

**MINUTES OF THE  
WATERTOWN CITY COUNCIL**  
Workshop Meeting Tuesday, August 27, 2019

Steve Washburn  
Deborah Everson  
Lindsay Guetzkow  
Adam Pawelk  
Michael Walters

1. Call to Order and Roll Call

Mayor Steve Washburn called the Watertown City Council Workshop to order at 5:30 p.m. Tuesday, August 27, 2019 in the Council Chambers of City Hall.

Council Members present: Washburn, Michael Walters, Deborah Everson, Lindsay Guetzkow, and Adam Pawelk.

City Staff present: City Administrator Shane Fineran and Clerk/Treasurer Lynn Tschudi.

2. New Business

A. Budget Work Session #2 - Preliminary General Fund Budget

City Administrator Fineran highlighted the main items on the General Fund Budget. He is hoping council will adopt the preliminary budget on September 24, 2019.

Fineran said the market values have increased by about 8%. Most of the budgeted expenses are constant year over year. Fineran reviewed the main changes from the 2019 budget:

- A. 3% personnel increase
- B. 5% increase in benefit renewals
- C. Proposed budget is 5.5% increase from 2019
- D. Capital investment fund will be increased by the LGA amount
- E. Law enforcement will increase by one full-time employee and allow for overtime
- F. Fire operating increase accounts for additional training
- G. Election administration will include a third election
- H. Managed IT services are proposed for 2020
- I. Community programming increase to include additional applicants

With these proposed budget items, the tax levy would be a 6.6% increase to the average valued home.

Pawelk states that the 6.6% increase is originally too high for his comfort level. He would like to see the budget decreased prior to submitting the official preliminary level to avoid a shock to residents.

Guetzkow agreed with Pawelk that the 6.6% is too high. She prefers to see the preliminary budget at under 5%.

Washburn asked Fineran about the proposed IT services. He expressed his concern for cyber security. Fineran said the package would include all security and managed services.

Walters asked if the additional TIF payment can be eliminated. Fineran said there are currently no agreements with the property owner on south Lewis and therefore nothing can be cancelled or eliminated. Walters would like to see the overall levy below 5%. He asked if changing the street maintenance program could free up some money.

Everson is pleased with where the general budget is starting out. Everson asked what happens when the TIF district expires. Fineran said the city will no longer be able to use the increments. Everson asked what the difference would be from hiring a full-time engineer versus contracting with Bolton & Menk. Fineran said we are saving at least \$50,000 with wages and benefits. Council discussed the engineering fees for 2019 and budgeted amount for 2020.

Washburn does not want to approve anything over 2% for an increase to the average valued home.

Guetzkow asked if the building permit revenue includes the increased permit revenue from the August hail storm. Fineran said no, the permit revenue reflects trends from year to year.

Walters suggested eliminating some road maintenance to free up dollars. Council discussed the community programming and possibly not increasing for 2020 or even eliminating it.

Pawelk would like to re-visit the capital improvements funds and look to reduce the transfers. Washburn addressed the personnel increase of 3% as well as the medical insurance increase. Washburn would like to see all areas addressed prior to the preliminary levy.

### 3. Adjournment

Workshop adjourned at 6:21 p.m.

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Steve Washburn, Mayor

ATTEST: \_\_\_\_\_  
Lynn Tschudi, Clerk/Treasurer