



Janesville City Council Members: Mayor Mike Santo, Kari Grisim, Cliff Blaisdell,  
John Sprengeler, Jeff Bartelt

**MINUTES OF THE WORK SESSION  
CITY OF JANESVILLE, WASECA COUNTY, MINNESOTA  
SEPTEMBER 19, 2016 CITY HALL 6:30 PM**

**I. CALL TO ORDER**

The Janesville City Council met in regular session pursuant to due call and notice thereof; Mayor Santo called the meeting to order at 6:31 pm.

Council present: Mike Santo, Mayor  
Jeff Bartelt, Council Member  
Kari Grisim, Council Member  
Cliff Blaisdell, Council Member  
John Sprengeler, Council Member

Staff Present: Clinton Rogers, City Administrator  
Brandon McCabe, City Planner

**II. REVIEW 2017 GENERAL FUND BUDGET**

Rogers stated that the draft budget to review this evening is the same draft General Fund budget from last week's Council agenda. He stated that he has found a few options last week to reduce some expenses in this draft. The first page is a page of a summary of expenses, which shows an 11.4 % increase. With some discussions tonight, we can reduce this.

The first page of the budget includes the revenue. Rogers explained the first line, "Ad valorem", is the amount needed to balance the budget. This figure will be placed on the property tax levy. The rest of the line items are other revenues we receive. These revenues will increase about \$17,000 from the 2016 budget. Rogers pointed out Franchise Fees have increased and also noted the decrease in rental inspection fees because there will be fewer rental inspections in 2017. McCabe stated this line item will increase in 2018.

Sprengeler asked what the levy would be for the First Street project. Rogers stated the levy, according to the auditor, will be \$66,000 for 2017. Sprengeler asked what that

would do if all other items in the budget have no increases. Rogers calculated this debt levy would show an 8% increase in taxes just for the project. We can discuss debt service levies later.

Rogers reviewed each department budget. The Council suggested that we remove some of the Furniture & Fixtures line item expense. Rogers will reduce that line item.

The City Administrator budget will decrease since the intern covered in the 2016 budget is not in 2017. Health insurance also has decreased, since the Administrator will not be covered in the City's plan.

The Elections budget will see a decrease since there are fewer election costs for 2017. This budget will have a few items just in case we do receive some election costs.

The Accounting budget includes engineering, audit, attorney, and professional services. There is a small increase in the budget. Rogers explained the auditing fees line item. Rogers also reviewed the engineering fees line item. It was the consensus to keep these two line items as written.

The General Government Building will see a \$42,000 increase. One increase is in the Professional Services line item. We are scheduled for our Spring Clean Up program in 2017 and we have also added \$10,000 to update our City Code books. We should have an estimate by December. Sprengeler asked if we postpone the update until 2018. We can always discuss this line item in the upcoming months. Rogers explained a few other line items with small increases. In the Operating Transfer line item, we placed \$10,000 to cover the street lighting debt service for the First Street project. The auditors placed this expense with our debt service payment schedule, so we could eliminate this line item in the budget and keep it with our debt service schedule. Rogers removed this line item expense in the budget.

In the Police Department budget, we will see an increase of about \$23,000. The main reasons are health insurance increases, some subscriptions and programs the department is part of, and the maintenance agreement for radios. The Police Department and Fire Department will see increases for this agreement. The Furniture & Fixtures line item will see an increase due to improvements to the storage building on Grove Street. Rogers explained that we budget money every year to make improvements.

Grisim asked if we ever researched consolidating our health insurance with Waseca County. Rogers explained we looked into this 3 or 4 years ago, but the expenses were higher than the rates we had at the time.

Grisim asked about squad car replacement, as noted in the budget. She stated that an older squad is driven more often than in the past and wondered if we need to replace a squad car in 2017. Rogers explained that Officer Johnson uses an older, unmarked car now. We will see how mileage looks for other vehicles. The Council pointed out that the line item goes into the capital reserve account for purchasing squad cars.

In the Fire Department budget, there is an increase in radio maintenance agreements, capital reserve transfer for future truck purchases, and training for new members. Rogers also explained that the townships pay one-third of this operating budget. Bartelt asked the costs of training new members. Santo explained the costs and stated that we are reimbursed for some of it.

In the Street Department budget, we will see a fairly large increase in the 2017 budget. Sprengeler pointed that out as well. The increase is just about \$95,000. The main reasons for this were discussed at our recent work session. Staff proposes to repair storm sewers in 4 intersections for \$30,000. We also added more to repair alleys in the Business District. Rogers reported that he visited with our finance consultant about adding these costs to a possible improvement bond for a 2017 project. If the Council chooses an improvement, we could add these improvements into a street project. If we did that, we could remove \$40,000 from the Street Department budget. Blaisdell stated that Market Street has been discussed and Santo mentioned overlaying Fourth Street. McCabe stated that, when we review our Capital Improvement Plan this year, it may be decided to not overlay any street if it is scheduled to be improved in the near future. An example would be Fourth Street. McCabe suggested waiting for the Capital Improvement Plan. Blaisdell stated that we should sealcoat our newer streets. We will keep \$30,000 in the budget to work on crack filling and sealcoating our current streets. The Electricity line item was also explained. This line item includes electricity for the public works buildings and for the cost of street lighting throughout the city. We also increased the Operating Transfer. We are looking to replace a tandem truck in 2017. Bartelt asked what streets are striped every year and noted that staff would like to replace the striper. It was the consensus to keep the replacement in the budget now. Blaisdell asked what other items were replaced in the last few years. Staff and Council listed off the items. Rogers stated the Reserve account for public works equipment is \$74,000.

In the Parks budget, we increased the Operating Transfer, as discussed at the recent work session. Money has also been placed for equipment repairs for current equipment. Rogers stated that the League of Minnesota Cities Insurance has suggested we repair some equipment. The Operating Transfer was explained. Rogers stated that this line item is strictly for replacing playground and park equipment. This was arranged years

ago with previous Park Boards and City Councils. Equipment Repair and Maintenance and other line items increased in order to repair current equipment. Grisim stated that there are some current equipment repairs needed and that we need to remove older equipment at Lakeview Park. Rogers questioned which items. Grisim identified a couple and stated that we have been discussing these improvements for years. Rogers stated removing and repairing these items cost money.

In the Library budget, we have seen a decrease since we removed basement improvements that are in the current budget. This line item won't be needed in 2017. Grisim asked if we have any plans. Rogers stated that he has discussed this today with library staff and that he will contact a few local contractors this week.

The Community Development budget has some increases. Rogers asked if we need to keep the \$5,000 transfer into the Revolving Loan Fund. He and McCabe explained that the EDA levy, approved in 2015, contributes \$5,000 into the current fund. Grisim asked if there is a need for the program. Staff stated that there is. Blaisdell also stated that we need to build this fund. It was the consensus to keep the money in the line item. Blaisdell asked how many years the revolving loan fund has been in place. Rogers estimated this has been in place since the mid-1990s.

In the Cemetery Budget, Rogers explained that he removed \$3,000 from Professional Services. He has placed money in the draft budget for cemetery records, but we can use the Cemetery Fund for this.

Rogers ended with looking at the levy needed to balance the draft budget with tonight's changes. The levy decreased about \$45,000. The expenses for the draft budget has an increase of 8.3% instead of the 11.4% we had at the beginning of the work session. Blaisdell stated this is a good start.

Rogers asked if there were any other items. He did reiterate the importance of developing a Capital Improvement Plan so that we can plan needed improvements.

### III. ADJOURNMENT

Mayor Santo adjourned the work session at 7:14 pm  
Respectively signed by

/s/ Clinton Rogers                      Date 9/26/16

Clinton Rogers  
City Administrator  
City of Janesville