

FINANCE COMMITTEE MINUTES
October 17, 2012
City Hall – 1st Floor Conference Room #111 - West

Finance Chairperson Scott McMeans called the meeting to order at 6:34 PM

Present: Alderpersons Scott McMeans, Christopher Able, Eric Sitkiewitz & Collin Braunel (6:37)

Absent: James Brey

Also Present: Finance Director/Treasurer Steve Corbeille, Assistant Finance Director/Treasurer Tony Scherer, Fire Chief Bill Manis, Library Director Cherilyn Stewart, Director of Public Works & City Engineer Val Mellon, Deputy Director of Public Works Greg Minikel, Director of the Rahr-West Art Museum Greg Vadney and President & GM of Manitowoc Marina Rich Larsen.

Public Input

No public input was presented.

Library Request to Reinstate Partial Funding to the 2013 Proposed City Budget

Alderman McMeans took up the Library request first, turning the floor over to Library Director Cherilyn Stewart. Director Stewart summarized the past events that led up to her request. The Committee asked a number of questions of both Cherilyn and Finance Director/Treasurer Steve Corbeille to acquire a clearer picture and understanding of the request. The Committee proceeded to deliberate and discuss the issues at length including the ramifications of approving or disapproving the request.

Motion by Alderperson Able, second by Alderperson Braunel to restore the \$50,000 in funding to the Library.

Further discussion regarding the motion continued. Items discussed included how to backfill the budget, a summation of the events, reserve fund balances and their designated uses, annually operating through the use of fund balance and the timing of this vote. Alders referenced concerns to the fact that they had not yet had the opportunity to hear the reinstatement budget requests from other departments but would be willing to revisit the request at a later date.

Motion failed (1-3) with Alderpersons McMeans, Braunel and Sitkiewitz dissenting.

Marina Request to Reinstate Partial Funding to the 2013 Proposed City Budget

Alderman McMeans turned the floor over to the Director of Public Works & City Engineer Val Mellon. Mellon passed out materials to the Committee supporting her request for reinstatement of funds needed for repairs at the Manitowoc Marina. She summarized the revenues generated by the marina and explained the repair and preservation issues at the marina, which the city owns and is responsible to maintain.

Mellon then introduced the President & GM of Manitowoc Marina Rich Larsen. Mr. Larsen presented some of the issues in more detail including the docks and buildings. He also mentioned that Manitowoc Marina has taken on and paid for some of the projects

themselves, such as replacing the flooring in the Ship's Store and purchasing safety ladders for the docks.

The Committee discussed in length, the prioritizing of the maintenance projects, measuring the monetary impacts of investing or not investing in the repairs, new business prospects and opportunities, reinvestment of annual revenues into the marina, maintenance performed in 2012, future maintenance items (HVAC). At the conclusion of the discussions, the Committee requested that Manitowoc Marina and the City's Fleet Manager prioritize the projects, document all associated expenses and submit the information to the Finance Office who would then re-schedule this item on a later agenda.

Discussion & Possible Action on the City of Manitowoc 2013 Proposed Budget

Chairman McMeans invited Fire Chief Bill Manis to the table to discuss his concerns regarding the City's 2013 Proposed Budget.

The Committee, with Chief Manis discussed the Mayor's proposed reduction of \$309,000 to the Fire Department. The discussion centered on the reduction of \$309,000 in labor yet maintaining the same employment levels. The Committee discussed a number of issues within the Fire Department budget including previous budget cuts, staffing levels, solutions to the 309K other than through labor reductions, home and business insurance reductions through a better Insurance Safety Rating (ISR), closing/shutting down a fire station, staff replacement, and the possibility of combining two fire stations.

Discussion & Possible Action Regarding Capital Projects in the 2013 Proposed City Budget

The conversation then switched over to items defunded from City departments in the 2013 Capital requests. Chief Bill Manis continued the discussion on the request for a new ambulance. He explained that if the City didn't order a new ambulance by the end of 2012 the price would jump from \$158,000 to \$182,000 in 2013. Manis went on to explain how many ambulances there are in the City's fleet, where the ambulances are stationed and their uses. The Committee discussed purchasing used ambulances, ambulance life, diesel vs. gasoline engines, large vs. small truck bodies and a number of other related issues.

Motion by Alderperson Able, second by Alderperson Braunel to reinstate \$158,000 into the 2013 City's capital funding plan for the purchase of an ambulance.

The Committee discussed the level of funding in the 2013 Capital Project Plan and whether or not there would be room in the debt service area to expand on the \$1,000,000 currently being proposed. Finance Director/Treasurer Steve Corbeille suggested that the Finance Department review the 2013 capital requests with Departments Heads and come up with a prioritized list for the Committee, allowing them to then place or replace items in the plan until they determine the right balance between the amount of borrowing and the maintaining of infrastructure. The Alders were open to the process. Alderman Able expressed his willingness to table the motion as long as the Committee was willing to revisit the ambulance request at a later date.

Motion by Alderman Able to table the motion on the floor. Motion tabled 4-0.

The Committee had some further discussion in regard to the Finance Office's process for scoring and determining project importance as well as the level of funding the Committee may be willing to consider. Director Corbeille would then take that amount to Robert W. Baird to schedule out the debt service and the analysis of payment options.

Director of Public Works & City Engineer Val Mellon was invited to the table to discuss capital items she felt were critical and eliminated from her 2013 requests. She passed out information to the Committee and explained the information she provided. Some of the projects listed including concrete paving, slab replacement, pavement markings, and street sealing. Mellon also expressed her concerns over the reconstructing of South 7th Street as that area is in dire need of attention. The Committee discussed a number of other capital issues with Director Mellon and Deputy Director Greg Minikel including survey equipment, the environmental remediation of the gravel pit and V-box spreaders.

Director Mellon then spoke to the Committee about Park requests. Discussed were the subjects of the Red Arrow Park street/parking areas and the Lincoln Park Fieldhouse floors, stating that the additional funding for the park was needed to complete the project and the Fieldhouse floors were cracked and needed to be replaced for safety reasons. The third park improvement Mellon discussed was \$20,000 for the Lincoln Park Zoo improvements to animal cages and living quarters. The Committee then discussed the pros and cons of using this money for the Zoo or the Silveridge subdivision park.

The Committee then had a general discussion in regard to the process for prioritizing and determining capital projects placed in the annual budget.

**Discussion & Possible Action Regarding
Other Items Germaine to the 2013 Proposed City Budget**

Aldersperson Braunel brought forth the topic of the 2013 proposed levy. The Committee discussed a number of options in reference to maintaining the 2011 tax levy.

Motion by Aldersperson Braunel, second by Aldersperson Able to set the 2012 tax levy at the same level as 2011. The Committee had a short discussion on the merits of the motion. Although agreeable to the concept, some Committee Members were reluctant to support the motion at this time.

Hearing the feelings of the Committee, Alderman Braunel motioned to table his motion at this time. Motion passed 4-0.

The Committee set up the next two meeting dates for Monday, October 22nd and Monday, October 29, 2012 at 6:30 PM. Aldersperson Sitkiewitz requested that a presentation and discussion on Room Tax be included as an item on the October 29th agenda.

Motion by Aldersperson Sitkiewitz, second by Aldersperson Braunel to adjourn. Motion carried unanimously. Chairman McMeans declared the meeting adjourned at 9:53 PM.

Respectfully Submitted,

Alderman Scott McMeans
By: Anthony Scherer
Assistant Finance Director

AS

