

FINANCE COMMITTEE MINUTES  
November 10, 2011  
City Hall – Council Chambers

Chairperson Scott McMeans called the meeting to order at 6:01 PM

Present: Alderpersons, Scott McMeans, Christopher T. Able, Matt Kadow, Collin Braunel and Alex Olson (6:22 PM).

Absent: None

Also Present: Mayor Justin Nickels (6:05 PM), Acting Finance Director/Treasurer Tony Scherer, Alderpersons James Brey, Jill Hennessey, Dave Soeldner, Alan Schema and Jason Sladky, Assistant City Attorney Kathleen McDaniel, Deputy Chief of Police Bridget Brennan, City Planner David Less, Deputy Fire Chief Todd Blaser, Emergency Government Coordinator Tim Herzog, Director of Building Inspection/Facilities Manager Jim Muenzenmeyer, Deputy Director of Building Inspection Rick Schwarz, Director of Public Works/Parks & Recreation and City Engineer Valerie Mellon, Transit and Cemetery Manager Derek Muench, Director of the Rahr-West Museum Greg Vadney, Finance Business Manager Kim Lynch, DPW Business Manager Mike Huck, various city employees and members of the public.

**Public Input**

Alderman McMeans opened the meeting with public input. One person spoke on the subject of a stormwater utility; requesting and encouraging that the Committee consider this alternative in their budget deliberations. Twelve (12) individuals spoke in favor of repairing the Citizen Park Armory Building and keeping the building open for the Rollaire Skate Center and recreation activities currently provided there. Most people spoke of their memories. They stated that they wanted their children to participate and have the opportunity for the same experiences.

The Mayor informed those in attendance of the anticipated cost of the repairs needed to restore the building to usefulness. The ADA requirements, HVAC replacement and roof replacement would cost about \$300,000.

Alderman McMeans thanked the audience for their input and assured them that the committee would consider their petitions, but the Committee had a job to do and there was a long way to go in their deliberations.

A number of Alders spoke to their hope that there would eventually be a public/private partnership formed to keep the building operational. Alderman Brey mentioned that some maintenance had been performed on the building but admittedly not all that was required. Alderman Sladky suggested the building might be raised and a new, more energy efficient and accessible pole building erected in its place.

**Discussion and Possible Action on 2012 City Budget**

Alderson McMeans then continued the discussions on the 2012 City Budget by offering Committee and other Council members to comment or question Alderson Olson's re-organization plan. A question was raised regarding the legality of the City Attorney position reporting to the Human Recourse Director. The required change was acknowledged by the Committee.

Other discussion referred to the loss of Park & Cemetery workers, the ability to have the personnel for plowing operations and the outsourcing of building maintenance. Aldersons Soeldner and Hennessey spoke to the flexibility and cross-training opportunities of the plan.

Alderson McMeans revisited the subject of a stormwater utility. McMeans spoke of the debt related to stormwater projects. Questions arose regarding the timing and wording of the proposed spring referendum. Those questions were referred to legal council for interpretation and clarification.

Motion by Alderson McMeans, second by Alderson Able to raise the tax rate by 7% (\$954,304) through the debt levy process to cover the last two years of stormwater debt. A discussion followed. The Committee spoke to a revised capital structure and the options of increasing property taxes versus a stormwater utility. Alderman Olson stated that we were still in the early stages of the budget and it may be best to revisit this matter at a later time.

Motion by Alderson Kadow, second by Alderson Olson to table the previous motion. Motion carried 3-2 with Aldersons McMeans and Able dissenting.

Alderson Kadow then proposed the formation of a Fire District with the City of Two Rivers. Discussion regarding how the district would work and where the City would experience savings followed. Many questions arose that Alderman Kadow did not have the research available to answer. It was suggested by the Mayor that we have Springsted, the City's Financial Advisors, look into this option.

The Committee discussed the capability to reduce salaried personnel from 40 to 36 hours per week. The Mayor calculated that the affect on the 2012 Budget would be an add-back of \$56,293 for seven people.

Motion by Alderson Able, second by Alderson Olson to reinstate in the 2012 Budget the seven (7) exempt employees identified by the Mayor from a 36 hour work week back to 40 hours per week. Motion carried unanimously 5-0.

The last subject discussed was in reference to a health insurance opt-out option/plan for employees who have the ability to relinquish the City's health insurance plan and join a spouse's plan.

Motion by Alderson Olson, second by Alderson Braunel to refer this matter to the Personnel Committee for further discussion and action. Motion carried unanimously.

Motion by Alderperson Able, second by Alderperson Braunel to adjourn. Motion carried unanimously. Chairperson McMeans declared the meeting adjourned at 8:15 PM.

Alderperson Scott McMeans  
Chairperson  
Finance Committee

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By: Anthony J. Scherer  
Interim Finance Director

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