

FINANCE COMMITTEE MINUTES  
October 29, 2012  
City Hall – 1<sup>st</sup> Floor Conference Room #111 - West

Finance Chairperson Scott McMeans called the meeting to order at 5:00 PM

Present: Alderpersons Scott McMeans, Christopher Able (6:20 PM), James Brey (5:14 – 6:26 PM), Collin Braunel & Eric Sitkiewitz

Absent: None

Also Present: Finance Director/Treasurer Steve Corbeille, Assistant Finance Director/Treasurer Tony Scherer, Police Chief Oscar Dick, Fire Chief Bill Manis, Deputy Fire Chief Todd Blaser, Deputy Fire Chief Gregg Kadow, Emergency Government Coordinator Tim Herzog, Library Director Cheryl Stewart, Rahr-West Art Museum Director Greg Vadney (5:10 PM), Director of Public Works & City Engineer Val Mellon, Deputy City Engineer Greg Minikel, Engineering Administrative Assistant Karen Dorow, Manitowoc Marina President & CEO Rich Larsen, HTR Reporter Charlie Mathews, other city employees and members of the public.

**Approval of Minutes**

Motion by Alderperson Sitkiewitz, second by Alderperson Braunel to approve the minutes of October 29th, 2012 Finance Committee meeting. Motion carried unanimously (3-0).

**Public Input**

No public input was presented.

**2013 Proposed Budget - Marina Requests**

Alderman McMeans invited Manitowoc Marina President & CEO Rich Larsen to the table. Mr. Larsen presented the Committee with a sheet of information showing the repair schedules based on \$15,000, \$25,000 & \$35,000 funding levels for marina maintenance. The spreadsheet went into further detail describing future maintenance and capital repair costs for buildings, docks and dredging. The Committee discussed the projects brought forth by Mr. Larsen as well as possible liability issues as they relate to the docks and the shared maintenance responsibilities of the City and Manitowoc Marina.

**2013 Proposed Budget – Capital Requests and Bonding Levels**

Finance Director/Treasurer Steve Corbeille supplied the Committee with information on the evaluation and ranking of the 2013 proposed capital projects by department heads. Corbeille described in some detail the process followed and the outcomes of the numerous meetings with the managers. In his presentation he covered debt service levels, some of the reasons behind the outcomes and the use of an “end-of-life” fund for smaller items.

Alderson Braunel asked how the process worked from an internal standpoint and what the active participants thought of the methodology. Finance Director Corbeille then invited department heads (participants in the process) to speak to Alder Braunel's question. Rahr-West Art Museum Director Greg Vadney and Police Chief Oscar Dick both spoke highly of the process. The Committee asked a number of questions and discussed both the ranking process and projects.

Finance Director Corbeille then discussed a long term plan that would invert the operations to debt levy ratio. To accomplish this, the City would borrow less over time while utilizing savings in debt service to acquire capital projects on a pay-as-you-go basis. Combined with modest increases to the tax levy, the City would be able to reduce debt levels while increasing the City's investment in infrastructure.

The Committee then discussed the list of capital projects as presented by management for consideration. The Committee made no decisions on capital projects or borrowing at this time.

### **Presentation and Discussion Regarding Room Tax**

The Finance Director passed out information showing the 2013 budgeted revenues and expenses associated with the room tax. In addition, he provided information displaying the fund's expenses in each account for the last five (5) years. The last piece of information demonstrated the designated balances within the fund. The Committee followed up with a brief discussion. Committee members were unsure of the plan or process for approval and use of the additional revenues generated by the 2% room tax increase. It was suggested by Alderman McMeans to invite the Mayor to report on this issue to the Committee.

### **2013 Proposed City Budget – Other Related Issues**

Alderson McMeans started the discussion by recommending that a number of items in the Fire Department Budget be considered for reinstatement into the 2013 Budget. Alderson Brey stated that he would not support the closing of a fire station in order to solve the funding issues within the Fire Department. The Committee discussed a number of issues and options available to attain the level of funding in the Mayor's proposed budget. Alderson McMeans stated that due to the FEMA grant running over two years, he would like to see a two year solution to the issue due to the fact that carry-forwards from 2012 to 2013 may not be available from 2013 to 2014. Chief Manis spoke to the issues and again provided his revised solutions to the defunding.

Alderson McMeans then brought up the topic of breathing apparatus/air maintenance, removed from the proposed budget. A short discussion followed.

Motion by Alderson McMeans, second by Alderson Braunel to restore \$7,000 to account 1100-22100-534960 for breathing air maintenance. Motion carried unanimously (5-0).

Alderson McMeans and the Committee then discussed a number of other Fire Department issues with the Chief.

Motion by Alderson McMeans, second by Alderson Able to restore \$673 to account 1100-22100-514600 for employee physicals (stress tests). Motion carried unanimously (5-0).

Alderman Able then brought up the elimination of revenues from the budget for downtown snow removal. The Committee discussed the aspects that make up the removal of snow from the downtown area including: DPW & contracted equipment, assessment rates, timely removal prior to the holidays, how the issue relates to the Business Process Improvement (BPI) plan and the history of the service. Alderman Able requested further information (2-3 years) relating to the cost of providing the downtown snow removal service.

The Committee set up the next meeting date for Monday, November 5<sup>th</sup>, 2012 at 5:00 PM.

Motion by Alderperson Sitkiewitz, second by Alderperson Braunel to adjourn. Motion carried unanimously. Chairman McMeans declared the meeting adjourned at 7:06 PM.

Respectfully Submitted,

Alderman Scott McMeans  
By: Anthony Scherer  
Assistant Finance Director

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