

MINUTES OF THE
MANITOWOC PUBLIC LIBRARY BOARD OF TRUSTEES
COMMITTEE OF THE WHOLE
OCTOBER 8, 2012

The meeting of the Committee of the Whole was called to order in the Board Room at Manitowoc Public Library by President Linda Hunter at 3:00 p.m., Monday, October 8, 2012.

TRUSTEES PRESENT: Brandel, Gratz, Hennessey, Hunter, Kornely, Stokes, Vollendorf, and Waldron.

TRUSTEES ABSENT: Hazlewood, Holschbach, and Sczygelski

OTHERS PRESENT: Stewart, Davis, Mayor Nickels, and Steve Corbeille (Finance Director)

Stewart opened the meeting by presenting to the committee the Library's fund balance projection through 2013 would be \$115,763 (includes shortage of \$50K). This projection is using the Mayor's recommendation of balancing the 2013 budget with \$258K from the fund balance.

Stewart also presented a history of city appropriations from previous years noting a decrease of -11.49% in 2012 and proposed decrease of -6.80% for 2013.

The City Council originally had approved the library's 2012 appropriation in the amount of \$1,470,573, but the amount entered in the budget was \$1,420,573.

Trustee Stokes asked if the reduction in the 2013 appropriation was approved by the City Council. Nickels agreed that this action was not taken to the Council.

City finance director, Steve Corbeille presented to the Committee, last year's city budget and explained how it was put together, noting there was a \$50,028 difference from what Manitowoc Public Library was operating at in 2012. When Corbeille was balancing the budget after his arrival into his position in June of 2012, he found that the revenue for the Library exceeded the proposed expenses by \$50,028. At that time, Nickels and Corbeille met with Stewart and explained that they needed to transfer \$50,028 from the Library to the general fund.

Stewart commented that when she reported this transaction to the Library Board of Trustees, it was unclear if this transfer was to the Library's fund balance or to the City's fund balance.

Mayor Nickels commented that the City is still in the phase of getting the budget back in order, recommending to all city departments, "to stay lean for the next few years and we will all be much better." He stated "we have hit the lowest point by far."

Trustee Gratz was concerned as to what will happen to our reserves after 2013, "leaving us in a real hole for next year". Corbeille recommended the appropriate amount for reserves should be somewhere around 15% of your total budget. Corbeille also stated in the event of a significant outlay the City of Manitowoc would be responsible for any financial shortfall.

The document presented by Stewart calculated that if the \$258K is used from the fund balance in 2013, an 18.88% increase in appropriation would be necessary in 2014 to cover the gap.

Mayor Nickels commented that he could not make any guarantees for 2014 since he might not even be in office. He also mentioned that 2013 is the largest year of debt repayment ever for the city of Manitowoc. Trustee Hennessey commented that for the past ten years there has been no property tax increase; but felt there should have been at least a slight increase.

Mayor Nickels commented that it would be appropriate to bring these issues to the Finance Committee of the Common Council.

There being no further business to come before the Committee, a motion was made by Brandel, seconded by Kornely, to adjourn. Motion carried. The meeting adjourned at 3:59 p.m.

Respectfully submitted,

Mary Davis, Recording Secretary