



Budget Committee Minutes

City Council Chambers
Monday, January 31st, 2022

Chairman Kreinbrink called the meeting to order at 7:21 PM.

Roll call was taken:

Present:, Treasurer Pete Dell, Alderwoman Rebecca Johnson, City Accountant Wes Levy & Alderman Fred Kreinbrink

Also present: Alderwoman Cara Killey, Alderman Bill Fritsch, EMA Tom Ciciora, Mayor Todd Latham & Doug Peterson

Review of Monthly financials : Spent to date & looking at projected cash flow: Fund trending above budget on revenue side. Expense side, month to date / year to date and annual – trending as we would expect with exception of the streets department. Month of December, streets only spent 50% of budget – but at 8 months 66% of budget has been used.

Capitol improvement projects that might / might not be a go – challenge department heads to insure that what we put in the budget what we are actually spending. Projects listed in this new budget are the same as last year. We are not acting upon our plan. Looking to be more factual – and better stewards of funds.

Treasurers report: The biggest change 12/2020 to 12/2021 is bond proceeds. Additional cash on hand is bond proceeds, as cash hasn't changed much. Down on sewer reserve. Debt service, We are on the second to last payment. Additional cash on hand is really just bond proceeds. Revenue is significantly outpacing the budget. Through 8 months, we've collected 112% of what was anticipated. Sales tax is one of the biggest drivers. – collected 1.35 million for 8 months. Projections were 1.2. In addition to that, the other revenue is coming from the HARPA grant funds. The IRS has updated the use of grant funds. IRS – take 10 million off of our tax revenue, as in, 10 million can be forgiven, but we must do grant reporting. Police compensation: we can take 1 million and claim it to pay down existing debt. Able to use it as reserve past 2024 – gets rid of grant reporting.

Old business: Alderman Robinson would like to meet on 2-14-22 to discuss Budget. Requested wording be particular in posting meeting as Budget meeting so that all of council may be part of discussion. Projected next meeting dates 2-14-22 & Saturday Feb. 26th.

Alderman Fritsch inquired about Storm funds and having a contingency plan. Alderwoman Killey inquired about King's Nursery. Would like to see a program developed so that trees can be placed in community.

Capital improvement projects – meetings with department heads encouraged. Alderman Kreinbrink suggested to have one on one meetings between department heads and other council members. Would like to look at the use of outside resources to complete projects that are still on the books from budget year 2020-2021. Would also like to look at having part time employees mow city property.

Dump Truck #4 – has issue with tank. Requested Sean to get price for a new one. Vehicle #1 is listed in narrative to be replaced. There is \$200,000.00 in capitol for this purpose. Funds also earmarked for a new woodchipper, and another zero turn mower. All general fund excess goes into capital fund. Would like to start process of inventory assets. Cyber is coming out of Capital. New siren as well. Earmark \$30,000.00 for new siren.

Public Safety building: Lockers will be added to the building – funds coming out of bond.

Little Rock Creek Water Shed: Grant dollars are available for water shed. Grant was connected to providing education.

General Fund: revenue expense \$100,000.00 general fund still a surplus. Transfers need to be isolated.

Capital Fund: Has a modest increase 1.6 over 1.2 million in prior year bonds. We are spending down capital 460,000.00.

Motor Fuel Tax: \$377,000 in tax revenue 2.1 million to spend are restricted dollars. 1.25 carry over – the deficit \$926,000.00 motor fuel tax dollars are not being spent.

Tourism Fund: Looking to have conversation with attorney about how funds can be used.

Debt Service payment: Final payment will be made this year. Deficit is \$255,000.00 and will flip with rate increase. Bonds will be paid off.

Water Reserve: 1.2 million. All is capital in nature and no different than on the equipment side.

Bottom line: we are spending down close to \$600,000.00. The city of Sandwich is in better shape today than we were 6 years ago.

Next meeting main focus will be on the capital fund - Over under on each department. Meeting with department heads on February 26th, 2022. Discussion on hiring a City Administrator at \$115,000.00. Consideration of \$1,000,000.00 to be moved into Police pension. Meter readers, Community code enforcement officer, Employee raises for non-union employees, incentive raises and chain of command for street department.

Reviews will be done for employees before compensation will be discussed. Conversation about elected officials & raises must be done before next election. Changes in rates for collections in revenue must be discussed.

Audience Comments: None.

Next meetings to be held Feb. 9th at 4:15 PM – followed by a Budget meeting with council on Feb. 14th 7:00 PM after regular meeting with continued discussion on Feb. 26th at the City Council retreat.

Adjournment: There being no further business to come before the Committee, motion made by Alderwoman Johnson, and seconded by Treasurer Dell, to adjourn at 9:22 PM. Motion carried unanimously by voice vote.


Fred Kreinbrink, Budget Chair