FINANCE, BUDGET AND PERSONNEL COMMITTEE
MINUTES OF FEBRUARY 5, 2008

Meeting called to order by Chairperson Buttke at 5:30 p.m., in the Common Council Chambers, City Hall Plaza.
PRESENT: Alanna Feddick, Trish Siegler, Pete Hendler, John Spiros and Tom Buttke
ABSENT: None
ALSO PRESENT: Alderpersons Wagner, Krueger, Feirer, Kraus and Hansen, Administrator Brehm, Mayor Meyers and City Personnel (Keith Strey, Brenda Hanson, Joe Stroik Lorrie Krokstrom, Dan Knoeck, Josh Mauritz, Ed Englehart and Deb Hall).

FBP08-011 Motion by Feddick, second by Spiros to approve the bills in the amount of $757,088.09 as recommended by the Finance Director. All Ayes
Motion carried

FBP08-012 Motion by Spiros, second by Hendler to accept and place on file the Monthly Position Control Status Report of January 31, 2008. All Ayes
Motion carried

FBP08-013 Motion by Hendler, second by Spiros to approve Payroll Resolution No. 2008-02, increasing the clothing allowance to $500 annually for eligible non-represented staff. All Ayes
Motion carried

Severance Pay Policy
City Administrator Brehm explained that the City of Marshfield does not have a formal severance pay policy. As a result of recent permanent layoffs of several positions by the Common Council several Alderpersons have requested that the city's Finance, Budget and Personnel Committee discuss this topic. Sevens different governmental agencies responded to his question as to what types of severance packages they might have for both their non-represented and represented employees. All seven stated that they offered no severance pay to their employees but some did have severance pay for the position of City/Village Administrator only. Others paid out accrued vacation and in some cases unused sick leave. The City of Marshfield also pays out any unused/accrued vacation, and in some instances sick leave, if an employee qualifies, but there is no severance pay for any employee except for the position of City Administrator. Severance pay for the city's represented employees would be a mandatory subject of bargaining. For organizations in the private sector that offer severance pay, it is typically based upon years of service. Employers also consider an employee's position and their pay.

Alderperson Siegler said she requested this item be placed on the agenda. We have non-represented employees who, through no fault of their own, may be subject to budgetary decisions or other decisions made by the council. This is not a benefit that a typical employee would receive. It is something that provides maybe some reassurance or sense of security through unexpected means they would lose their position due to a council decision. It does offer well-being and a sense of security to our professional staff. It is not something to be taken lightly. We need to look at how it would be applied if we go this route. When discussing sick time or vacation time, those are earned dollars. So if an employee were to receive those because they left service due to no fault of their own that is something that they have already earned so it doesn't count as severance.

Alderperson Feddick commented that while she doesn't have a problem exploring this, she is a little reluctant only because certainly an employee could with unemployment, depending on their years of service, make more than they would with a severance package. This will take some more exploring and some more information on that; at what level; for how long and what we are going to do.

Alderperson Spiros is not in favor of this. Being in the private sector, there is no guarantee of severance. When you look at a city, he doesn't see severance fitting in a city. Coming into a city, you know that it is all budgetary, it is based on taxes, you know what you are dealing with and you know that any point something can change. He is willing to listen to more information but even with more information he would probably keep the same stance and not vote for this.

Alderperson Hendler does not have enough information at this point to make an informed decision. There are certain items that are given to professionals if there are budgetary cuts. Private or public, there are options to professionals.

The committee would like to receive more information on this subject. Specifically:

1. Check with the League of Wisconsin Municipalities
2. Check with other municipalities similar to our size or even larger to see if they have a policy and get a copy of it.

Evaluation of Personnel Staffing Levels

City Administrator Brehm said that the City of Marshfield does not have a formal process that evaluates personnel staffing levels. Previous requests for reviews came from members of the Common Council or the Finance, Budget and Personnel Committee requesting staff to do a comprehensive analysis either internally or externally. New position requests are required to be formally analyzed prior to Common Council consideration. The replacement of vacant positions, for whatever reason that staffing has become vacant, was automatically filled in the past. As a result of a 2003 Personnel Study, the Finance Committee and ultimately the Common Council indicated that they were not going to automatically fill those existing vacant positions, that now even those positions must be justified on a case by case basis. In recent budget deliberations, there has been some intense discussion by and amongst Common Council members and staff on proposed position eliminations and/or consolidations. Several alderpersons and himself have made the comment that from the perspective of timing, the budget process isn't necessarily the ideal way to go. If they are looking at numbers of positions for consideration then perhaps a different period of the city's fiscal year would be more appropriate so that when you are going into budget deliberations and discussions you would at least know what levels of service you would want and the level of positions to meet those service levels.

He is not sure what will satisfy the Common Council as to what they feel is an adequate evaluation of staffing levels. All of us are looking at ways to measure that. You can get comparisons in different ways but is the end result acceptable by all parties. That is where the difference lies. Elected officials may have a different perception as to what adequate staffing levels are than what staff has. The Common Council makes that ultimate decision as the elected body.

The committee discussed this item and felt that this should be addressed by the Budget subcommittee.

Administrator Brehm responded that the subcommittee did touch on this lightly at their last meeting and he will have them discuss it again at their next meeting.

Capital Improvement Program (CIP) Development

Alderperson Kraus presented his recommended changes to the Capital Improvement Program Development Policy 4.330. This is one way that we can do business different than what we have been doing in the past. It does draw from some other cities, programs that they have. He just did not think

this up on a whim. He did do his homework and that is why he is putting it forward. He feels that it is better for the City of Marshfield and it gives us a change in the way we do business and hopefully gives us a better outlook and acceptance through the whole process.

Administrator Brehm commented on the proposed changes as presented by Alderperson Kraus. It appears that some of the issues pertain to the meeting times and the availability of the public to provide input or to also have time in their work days to participate or attend the meetings. Public participation could be enhanced by televising these meetings live and also broadcasting them subsequent to the live broadcast. Any changes, other than meeting schedules, should be effective for the next CIP process in that the current process is well on its way.

Alderperson Feirer asked Alderperson Kraus how he can make these recommended changes when he has never attended a CIP meeting. Regarding Section II (D), what makes the difference between the four alderpersons that he wants to elect because you elect the President of the Council, you also elect the Chairperson to the Board of Public Works and the Finance Committee. You also elect the position to the Plan Commission. If you have faith in those people to elect those people than why can't you move them in to the CIP? If you ever attend these meetings, you will find out that staff has got a very integral part in making this whole thing work. We, as alderpersons are qualified to appoint but we are not qualified to put this plan together and implement it. Having worked with the staff in the last 6 CIP's, he doesn't understand why he would want to change the Administrative Section of the CIP Committee. If you want to change the times, how you do it and when, he doesn't have a problem with that. But leave the staff intact. They are the ones that are the meat of this committee. There is nothing wrong with the CIP; it is not broke so why are we fixing it.

Alderperson Kraus responded that what this does, is the Council who approves the final CIP plan, it gives them an earlier buy in to understand these projects. Staff will still have a very integral part in the whole process because they are the ones making the requests.

Mayor Meyers said that the purpose for having a CIP Administrative Committee can be found in the policy statement. The purpose of the capital improvement program is to provide an authoritative decision-making process for the evaluation, selection, and multi-year scheduling of public physical improvements based on a projection of available fiscal resources and the community's priorities. When you break that down, the authoritative decision-making process, when it comes to capital projects for each particular department the real authority is those departments. You take another section of the policy statement, projection of available fiscal resources, who does that fall on? That falls on the Administrator and the Finance Director and now they are not going to be a part of this administrative committee, they are merely going to be a resource. Another part is community's priorities. Now this involves the alderpersons. The alderpersons know better than anybody else what their constituents want from the city and what their priorities ought to be. So it justifies having some alderpersons on the committee. When it comes down to the objectives, the key really is the timely renewal and extension of the City's physical plant. City staff, department heads and the Administrator are best at making these recommendations. It is a conduit between the Comprehensive Plan itself, how we are going to spend our capital projects to make improvements to follow the Comprehensive Plan and what the actual annual budget process really is. This one involves everybody. That involves the department heads, City Administrator and the Council. When it comes down to the makeup of the committee, the makeup has been changed along the way. The Council elects the Council President, the chairperson of Finance and Public Works and they also elect the member of the Plan Commission. The makeup that is being proposed really is not different, so the change is not so far out of line but it's just the one that is in place

right now has people who are elected by their peers and are considered prestigious positions on the Council. He doesn't know why the Mayor wouldn't be a member that could vote because he is a member of the Common Council. There are as many as six members of this Common Council who have never been to a CIP Committee meeting so you can not even suggest that you know how the CIP process works. As far as the time of the meetings, there are many committees that meet in the morning including Main Street, Industrial Park Authority, MEDA, etc . So it is a matter of rescheduling to accommodate what you feel is important. It goes back to the question, this need for change, for what? For the sake of making change or it there a logical reason to change the CIP process from the way it is now.

Alderperson Siegler appreciates Alderperson Kraus's suggestions. She doesn't feel that the CIP process is broken but it can be enhanced. We need to be cognizant of public awareness and public participation. Switching up the meeting times and televising the meetings might assist in that a little bit. She sees no value in switching up the committee and lowering the dollar amount. By decreasing the dollar amount to $5,000 we are just adding another volume of projects that really are not adding any value to the process. It just means that we are micromanaging further than the budget process already handles. This is a working committee to make up a list of projects for the next five years that goes before the Board of Public Works and the Council to be voted on. It is a continual process. The biggest thing that we are missing is that we are not seeking Council input prior to these projects being looked at. She does have a major concern about removing staff from this committee. The staff has the knowledge base. To say that we don't need that active participation to the level that a committee would participate in is naive.

Alderperson Spiros has been through three budget sessions and it seems like the CIP issues continually come up. They are told that if they don't like the process that they should go to the meetings or change the process. The times definitely need to be changed. He doesn't disagree with some of the recommendations. What is so bad about having some other alderpersons taking a look at this?

Alderperson Feddick agrees with staff involvement. She doesn't know that the intent was to remove staff. Staff is vital to the process. However, she does have a concern about the times of the meetings. We need to make changes to the process. Every year she hears that the CIP is a plan and than it gets to a point where the CIP is no longer a plan and it is set in stone. At what point is it set into stone or maybe it never really does. But it appears that we have certain parameters than we exceed the parameters in borrowing and then the CIP gets passed by the committees and than it goes to the Council. She is concerned about the process in general and it needs to be looked at. She feels that this needs to go to the Council for further discussion.

Alderperson Hendler said that trying to make comparisons is very difficult for him. He does see good points on both sides. Obviously there is enough concern that we need to look at the process. He proposed forming a conference committee that would work out the difference spots and know the pros and cons. In this particular proposal he doesn't want to go down below $10,000. That would add a huge layer of bureaucracy to the whole thing. So there are some concerns that he has in this thing too but it is also quite evident to him that there is a problem with the process. What we are trying to do here tonight is come to some sort of consensus. What can we do to fix it, to improve it that we can all agree upon in order to go forward. He would like the entire Council discuss this issue.

Alderperson Wagner commented that the only valid point that he liked in Alderperson Kraus's proposal is making sure that the CIP Committee that actually votes on what goes to the Council is the people who are elected by the public to vote. Staff is not elected by the public to vote. People who have the responsibility are the ones that should vote. Staff should be ex-officio members of that committee in the sense that they can participate in it because they know what those projects are better than anyone of the alderpersons. But they do not have the right to vote on budgetary matters. Only the members of the Council have that right.

Alderperson Buttke said that he takes issue with the statements that the CIP process needs to be fixed, that there is something wrong with it. There are little things that we can do and some things have been mentioned in previous comments. But how can you say that it is not right when you have not attended a meeting. He is not putting blame on anyone because we all have many things going on in our lives. But he asked everyone to attend a meeting first and than be critical of it and go from there. But how can you say that something is broke when you have not attended a meeting.

Administrator Brehm stated that one of the primary basis for which staff uses to put together this CIP is the City's Comprehensive Plan. This is a conduit from several other different plans, including the downtown plan and so on. The Comprehensive Plan is really the core basis for a lot of these requests and it has had input from many citizens as well as other elected officials. This is a fluid plan. Every year when you get the new five-year projections you will see that there are projects that are different and dollar amounts that are different. It becomes cast in stone when it is considered by the Common Council for adoption into the annual budget. That part of the plan than becomes the stone part and the other 3 years are still flexible. This item is before the Finance Committee because this is one of their responsibilities per city code. This committee deals with finances and the budget.

When this document is ultimately approved it should be voted on only by the Common Council. There are staff members on the Plan Commission and Industrial Park Authority that are members of those committees and they vote. This CIP Administrative Committee is just that. It is an Administrative Committee that makes recommendations. The final product and how you want it is the responsibility of the Common Council, the elected officials of the City.

FBP08-014 Motion by Hendler, second by Feddick to send this item to the Common Council. Buttke and Siegler voted Naye; Feddick, Spiros and Hendler voted Aye.
Motion carried

Motion by Feddick, second by Spiros to adjourn at 7:12 p.m.
Motion carried

Deb M. Hall
City Clerk