlay – Funding is requested to move to a 2-tote program throughout the City/ garbage and recycling.

Airport – \$10,000 is budgeted for airport improvements.

HVAC Upgrades at City Hall were not included in the current copy of the budget and needs to be added. Buckner did an inspection of the HVAC system at City Hall and recommended replacement at a cost of approximately \$200,000. The Council questioned the total repairs for the mechanical and water issues that happened this year at City Hall.

Remainder of Budget Items are Scheduled for the October 20, 2020 Meeting at 6 p.m.

Motion by Evans second by Kiefer to Adjourn to Closed Session Pursuant to State Statute 19.85(1)(e) Regarding Negotiation of Purchase of Public Property. Motion passed without negative vote. Meeting adjourned at 7:52 p.m.

Approved:

Mike Murray, Mayor

Attest:

Rebecca Weyer, City Clerk
To be Approved 11/10/2020