

**CITY OF HAMBURG**  
**SPECIAL MEETING – 2010 PROPOSED BUDGET WORKSHOP**  
**AUGUST 25, 2009**

The reason for the special meeting is to discuss and review the 2010 Proposed Budget. This special meeting will serve as a workshop to review the 2010 Proposed Budget. The 2010 Proposed Budget will be finalized at the September 8, 2009 City Council meeting.

The Special Meeting Workshop was held at 6:00 p.m. on August 25, 2009 in attendance were Councilmember Larry Muller, Councilmember John Barnes, Councilmember Steve Trebesch, City Clerk Jeremy Gruenhagen, and Deputy Clerk Sue Block. Councilmember Brian Cummiskey arrived at 6:07 p.m. and Mayor Malz arrived at 6:17 p.m.

City Clerk Gruenhagen started off the meeting informing members of Council what he would like to go over the Budget tonight and then meet again next week once he has entered the numbers (added) that Council would like in the 2010 Budget. At the September 8, 2009 Council Meeting the proposed budget could then be approved.

City Clerk Gruenhagen also informed Council that the laws have changed relating to the Truth in Taxation meeting and the 2010 Budget can be approved at a council meeting.

- Councilmember Larry Mueller asked when the 2010 Proposed Budget has to be submitted.
  - City Clerk Gruenhagen replied by September 15<sup>th</sup>, 2009.

City Clerk Gruenhagen asked Council to go over the list and decide what they want or do not want in the 2010 budget. Council will also need to decide on an amount of money or percentage of the amount they want for the 2010 budget tax levy. The biggest factors to figure into the 2010 budget would be wages and health insurance.

- Councilmember Mueller asked what the tax increase was last year.
  - City Clerk Gruenhagen replied 2.8% increase.
- Councilmember Mueller commented that a 1% increase is the same as \$3,895.16. (Correction: 1% increase = \$4,004.22)

Members of Council and City Clerk Gruenhagen discussed the following budget items and preliminary amounts listed in the pamphlet handout:

#### **Wages**

- Some of the options are to freeze wages, increase wages 3% (average), or furloughs. City Clerk Gruenhagen added that this is up to Council as to what they want to do.
- Councilmember Mueller made the comment that in his opinion employees need a raise, some type of an increase.
- Mayor Malz added that the decision of a wage increase should also be included with health insurance, include them both as a package.
- Councilmember Cummiskey commented that Deputy Clerk Block does not receive health insurance so her wages should be considered separately.
- Mayor Malz decided to leave wages as they are for now until we know how the rest of the budget comes out.

#### **Health Insurance**

- City Clerk Gruenhagen stated that the city employee's insurance coverage should be looked at. Council will have to make the decision on this also.
- Mayor Malz questioned the 10% Health Insurance increase. He questioned if Health Insurance really goes up that much per year.
  - Other members of Council stated that it usually does.
- City Clerk Gruenhagen added that he does not know how much insurance costs will rise because he does not receive the rates for next year until the end of October. There are numerous options available for the council to decide on what they want for their employees.
- Mayor Malz asked if the Health Insurance Representative could attend a council meeting to explain the different options.
  - City Clerk Gruenhagen will ask Bill Singer from AT Group to attend a meeting.

#### **Workers Comp. Insurance and Property & Casualty Insurance**

- City Clerk Gruenhagen informed Council that he normally takes an average of what it has been going up over the years. What coverage Council decides tonight will dictate what the amounts will be also for 2010.
  - Workers Comp. Insurance average over the years is at 5%.
  - Property & Casualty Insurance average over the years is 2%.

#### **Natural Gas Expenses**

- With the economy the way it is the cost of natural gas will be very unpredictable for the coming year. Council decided to increase Natural Gas expenses by 10%.

#### **Electricity Expenses**

- Council decided to leave the 5% increase from 2009 to the 2010 budget.

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**New Desktop Computer (\$500) and Chairs (\$600)**

- City Clerk Gruenhagen mentioned that the office computer is about 4 years old and about every 3 to 5 years is usually when they are replaced. The office chairs are getting old and more should be purchased. Right now chairs from the Fire Department are borrowed for use during the City Council meetings.
- Council agreed to keep \$500 for a computer and \$600 for new chairs in the 2010 budget.

**Office Copier**

- City Clerk Gruenhagen informed Council that the office copier is getting old and will need to be replaced in a year or two. He also mentioned that he would like the new copier to have network capabilities and a scanner.
- Council agreed to add \$500 to the 2010 budget for a new copier when the one we have now is no longer operational.
- The copier will be listed in the 2010 budget under Municipal Clerk – Office Supplies or Office Equipment.

**City Shop Driveway**

- City Clerk Gruenhagen asked if Council wants to keep this as a budget item. Move the \$15,000 to the 2010 Budget and add to it. The money could possibly go towards fixing the water problems at the City Shop.

**Tri-City Police Plan (Hamburg, NYA, and Cologne)**

- Hourly pay for Hamburg's policing time is \$18,141 with \$500 dollars of overtime built in.
- Hamburg pay for CSO coverage was \$3,250 last year it went up this year to \$3,700. Hourly rate increased from \$25 last year to \$28.46 this year (2009).
  - City Clerk Gruenhagen suggested that the City could cut some money from the budget by lowering CSO time from 2.5 hours per week to 2 hours per week. This would save the City approximately \$750 dollars per year.

**Southwest National Drug Task Force Team**

- The cities contribution was \$2,000 now the Task Force Team is asking for \$2,100.
  - Councilmember Mueller commented that this is something the city already has. They will be in town looking for drugs whether the city contributes or not.
  - Councilmember Trebesch asked if this was a contribution or a requirement.
    - City Clerk Gruenhagen replied that this is something all the municipalities are asked to contribute to but not required to do so.
  - City Clerk Gruenhagen contributed that if the city goes along with what the County is asking for in coverage this would be a minimum of less than \$200 from the 2009 Budget to the 2010 Budget. In 2009 the cost was around \$23,772 and for 2010 the cost would be around \$23,941.

**2010 City Contribution to Relief Association (\$42,101)**

- City Clerk Gruenhagen informed Council that \$42,101 is the amount the city is required to contribute to the Fire Department Relief Association. In the past Council has agreed to contribute each year an additional \$2,000 to help improve the funded ratio.
  - Councilmember Cumiskey added that currently the Fire Departments relief fund is roughly 60% to 70% vested. By contributing the additional \$2,000 per year the relief fund will become 100% vested as it should be. This is a 10 year plan to get the fund 100% vested.

**Medical Exams for Firefighters (\$1,100)**

- City Clerk Gruenhagen reported that in 2009 half the Hamburg firefighters had medical exams and in 2010 the other half will have them done. The \$1,100 was budgeted in 2009.

**Donald Avenue (Seal Coating)**

- This item is for seal coating Donald Avenue or any street in Hamburg.
- City Clerk Gruenhagen also mentioned that the next item on the list, Street Repairs, is for any street that would need patching or some type of repair.
- Councilmember Mueller asked if the Donald Avenue item point and Street Repairs could be combined.
  - City Clerk Gruenhagen replied that he will combine them.
- City Clerk Gruenhagen mentioned that there is \$3,000 in the budget now.
  - Council agreed to add \$3,000 to the 2010 budget, increase to \$6,000.

**Spray Weeds (\$500)**

- This year (2009) no one was paid to spray weeds, Maintenance Worker Byerly did the city spraying.

**Pop Machine Proceeds (HIP) Group**

- City Clerk Gruenhagen added this item just to show that the pop machine proceeds go to the HIP group.

**Air Conditioning for Community Hall**

- Council discussed at length the type of air conditioning and amount this would cost to have installed. Councilmember Malz suggested hiring a consultant to figure out what type of air conditioning would work the best to lower the temperature in the Hall during summer events.

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- City Clerk Gruenhagen suggested setting up a fund to contribute towards air conditioning over a period of years. He has received one estimate for \$36,000.
- Councilmember Barnes asked if the money that has been set aside for the expansion of the Community Center could be used for Hall repairs instead. The electrical wiring in the Hall needs to be redone badly.
  - Mayor Malz and the other members of council agreed that expanding the Community Center is a space issue not a safety issue.
- City Clerk Gruenhagen checked the current budget accounts for the Community Center and Hall. The money for the Community Center is in a savings account so technically that money could be used for the CC. He reminded Council that there is \$6,500 in the Community Hall Renovation fund. The electrical boxes are being replaced at \$3,500 using the renovation fund.
- Council decided to add \$10,000 in the 2010 budget for AC. At the next budget meeting Council will decide to lower or raise this amount.

**Hall Repairs for 2010**

- Add Community Center funds with Hall repair fund.

**Tables for Hall (\$1,000)**

- No discussion on this item.

**Transfer to Water Fund (\$25,000)**

- City Clerk Gruenhagen informed Council that each year \$25,000 is transferred from the General Fund to the Water Fund. This transfer is to help off set water fund losses and to keep water rates down.

**Equipment Replacement**

- City Clerk Gruenhagen and Councilmember Mueller asked Maintenance Worker Byerly to price Bobcat tires and truck tires.

**City Maintenance Fund**

- Councilmember Mueller suggested adding a 1 horse sump pump to have on hand for possible sewer backups. The pumps usually cost around \$800.

**Community Center Addition**

- No decision was made.

**Lawn Mowing Contract**

- Council discussed if the lawn mowing contract should be renewed for 2010 or if Maintenance Worker Byerly should do the cities lawn mowing instead.
  - Councilmember Trebesch suggested hiring a contractor for the city park and having Maintenance Worker Byerly do the other areas that need to be cut.
  - Council thought this was a good idea and would save the city some contracting money but yet get the mowing done.
  - Council also decided to open bids for the lawn mowing at the city park.

**New Lawnmower**

- Council discussed that the money saved by cutting the contract price in half (\$9,000 to \$4,500 per year) could be put towards a new lawnmower.
- Councilmember Mueller asked Maintenance Worker Byerly to price some lawnmowers and not just John Deere's. He can report back at the next budget meeting.

**Radio and Truck Replacement Fund used to make 2009 Fire Department Tanker Payment**

- City Clerk Gruenhagen noted to Council that \$7,500 was set aside for this fund however now this amount is used to help off set payment for the new Tanker.

**Wish List**

- This list is for additional items that Council may want to include in the 2010 budget.

**Consultant Fees (Update Zoning Ordinance)**

- City Clerk Gruenhagen informed Council that the consulting fees could be lowered for 2010. The zoning ordinances should be completed by the end of this year.

**Attorney Fees**

- Councilmember Mueller asked about attorney fees.
  - City Clerk Gruenhagen replied that they may have to be increased.

**Sidewalk Repair in front of Parkside Tavern (490 Henrietta Avenue)**

- Councilmember Mueller suggested adding a money amount in the 2010 budget for repairing the sidewalk in front of Parkside Tavern.

**Signs for edge of town**

- Council had removed this from last years budget and decided to keep it out of the 2010 budget.

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*Councilmember Mueller moved to close the 2010 Preliminary Budget Workshop at 7:00 p.m., Councilmember Barnes seconded and motion unanimously carried. All Council members were present.*

Submitted By:

Sue Block  
Deputy Clerk