

City of Winsted
City Council Meeting
Council Chambers
Tuesday September 18, 2018
6:00 p.m.

Present: Mayor Steve Stotko
Council Member Mike Henrich
Council Member Tom Ollig
Council Member George Schulenberg

Staff Present: Ms. Patty Fitzgerald, Temporary Acting City Administrator
Ms. Raquel Kirchoff, City Clerk-Treasurer
Mr. Justin Heldt, Winsted Police Department Chief
Mr. Tyler Bruns, Winsted Police Officer

1) Mayor Stotko called the meeting to order at 6:00 p.m.

a) The Pledge of Allegiance was taken.

b) Winsted Pride Awards

1. Salon 210 – 210 Main Avenue West

Mayor Stotko presented the 2018 Commercial Winsted Pride Award to Salon 210, 210 Main Avenue West, and recognized the owner for enhancing the aesthetic quality of the property and contributing to the overall enhancement of the City of Winsted's image.

2. Jason and Jennie Stutsman – 424 Lake Court

Mayor Stotko presented the 2018 Residential Winsted Pride Award to Jason and Jennie Stutsman, 424 Lake Court, and recognized them for enhancing the aesthetic quality of their property and contributing to the overall enhancement of the City of Winsted's image.

2) Consent Agenda

Mayor Stotko read the Consent Agenda.

a) Approval of Minutes

Approved the minutes of the following:

- Park Commission Meeting – August 13, 2018

b) Resolution 18-32 – Winsted Volunteer Fire Department Relief Association Contribution

Adopted Resolution R-18-32 accepting a contribution from the Winsted Volunteer Fire Department Relief Association in the amount of \$106.15 to be dedicated toward the Winsted Volunteer Fire Department's Capital Improvement Plan.

c) Full-Time Police Officer – Ms. Paige Vick

Approved a conditional offer of employment and authorized the Interim City Administrator to execute an employment agreement with Ms. Paige Vick for the position of Full-Time Police Officer with the Winsted Police Department, contingent upon passing a criminal background check, psychological examination and a drug and alcohol test.

d) Winsted Police Department – Residency Requirement

Authorized Ms. Paige Vick, a proposed full-time member of the Winsted Police Department, to reside outside of the Winsted City limits and extend the five (5) mile residency requirement, with the contingency that when on-call, the officer shall be within the City limits or within a five (5) minute response time, at all times.

e) Schedule Public Hearing – Nonessential Water Usage Ordinance

Scheduled a public hearing for October 2, 2018 at 6:00 p.m. in the City Council Chambers at Winsted City Hall to consider adopting amendments to Chapter Three (3) of the Utilities Ordinance.

f) Security Bank & Trust Company

Approved the Pledged Securities that Security Bank & Trust Company has purchased for the City of Winsted for the month of August, 2018.

g) Building Permit Report

Approved the Building Permit Report for the month of August, 2018.

h) Financial Report – July, 2018

Approved the financial report for the month of July, 2018.

i) Claims

Approved the claims list for September 18, 2018.

j) Winsted Municipal Airport - Grant Offer for Airport Improvement Program (AIP)

Authorized the Mayor to execute a Grant Agreement, Number 3-27-0139-008-2018, with the United States Department of Transportation Federal Aviation Administration (FAA), for the relocation of natural gas pipeline at the Winsted Municipal Airport.

Council Member Schulenberg motioned to adopt the Consent Agenda as presented. Council Member Ollig seconded the motion. Council Member Ollig abstained from Item f – Security Bank & Trust Company – Pledged Securities. Motion carried 4-0.

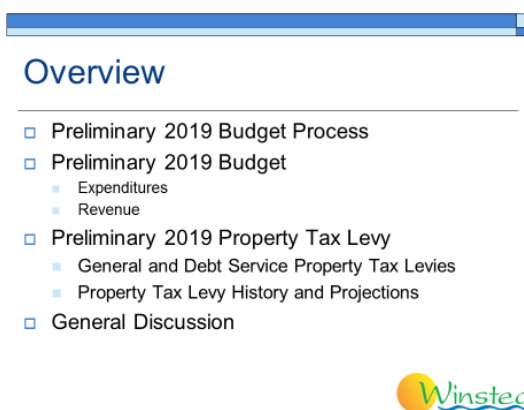
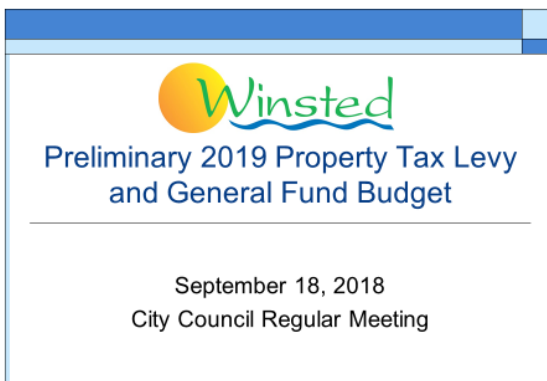
3) No Public Hearings

4) Old Business

5) New Business

a) Resolution R-18-33 – 2019 Preliminary Levy Certification

Ms. Patty Fitzgerald, Temporary Acting City Administrator, reviewed the following Preliminary 2019 Property Tax Levy and General Fund Budget presentation.



2019 Budget Process

| | |
|---------------------|--|
| July | Dan has left the building ☹️ |
| September 4 | Discuss General Fund Expenditures |
| September 18 | City Council certifies Preliminary 2019 General and Debt Service Property Tax Levies. |
| October 2 | Additional City Council Work Session to review Preliminary 2019 Budget, if needed. |
| October 16 | Additional City Council Work Session to review Preliminary 2019 Budget, if needed. |
| TBD | City Council Budget Hearings to review the Recommended 2019 Budget, including: Airport Funds, Cable Fund, Capital Funds, Fire Funds, General Fund, Sewer Fund, Water Fund. |



2019 Budget Process (Cont)

| | |
|--------------------|---|
| November 6 | Additional City Council Work Session to review Preliminary 2019 Budget, if needed. |
| November 20 | Additional City Council Work Session to review Preliminary 2019 Budget, if needed. |
| December 4 | Additional City Council Work Session to review Preliminary 2019 Budget, if needed. City Council conducts the 2019 Truth-in-Taxation Public Hearing. |
| December 18 | City Council adopts Recommended 2019 Budget and certifies the Recommended 2019 General and Debt Service Property Tax Levies. |
| December 28 | Deadline for all cities and special taxing districts to certify the final property tax levy to the county auditor |



PRELIMINARY 2019 GENERAL FUND BUDGET SUMMARY

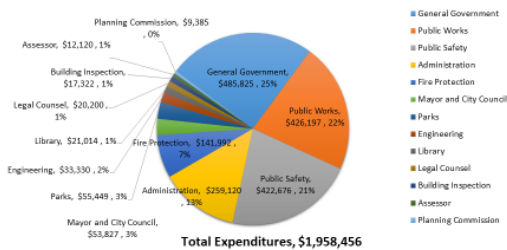


General Fund Budget Assumptions and Considerations

- Conservative revenue and expenditure assumptions:
 - 5.5% cost increase in employee health insurance
 - Single step salary increase for each employee and 3% COLA
 - More robust IT contract/cost
 - Local Government Aid (LGA) relatively flat at +\$553
- Continues the multi-year funding strategy to support the Street Capital Improvement Program (CIP) as adopted in the 2017 Budget.
 - Increases in Streets CIP funding supported by the Property Tax Levy.
- The Preliminary 2019 General Fund Budget does not include:
 - Any pending Fire Department Strategic Operations Plan recommendations.



Preliminary 2019 General Fund Expenditures



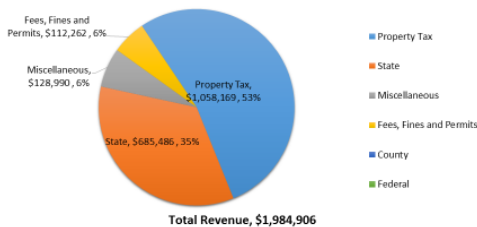
General Fund Budget Discussion

Proposed Revenues

| Department | 2017 Budget | 2018 Budget | Preliminary 2019 Budget | % Chg vs PY | \$ Chg vs PY |
|------------------------------|---------------------|---------------------|-------------------------|----------------|------------------|
| 41000 Mayor and City Council | \$ - | \$ - | \$ - | - | - |
| 41300 Administration | \$ - | \$ - | \$ - | - | - |
| 41500 Assessor | \$ - | \$ - | \$ - | - | - |
| 41600 Legal Counsel | \$ - | \$ - | \$ - | - | - |
| 41700 Engineering | \$ - | \$ - | \$ - | - | - |
| 41900 General Government | \$ 1,701,061 | \$ 1,810,320 | \$ 1,908,126 | 5.40% | \$ 97,806 |
| 41910 Planning Commission | \$ - | \$ - | \$ - | - | - |
| 42000 Public Safety | \$ 46,350 | \$ 50,150 | \$ 49,107 | -2.08% | \$ (1,044) |
| 42200 Fire Protection | \$ - | \$ - | \$ - | - | - |
| 42400 Building Inspection | \$ - | \$ - | \$ - | - | - |
| 43000 Public Works | \$ 20,000 | \$ 20,900 | \$ 20,200 | 1.00% | \$ 200 |
| 45200 Parks | \$ 6,900 | \$ 7,400 | \$ 7,474 | 1.00% | \$ 74 |
| 45500 Libraries | \$ - | \$ - | \$ - | - | - |
| Revenue Total | \$ 1,774,311 | \$ 1,887,870 | \$ 1,884,906 | 5.14% | \$ 97,056 |
| Variance (NCC) | \$ (5,754) | \$ (41,404) | \$ (26,450) | -36.12% | |



Preliminary 2019 General Fund Revenues



2019 PRELIMINARY PROPERTY TAX LEVY



Preliminary 2019 Property Tax Levy

$$\begin{aligned}
 & \$1,072,089 \text{ (General Levy)} \\
 & + \\
 & \$319,800 \text{ (Debt Levy)} \\
 & = \\
 & \$1,391,889 \text{ (Property Tax Levy)}
 \end{aligned}$$



Property Tax Capacity and Levy History

| Property Tax History and Detail | | | | | | | | | |
|---------------------------------|------------------|-------------------|-----------------------|-----------------------------|-----------|-------------------|------------------|-----------------------------|------------------------------|
| Year | Net Tax Capacity | Property Tax Levy | Net Tax Capacity Rate | Estimated Median Value Home | Gross Tax | Property Tax Rate | Net Property Tax | Net Property Tax Change (%) | Net Property Tax Change (\$) |
| Fiscal 2016 | \$ 1,488,206 | \$ 1,556,154 | 77.75% | \$ 141,148 | \$ 1,109 | 77.79% | \$ 532 | 8.42% | \$ 72 |
| Fiscal 2017 | \$ 1,653,241 | \$ 1,213,855 | 73.42% | \$ 157,011 | \$ 1,371 | 73.42% | \$ 1,007 | 8.60% | \$ 75 |
| Fiscal 2018 | \$ 1,668,380 | \$ 1,274,601 | 76.40% | \$ 158,456 | \$ 1,387 | 76.40% | \$ 1,060 | 5.25% | \$ 53 |
| Prelim 2019 | \$ 1,894,752 | \$ 1,391,889 | 73.46% | \$ 163,903 | \$ 1,447 | 73.46% | \$ 1,063 | 0.27% | \$ 3 |
| Change (in) 2019 v. 2018 | \$ 226,372 | \$ 117,288 | -2.94% | \$ 5,448 | \$ 69 | -2.94% | \$ 3 | -4.97% | \$ (50) |

- Assuming a 3.44% increase in valuation, the median valued residential homestead (~\$163,903) would pay approximately \$3 more per year
- Under the Preliminary 2019 Budget, the Net Tax Capacity (NTC) rate would decrease by 2.94 percentage points - resulting in the second lowest NTC Rate in the past nine years.



Council Action

- Consider a motion to adopt Resolution No. R-18-33 certifying the Preliminary 2019 General Property Tax Levy of \$1,072,089 and Preliminary 2019 Debt Service Levy of \$319,800 for a total Preliminary 2019 Property Tax Levy of \$1,391,889.



No comments were received.

Council Member Ollig motioned to adopt Resolution R-18-33 certifying the Preliminary 2019 General Property Tax Levy of \$1,072,089 and Preliminary 2019 Debt Service Levy of \$319,800 for a total Preliminary 2019 Property Tax Levy of \$1,391,889. Council Member Schulenberg seconded the motion. Motion carried 4-0.

6) Department and Organization Reports

a) Winsted Holding Activities That Unite People (WHAT UP)

Council Member Mike Henrich, provided information about the WHAT UP organization.

- WHAT UP holds activities in March – October. Events include a Game Day in March and April, movies in the park and at the Winsted Fire Hall, Punt, Pass & Kick and the Halloween event with pumpkin painting and hay rides.
- WHAT UP is a small group of people that coordinate activities; it involves adults and children. The children's input is very important.
- Events are free and the organization operates on donations. The Winsted Arts Council and Winsted Lions join the events and make them better.

Council Member Ollig asked if the organization needed volunteers. Council Member Henrich stated that WHAT UP is always looking for volunteers, to include children from approximately 7th - 11th Grade.

Council Member Schulenberg asked what the cost of hosting a movie is. Council Member Henrich stated approximately \$300 for the rental fee.

Council Member Ollig asked if organizations or businesses sponsor the movies. Council Member Henrich stated yes, and that WHAT UP tries to give that business or organization credit.

Mayor Stotko asked if any of the children that came to events when WHAT UP first started have come back to participate as an adult. Council Member Henrich stated that one person who has attended the events in the past may be interested in becoming a WHAT UP member.

7) No Open Forum

8) Interim City Administrator Updates and Announcements

a) City Administrator Interviews – Wednesday, September 19, 2018

Ms. Fitzgerald stated that the City Council will conduct City Administrator interviews on Wednesday, September 19, 2018.

b) Planning Commission Vacancy

Ms. Fitzgerald stated there is a vacancy on the Planning Commission. Interested residents should contact City Hall for further information.

a) City of Winsted Website

Ms. Fitzgerald stated that the City will launch a new website in the near future.

9) Adjournment

Council Member Schulenberg motioned to adjourn the meeting. Council Member Ollig seconded the motion. Motion carried 4-0.

The meeting was adjourned at 6:24p.m.

Steve Stotko

Steve Stotko
Mayor
City of Winsted

ATTEST:

Raquel Kirchoff

Raquel Kirchoff
City Clerk-Treasurer
City of Winsted