

**WATERVILLE CITY COUNCIL
SPECIAL MEETING
August 31, 2023, 6:30 p.m.**

There was a regular meeting that the Waterville City Council held in the Council Chambers at 6:30 p.m. on August 31, 2023.

Call to Order / Roll Call/Pledge of Allegiance

Present: Mayor Bill Conlin, Council members: Tim Smith, Roy McIntyre

Also Present: Administrator Teresa Hill

Absent: Council Jennifer Grobe, David Wollin

Mayor Conlin called the meeting to order at 6:30 p.m. Announced present members of Council and Staff and then led the Pledge of Allegiance.

Approval of Agenda/Additional Items to Agenda

Motion by Smith, Seconded by McIntyre to approve tonight's Agenda as written Motion Carried 3-0.

New Business

Budget Work Session

Administrator Hill conveyed to Council that she and the department heads were able to balance out the Capital Fund with changes that have been made. However, there is still approximately \$245,000.00 that still needs to be addressed within the General Fund with the proposed 10% levy. Administrator Hill went through the changes that were made in both Funds. There was discussion between the Council and Staff about the possibility of Franchise Fees being proposed. The perspective type of companies is: Energy Companies, Gas Companies, Cable Companies, Internet Companies, and Phone Companies. Franchise Fees would help bring in additional revenues for the Street department. Franchise Fees are available because of the disturbances and wear that happens to the public streets. Within the Franchise discussion, there was mention of past practices of the Council along with talking about the current terms of agreements for Franchise Fees and what it might look like and how they can look into these options. **Administrator Hill** stated she would attempt to obtain additional information for the next meeting. Also, it was expressed by a Council Member that they did not want to see the North Shore Drive Street project be done. This was a concern because all the residences on this street will benefit from this project without having a contribution to cover any of the cost. Council continued discussion on the past practice and why this was not assessed the first time; if they were going to proceed with this road for the current or future Budgets how this would be handled. **Mayor Conlin** asked about the water and sewer funds and the requests that had come from those departments. It was stated by the Administrator that those funds are rate driven and these funds will be discussed at the next October meeting. At that meeting, a rate study will also be presented to the Council. There was continued discussion between the Council and Staff on the requests that were being removed or have been redirected within a different fund. The Department leads have brought it to what is needed and not wanted. Mention that some of these Capital Improvements will be seen in future years that will have to be re-addressed at that time. When going through the changes within the budget it was noted that for every percent increase to the levy, it only generates an additional \$10,000.00. It was discussed about a hypothetical safety grant for the floor cleaner for the Street Department. There was mention that if the council decides to purchase the floor cleaner, it would have to be budgeted for at that time to pay for the entire purchase; for this will keep us in line with OSHA regulations. Council and Staff talked about the change for additional contributions to the Relief Association due to the new PERA agreement. There was mention of a possible contribution on behalf of the City at year-end. Discussion was held between the Council and Staff on the changes made to the Police Department Budget. About the LETG contract, there was mention of how it has been handled in the past, with suggestions for the upcoming budgets. Along with the discussion of the purchase or lease of a new squad vehicle. Staff and Council discussed the possibilities of departments trying to skim back on the current expenditures and supply line items that are trending until year-end. With the continuing to run an extremely tight budget. With holding back on purchases, this will allow us to see what could still possibly fit into this year's budget, or possibly move those funds that are saved to the Reserve Fund for those requests that have been removed from the 2024 budget. There was a mention of the increase in the cost of products of 4-5% and how the cost doesn't seem to be going down. There was discussion between the Council and Staff on the

Reserve Fund and what was in the account. **Administrator Hill** reminded Council that there are two components to the Reserve Fund one is the cash fall which is 50% of your budget, and the second is monies that are left over, as of now there is approximately \$100,000.00. Also stated that in her opinion \$250,000.00 still needed to be cut out of the 2024 budget. Discussion between the Council and Staff on the current Levy set for 10% for the City and the County at 12%. It was mentioned that as of September 1st, the County Assessors would possibly be releasing the new values for the 2024 property tax at this time. This is a contributing factor to the equation for setting the Cities Levy for 2024. There was talk had on the improvements, new builds, seasonal dwellers versus year-round residents, and the possibility of annexations and how they all apply to the truth in taxation. There was discussion between the Council and Staff on the renewal of health insurance and the increase in premiums. Also discussed was the Earned Sick and Safe Time that will be effective as of January 1, 2024, for all employees who work at least 80 hours for the city, the employee will earn 1 hour of Earned Sick and Safe Time for every 30 hours worked. With this, the Volunteer Fire Fighters may be applicable, and more research will be done. Within this discussion the difference between short-term and long-term Sick Leave was talked about and how it may be implemented similarly to tax as 50% employee and 50% employer for the contribution. This would be calculated by multiplying the employees' current rate and what they worked last year.

Adjourn

Motion by Smith, Seconded by McIntyre to adjourn. Motion Carried 3-0. The meeting adjourned at 7:52 p.m.

William Conlin, Mayor

Teresa Hill, Administrator-Clerk