

FINANCE COMMITTEE MINUTES
November 17, 2010
City Hall - First Floor Council Chambers

Chairperson Scott McMeans called the meeting to order at 5:34 PM

Present: Alderpersons, Scott McMeans, Christopher T. Able, Allan Schema, Matt Kadow, and Alex Olson.

Absent: None

Also Present: Mayor Justin Nickels, Interim Finance Director/Treasurer Tony Scherer, Alderpersons Jill Hennessey, Jason Sladky and James Brey, City Attorney Juliana Ruenzel, Assistant City Attorney Kathleen McDaniel, Chief of Police Oscar Dick, Deputy Chief of Police Bridget Brennan, Fire Chief Bill Manis, Deputy Fire Chief Todd Blaser, City Clerk/Deputy Treasurer Jennifer Hudon, City Planner David Less, Director of Building Inspection/Facilities Manager Jim Muenzenmeyer, Public Library Director Cherilyn Stewart, MPU Data Processing Manager Gary Heim, Director of Public Works/City Engineer Valerie Mellon, Deputy Director of Public Works/Deputy City Engineer Greg Minikel, DPW Business Manager Mike Huck, Transit & Cemetery Manager Derek Muench, Interim Assistant Parks Director Jeremy Crees, Assistant Recreation Director Denise Larson , city employees and members of the public.

Approval of Minutes

Motion by Alderperson Able and second by Alderperson Kadow to approve the minutes of the November 11, 2010 Finance Committee Meeting. Motion carried unanimously.

2011 City Budget

The Committee continued the process of examining the 2011 Executive Budget proposal. Alderman Scott McMeans prefaced the meeting by expressing his hope that moving forward the Committee would focus and work productively toward solutions and not dwell on items they cannot change nor do anything about. Alderperson McMeans then proceeded by going around the meeting table and allowing each Committee member to put forth any ideas they wanted to present for discussion. Alderperson Able brought forth a conversation regarding City debt and debt service. Alderman McMeans then summarized the budget situation and stated the amount of \$2, 082,112, equal to a 15% tax levy increase, would be needed if the goal of the Committee was to come in with a zero percent increase to the assessed tax rate. Alderperson Kadow then discussed his two resolutions in regard to city vehicle use and vehicle allowance.

Motion by Alderman Kadow, second by Alderperson Olsen to eliminate account 1100-15200-516300 Employee Auto Allowance in the amount of \$3600 in the Mayor's budget and 1100-31100-516300 Employee Auto Allowance in the amount of \$3600 in the Engineering budget from the 2011 City of Manitowoc Budget. Director of Public

Works and City Engineer Valerie Mellon spoke to the issue reminding alders that this allowance was a condition of employment at the time of hiring. A discussion of the Committee followed. Motion passed: 3 Ayes (Kadow, Olsen, Schema), 2 Nays (McMeans, Able).

Motion by Alderperson Kadow, second by Alderperson Schema to reduce account 1100-15100-511100 Salaries and Wages by \$11,050 and account 1100-15100-515100 Social Security by \$845.33 in the City Council section of the 2011 City of Manitowoc Budget in order to reduce the monthly compensation to zero (\$0.00) of the five incoming alderpersons in April of 2011. The motion would also include a reduction in the 2012 Budget of \$16,793.59 as the other five alders are elected to their terms. Motion fails: 2 Ayes (Kadow, Schema), 3 Nays (McMeans, Able, Olson).

Alderperson Schema then brought forth the following topics for discussion:

- 1) Integration of Cemetery and Park Divisions
- 2) Retirement Buyouts (Early Retirement) with elimination of positions
- 3) Distribution of Electrical Inspector duties to other departments
- 4) Reduction of Brush Pick-up to fall only

The Committee members discussed the merits of each suggestion.

Alderman Olson suggested the City bargain the employee contribution to the Wisconsin Retirement System to 50% for a savings of over \$500,000. Discussion followed as to the likelihood of being able to bargain this benefit in time as it is a mandatory subject of bargaining. Further, Alderperson Olson invited the bargaining units to offer any solutions they may have that would help in the budget process.

Alderperson McMeans provided the Committee with a list of other topics he would like to see discussed including health insurance benefits, salary and wage concessions, savings through attrition and the funding of the Downtown Facade Program, the Economic Development Corporation and Mainly Manitowoc.

The Committee proceeded to have a lengthy discussion of whether or not it was prudent to balance the budget through the reduction of line items that are subject to bargaining that may or may not be realized. The Committee also revisited the discussion of using Wastewater Treatment Fund Balance.

Alderperson Kadow suggested that the Committee recommend to the Personnel Committee to start the bargaining process with Alderperson McMeans' suggestions as direction. Discussion followed on the issue and a joint Finance/Personnel meeting was suggested by Alderperson Hennessey. As it was too late to call a joint meeting for the following day, it was suggested by Alderperson McMeans to hold the Joint Finance and Personnel Committee Meeting on Monday night.

The question of whether or not to hold the Thursday evening Finance Committee Meeting was then discussed and the meeting cancelled by Chairman McMeans.

Motion by Alderperson Olson and second by Alderperson Able to adjourn the meeting. Motion carried unanimously.

Chairperson McMeans declared the meeting adjourned at 7:07 PM.

Alderperson Scott McMeans
Chairperson
Finance Committee

By: Anthony J. Scherer
Interim Finance Director

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