

CITY OF SHEBOYGAN

FINANCE AND PERSONNEL COMMITTEE

AUGUST 14, 2017

Vice-Chair Bohren called the meeting to order at 4: 00 p.m. The Pledge of Allegiance followed.

COMMITTEE MEMBERS PRESENT:

Vice-Chair Jim Bohren, Alderpersons Ron Rindfleisch, Andy Ross and Todd Wolf

COMMITTEE MEMBERS EXCUSED:

Chair Mary Lynne Donohue

STAFF/OFFICIALS PRESENT:

Mayor Michael Vandersteen, Alderperson Ryan Sorenson, City Attorney Charles Adams, City Administrator Darrell Hofland, Director of Public Works David Biebel, Finance Director Nancy Buss, Director of Planning and Development Chad Pelishek, Director of Information Technology Greg Vertelka, Director of Transit and Parking Derek Muench, Mead Library Business Manager Debra D'Amico, Neighborhood/Development Planner Nancy Maring, Budget Analyst Carrie Arenz

MINUTES

Motion by Alderperson Wolf, seconded by Alderperson Rindfleisch to approve the minutes of July 24, 2017. Motion carried.

ITEMS FOR DISCUSSION AND POSSIBLE ACTION

3.1 PRIORITY BASED BUDGETING: A web-based informational session by Chris Fabian of the Center for Priority Based Budgeting and Resource X was presented. The Center for Priority Based Budgeting began operations in 2008 and is well recognized by the International City/County Management Association, Government Finance Officers Association and National League of Cities. They have implemented Priority Based Budgeting, or PBB, in over 170 cities in the United States and Canada. In Wisconsin, the CPBB has implemented PBB in the counties of Marathon and Washington as well as the cities of Janesville and Monroe. A

PBB program allows the unit to maximize limited financial resources to achieve their best output. The program can free up funds for resource re-allocation and stabilize the city's budget. This program increases partnerships in both the public and private sector. PBB is often used in times of financial crisis, but can be an effective tool when economic factors are not driving the implementation. Every program offered by the the city is evaluated, rated and divided into one of four quartiles. The first two quartiles contain the highest priority programs requiring extensive city resources. The last two quartiles include lower priority services. The program requires approximately six months to implement with an initial cost of \$30,000 plus annual maintenance costs of \$20,000. Discussion began regarding the cost and comparison of PBB implementation in cities with more similarities to Sheboygan. Alderperson Bohren asked for Darrell Hofland's recommendation relative to implementation of a PBB program. Mr. Hofland indicated that typically communities anticipating a financial crisis will utilize a PBB tool. Concerns about the amount of staff time requirements and costs to implement this type of program were discussed. It was recommended to focus on the current strategic plan.

Motion by Alderperson Wolf, seconded by Alderperson Ross to file. Motion carried.

#### CLOSED SESSION

Motion by Alderperson Wolf, seconded by Alderperson Rindfleisch to convene in closed session under the exemption provided in Sec. 19.85 (1)(e) of the Wis. Stats., where competitive and bargaining reasons require a closed session related to possible sale of land in the Sheboygan Business Center. AYE: Alderpersons Bohren, Rindfleisch, Ross, Wolf. Motion carried.

Motion by Alderperson Wolf, seconded by Alderperson Rindfleisch to convene in open session. AYE: Alderperson Bohren, Rindfleisch, Ross, Wolf. Motion carried.

#### OPEN SESSION

3.2 RES 51 - 17 - 18 / AUGUST 7, 2017 / DOC  
5.2:

Resolution authorizing entering into a collaboration agreement and memorandum of understanding with the City of Sheboygan, Sheboygan Housing Authority and Plymouth Housing Authority for the completion of the 2019 - 2023 Assessment of Fair Housing. The U.S Department of Housing and Urban Development, HUD, requires a review of fair housing to be completed every five years. HUD has changed the evaluation process, resulting in which City staff thinks a regional study approach, including the Plymouth Housing Authority, would be efficient.

Motion by Alderperson Wolf, seconded by Alderperson Rindfleisch to recommend the Common Council approve. Motion carried.

3.3 RES 54 - 17 - 18 / AUGUST 7, 2017 / DOC

5.3:

Resolution to authorize establishing an appropriation in the 2017 Budget for engineering and TID planning services. The preliminary engineering services are required for the expansion of the Sheboygan Business Center. Funds are required to establish the new TID district including the new Industrial Park, Indiana Avenue development and amendment to TID 14, which contains the Meijer development.

Motion by Alderperson Wolf, seconded by Alderperson Ross

to recommend the Common Council approve. Motion carried.

3.4 RES 52 - 17 - 18 / AUGUST 7, 2017 / DOC

5.4: Resolution approving the Option to Purchase 15.077 acres of industrial park land in the amount of \$411,602.10 between Jim Zemzonak and Kevin Dretzka and the City of Sheboygan,

3.5 RES 53 - 17 - 18 / AUGUST 7, 2017 / DOC

5.5: Resolution approving the Option of Purchase 73.257 acres of industrial park land in the amount of \$1,999,916.10 between Wilson Land Holdings, LLC and the City of Sheboygan: Chad Pelishek explained that Mr. Zemezoznak and Mr. Dretzka are the owners of Wilson Land Holdings, LLC causing discussion and action relative to these two agenda items to be combined.

Motion by Alderperson Wolf, seconded by Alderperson Rindfleisch to recommend the Common Council approve. Motion carried.

3.6 RES XX- 17 - 18 BY ALDERPERSONS DONOHUE AND BOHREN: Resolution to authorize establishing an appropriation in the 2017 Budget Information and Technology Capital Improvements. Greg Vertelka discussed the funds approved in the 2018 Capital Improvement Program for the creation of a backup data center. The City Hall renovation project requires creation of a backup data center to be utilized during the relocation process. After renovation, the backup data center will remain in use while the main data center returns to its location at City Hall. This request does not alter the amount of funds requested, it only expedites the usage of the funds.

Motion by Alderperson Rindfleisch, seconded by Alderperson Ross to recommend the Common Council approve. Motion carried.

3.7 CREDIT OR DEBIT CARD POLICY: The 2013 Credit/Debit card policy determines that all fees realized are to be paid by the user. The MUNIS system and the providers of credit services do not offer a method to return fees back to the user. Nancy Buss requested the opportunity to investigate alternative credit/debit card options and return to the committee with recommendations.

Motion by Alderperson Wolf, seconded by Alderperson Rindfleisch to further the

investigation relative to providers of credit services.

#### ITEMS FOR DISCUSSION ONLY

4.1 Benchmark measurements for the Department of Planning and Development for the period commencing April 1, 2017 and ending June 30, 2017: Chad Pelishek reviewed the second quarter 2017 benchmark report noting that the department has met or exceeded several of the departmental benchmark goals so far this year. Business development and property redevelopment are continuing at a strong level. One target that may fall short this year is the neighborhood development planning process. Three neighborhood developments were targeted to complete development plans this year. The process has been more extensive and the resident participation has provided many differing opinions. Mr. Pelishek is speculating that only one neighborhood plan may be completed this year.

4.2 Benchmark measurements for the Information Technology Department for the period commencing April 1, 2017 and ending June 30, 2017: Greg Vertelka reviewed the second quarter 2017 benchmark report. Mr. Vertelka noted that the department has made a global change to tracking and monitoring all departmental work requests to provide accurate detail of the amount of work, resources and time required for each request. Security monitoring is slightly behind. Mr. Vertelka indicated that the 2018 Budget includes an increase in tools available for services required for improved security monitoring. Alderperson Wolf requested Mr. Vertelka present the 2017 security solution at the next meeting.

4.3 Benchmark measurements for the WSCS Community Programming for the period commencing April 1, 2017 and ending June 30, 2017: Greg Vertelka reviewed the second quarter 2017 benchmark report. All benchmarks for WSCS are on track for 2017. The quality of audio of Common Council meetings live-streamed on WSCS cable channel was discussed. Mr. Vertelka is meeting with Charter representatives on August 18, 2017 in Madison relative to their use of fiber versus coaxial cable connections to improve quality of visual/audio in WSCS productions.

4.4 Benchmark measurements for the Finance Department for the period commencing April 1, 2017 and ending June 30, 2017. Nancy Buss reviewed the second quarter 2017 benchmark report. The Finance Department is exceeding all benchmarks and indicated that the return on investment has risen between the first and second quarters from  
1.39 to  
1  
.65.

ADJOURN

Motion by Alderperson Wolf, seconded by Alderperson Rindfleisch to adjourn at 6: 21 p.m.

