

MINUTES

SHEBOYGAN COMMON COUNCIL

COMMITTEE OF THE WHOLE - MONDAY NOVEMBER 21, 2011

The meeting was called to order by Chairman Bohren at 8:55 p.m.

Aldermen present: Boeldt, Bohren, Carlson, Hammen, Hammond, Heidemann, Kath, Kittelson, Matichek, Roeseler, Sampson, VanAkkeren, VanderWeele, Versey.

Aldermen excused: Dekker

The Pledge of Allegiance was recited by all.

Approval of minutes of 11/16/2011. Roeseler/Versey. All Ayes. Motion carried.

Public Forum: 1. Dolyce Johnson – 1306 North 3rd Street – Sheboygan 2. Chase Longmiller – 2611 Rolling Meadows Drive – Sheboygan.

Chairman's Comments – He stated we will have Jim Amodeo give an update on the Budget/Questions and then turn the meeting over to Ald. Hammond for some budget scenarios for 2012.

Jim Amodeo gave an overview of the budget situation – 950,000 shortfall – since then a few things have happened – primary/recall elections have added 80,000 – airport prep site added 100,000. Public Works Director will not be replaced and that is about 125,000 with benefits. Fire Dept. mechanic will save about 80,000. Public Works organization has been shuffled around with 4 supervisors retiring that added savings of 270,000. For 2012 this gives us a shortfall of 585,000. With 37 people retiring from the city that will be an impact of about 800,000. Ordinance asks for 18% of the General fund to be Reserve Balance. We need to keep our bond rating up. The only thing hanging out there is Police Patrol – 230,000. Will settle this early part of next year.

Ald. Kath asked if we have the estimate on the garbage yet – Amodeo stated that will be in on Wed.

Ald. Hammond stated these will not be easy decisions - bantered around many – increases in fees and taxes – no low hanging fruit left , therefore this cuts to the core of services. He then offered up the following suggestions: 1. Elimination of Emergency City Dispatch by turning it over to the county completely. This costs the city 1.1 million dollars. The city would realize 350,000 in savings. 2. Reduce funding to the Library by 250,000. 3. Reduce funding to the Police Department by 150,000. 4. Privatize garbage for a savings of 1.6 million. (money for new garbage trucks would come from the MV Fund). A \$3-5 equipment replacement fee to Motor Vehicle fund and sunset the fee. The top 3 options would be 700,000 in savings. Fee for service should be paid by everyone. That is where we are at not only to fill the hole this year, but into the future.

Ald. Bohren stated in lieu of a garbage couldn't we look at increasing rates to be paid back into the Motor Vehicle Fund? What could we expect? Amodeo answered 90% of costs go to General Fund. For 2010 – 3.1 million as a reserve balance. We used 600,000 from that fund in 2011 leaving 2.5 million as a reserve. For 2012 we used 400,000 to fund operations bringing the fund down to 2.1 million. Replacing garbage trucks would bring the fund down to a zero balance. Ald. Bohren asked how much is going into the MV Fund – Amodeo answered 1.6 million with 2 million on the expense side.

Ald. Bohren stated one part of government is to run dispatch – state funds go to the county as provider of dispatch. They are recognized by the state as the provider of this service. We have tried many years to combine dispatch. I see this as an opportunity to give this to the county on July 1st. This is no reflection on the city, but not a service we have to provide.

Ald. Roeseler stated that we still have to pay people at the city to do dispatch. We won't have quite the savings and services will suffer. This is a slap in the face to those who have worked on this. Ald. Bohren stated that we are going nowhere with this. Ald. Hammond stated that it doesn't look like this is anything that could happen – maybe we are framing the argument wrong – it should be which unit of government will take it over. I have dedicated a portion of my time to this project and it is going nowhere. Ald. Roeseler asked if we could open the floor up to the Police Chief – we cannot micromanage their department – What is his thought on this? The Police Chief stated that the biggest problem is no one has looked into this – we can't pull an answer out of a hat. Not opposed to giving a better service to the county, but not in this short of a time frame. Ald. Roeseler asked if we could get rid of dispatch at the city completely. The Police Chief replied that we would still have to take calls at the city and do other administrative type jobs. Ald. Bohren asked about how other counties take on dispatch. The Police Chief responded that Milwaukee County has its own dispatch center and that most issues are worked out in a collaborative manner. Ald. Hammond asked about the 911 calls and the response time. The Police Chief stated these would be details we would have to work out. Ald. Roeseler then apologized to the Police Chief for putting him on the spot. Ald. Bohren spoke of the frustration on the people on the committee on a topic that has been debated for 40 years. It seems it won't happen, it just stays this way – it is not fair. Ald. Kittelson stated that she would disagree with Ald. Bohren's statements and that the committee is making progress in making joint dispatch a reality. At the last city/county shared services meeting she felt most people were on board with idea and that we would proceed to go forward. Ald. Carlson stated it is time to cut the cord and that he supports getting rid of it.

A motion was made by Ald. Bohren and seconded by Ald. Hammen to get out of the Emergency Dispatch Business and send it to the County by July 1st, 2012.

Under further discussion – Ald. Roeseler stated he would like to contain himself, however this is the first he has heard about this after some secret meetings. We don't know if we will save any money by doing this. We need to study this further. It is disappointing to say the least. Ald. Hammond stated he understands where Ald. Roeseler is coming from. Ald. Roeseler said that all stakeholders need to be involved in this process – we cannot rush this along. We don't know the ramifications of all of this. We would combine for effective and efficient service. We don't know if there would be any savings here. Ald. Bohren said there would be 340,000 in savings. We need to get out by July 1st. Ald. Roeseler again stated that we do not know about these things. We cannot get out of dispatch 100%. We are trying to micromanage a department by doing this. The Chief knows how to run his department. This is too big to decide this way. The state only makes recommendations. Ald. Van Akkeren stated that he is employed at the Sheriff's Department and it would be inappropriate for him to vote on this. He would need to abstain. Ald. Hammen stated that this seems like a drastic measure – keep kicking the can down the road – this forces the issue. Doesn't sound good to keep dragging our feet some more. Ald. Matichek stated that he agreed with Ald. Roeseler that we need to hear more on this before we decide.

Discussion ended and vote on Dispatch issue was taken at this time. 10 Ayes. 2 No's. 2 Abstentions. Motion carried.

On to Discussion on cutting Library Funding. Ald. Roeseler stated that the Library is important and he can't support cutting the funding. Ald. Bohren stated that the Library has been a good steward of money and he cannot support cutting its funding. Ald. Versey said his constituents want the Library – he won't support cutting the Library. Ald. Hammond said the Library has been a sacred cow – where will we fill the hole – we can't raise taxes. Ald. Roeseler stated that we have to let the people know we can't raise taxes.

A motion was then made by Ald. Roeseler and seconded by Ald. VanAkkeren to keep garbage pickup in house and charge a \$5 fee per month per household garbage stop and to place that fee on the water bill.

Discussion began on the garbage issue. Ald. Hammond wants a fee for equipment and a sunset clause for the fee. Ald. Roeseler said we can take the money out of the Motor Vehicle Fund right now and we can settle this. Ald. Boeldt asked how many garbage trucks do we have and how many will we have to purchase. Dave Biebel from Public Works talked about the garbage operation going forward and potential of looking at the used market for purchase of garbage trucks. More discussion with aldermen on the garbage issue. Most don't like charging a fee, but feel it is something that is reasonable. We can do it cheaper than privatizing. Once we put in a fee it is hard to take away. The city charging a fee is just the same as a private company charging a fee. Ald. Heidemann can't support privatizing garbage, but can't support the fee. More discussion on the fee and whether or not to privatize. Ald. Carlson supports privatizing the garbage. Take the 1.6 million and pay for other services. Don't have a lot of options here – fees can go up either by the city or privately. The Mayor weighed in here: 1. We privatize and contract with 1 company. 2. No options to people for pickup. 3. Tags are another issue. 4. If you have a sunset fee it will always come back. Cost of doing business never goes down. Tough decisions need to be made – not just bits and pieces. Ald. VanAkkeren stated that we don't know the quality of the service that we will get in the future if we privatize. If kept in house, we supply the service as cheaply and as efficiently as possible. Ald. Bohren stated he hasn't heard from 1 person who supports private garbage pickup. We have money for the trucks and we have the ability to become creative in the Public Works Department. Ald. Carlson said cuts will not make people happy. Look past the fear of privatizing garbage – we are just adding additional fees. We need a giant band-aid right now.

Vote taken not to outsource garbage, but charge a \$5 fee. 4 Ayes. 10 No's. Motion fails.

Motion made not to outsource garbage or charge a fee. Bohren/Heidemann. 7 Ayes. 7 No's. Motion fails.

More discussion held on other ideas. Ald. Kath asked about not giving merit raises. There are 37 retirees – use that money. Director Amodeo stated we have 17 million dollar salary budget. 340,000 equals merit raises. ½ of that is negotiated thru union contracts. Ald. Kath asked him if he had any other ideas. He stated we could close a fire station. Reduce hours at city hall from 40 to 35. Don't know what else to do other than cutting services. We have to do the right thing for the city. We don't have the ability to raise taxes. Policy decisions are yours to make. We need to unite. We are going nowhere fast. Ald. Bohren asked about a 35 hour work week – what would we save? Ald. Hammond wanted more discussion the Motor Vehicle Fund and how to make it work.

Ald. Versey started the discussion on what to do – it's simple math. Go back to DPW, Police Dept., Fire Dept. and Library. This is how we have to trim – hard numbers we are looking at. Ald. Sampson stated we have to reconsider everything.

At this time a motion was made by Ald. Carlson, second by Ald. VanAkkeren to cut the Library fund by 150,000.

Under discussion, Library Director Sharon Winkle was asked to share some thoughts on what the effect would be to the Library if funding were cut. She did not have any hard figures, but stated they would be looking at service cuts with decreased funding. We are not talking a short term situation here. Request for services are going up by about 2%. Ald. Bohren asked about the 7% less than the Maintenance of Effort that we used to fund the Library at. Ald. Carlson asked if services were prioritized at the Library. Director Winkle stated that we would look at each service and trim from there. Ald. Carlson asked if this would be a short term fix, this gives you a year to plan for next year's budget. The Library is 1.5 million dollars in salaries – have any pay cuts been considered? Director Winkle stated a salary survey would be taken next year and salaries would be looked at – she was not aware that a pay cut was in order – didn't have a salary increase in 2011. Going back to answering Ald. Bohren's question, for 2012, they were 7.8% below the Maintenance of Effort, which equated to 203,000 dollars less. This has been a restructuring time for the Library.

Ald. Kath asked if the \$5 fee for garbage would cover the budget hole? Ald. VanAkkeren agreed that it would. Ald. Hammond said we need to look at the basics – increase revenue and decrease expenses – unwillingly to look at cuts- math won't work – very difficult decisions to make.

Vote was taken here on decreasing the Library fund by 150,000. 6 Ayes. 8 No's. Motion Fails.

More discussion held – Ald. Versey said we should just give each Dept. Head this amount of money and say here's your budget – make it work.

Motion made by Ald. Versey for a General fund cut to the Fire Department of \$230,000 with a second by Ald. Sampson

More discussion by Ald. Versey – don't bring back all 6 firefighters that are retiring – will have less to spend in the budget. Ald. VanAkkeren said he couldn't support reducing public safety. Ald. Versey continued we have to look at financial facts here, not the emotional side of things. We have to think rationally with the money. Ald. Bohren then asked the Fire Chief what he would do. The Fire Chief stated that you cannot put a cost several items – he talked about the circle map and the location of the fire stations. Remembering to last summer and how the closing of a fire house caused the citizens to react. We cannot make that decision in one night.

Vote taken here to cut the Fire Department by \$230,000. 5 Ayes. 9 No's. Motion Fails.

Motion made by Ald. Boeldt stating we should just tell all the departments to cut their budget by \$200,000 – can we do it? Cut every department across the board. Director Ron McDonald from Transit stated that move could close down Transit because of Federal funding. Ald. Bohren stated that if Police Patrol would have ratified their contract we would have the 230,000. Everyone else stepped up to the plate – we should make a motion to cut 230,000 from the Police Department. Ald. Carlson stated that getting rid of city dispatch and garbage would give us the 1.9 million dollars that we need. This would be the best option – the rest will get us nowhere - it is too much to ask for right now. Ald. Van Akkeren agreed, but by going back to the garbage issue by keeping it in house and attaching a fee would solve our issue. Ald. Boeldt states if we get out of garbage, we lose control. People don't want a surplus of money and they don't want to privatize garbage. Ald. Hammen took too many phone calls from people who do not want to privatize garbage and we do not have a cost on that as of yet.

A motion was made here by Ald. VanAkkeren and second by Ald. Roeseler to keep garbage in house and charge a \$5 monthly fee.

Under discussion Ald. Matichek said that most everyone he has talked to would pay a fee for garbage and that we should keep it in house. Ald. Hammen said he keeps hearing over and over to put the cost on the tax bill, but we cannot do that. Ald. Carlson stated that by doing this, we are paying for other services.

Ald. Boeldt called the question and the vote was taken. 7 Ayes. 7 No's. Motion Fails.

The Mayor stated that on privatizing the garbage we would bid on exactly the same service that we have already. Nothing would change in that bid. It would be a seamless change.

There being no further business, the meeting was adjourned at 11:50 p.m. Roeseler/Boeldt. All Ayes. Motion carried.

Respectfully submitted by Alderman Jean Kittelson – 3rd District – City of Sheboygan.