LEGISLATIVE, FINANCE AND ADMINISTRATION COMMITTEE

The Legislative, Finance, and Administration Committee meeting was held on June 22, 2015, at 6:01 p.m. with Chairman Hare presiding. Members present were Mr. Cole, Mr. Sudler, Ms. Maucher, and Mr. Shevock. Members of Council present were Mr. Anderson, Mr. Neil (arrived at 7:01 p.m.), Mr. Lewis (arrived at 6:56 p.m.), Mr. Hosfelt, Mr. Hutchison, and Mr. Slavin (departed at 6:45 p.m. and returned at 6:49 p.m.). Mayor Christiansen was also present.

AGENDA ADDITIONS/DELETIONS

Mr. Cole moved for approval of the agenda, seconded by Mr. Shevock and unanimously carried.

Disposition of City Owned Land – Property Located at 423 Collins Drive, 749 West North Street, and 29 South Governors Avenue

Mr. Scott Koenig, City Manager, informed members that the City of Dover acquired properties located at 423 Collins Drive, 749 West North Street, and 29 South Governors Avenue at a monition sale due to liens for taxes and demolition expenses. He stated that these are excess properties, as the City has no use for them and would be better served by the properties being redeveloped and restored as taxable properties.

Mr. Koenig advised that the City has a procedure for Sale and Disposition of Real Property, which includes a "Standard Method of Disposition" that begins at the Legislative, Finance, and Administration Committee. As articulated in the procedure, the first decision by Council (after a favorable recommendation by the Committee) is whether or not to dispose of the surplus property and, subsequently, to determine the method of disposal (auction or sealed bid).

Mr. Koenig reviewed the City's expenses and other charges, as well as the City's 2015 Assessed Land Value for each property, as follows:

Address	City Expenses and Other Charges	City's 2015 Assessed Land Value
423 Collins Drive	$ 20,481.13	$ 39,200.00
29 S. Governors Avenue	$ 23,828.90	$ 13,600.00
749 W. North Street	$ 19,889.45	$ 52,300.00

Mr. Koenig noted that the City's expenses and other charges are inclusive of property tax, sheriff sale preparation fees, grass charges, utility charges, and demolition charges. He explained that for two (2) of the three (3) properties, the City's expenses are less than the land value, and staff was of the opinion that these properties should be put back on the market through sealed bid versus being gifted. The City could potentially recover additional costs and reduce the amount of the potential write-off by seeking bids on the vacant property. Additionally, these properties were not located in the areas where local housing non-profit organizations were focusing their efforts to acquire and develop properties.

Staff recommended the following action: 1) determine that the properties are excess property; and 2) authorize the City Manager to dispose of the properties using the "Standard Method of Disposition."

Mr. Koenig stated that the "Standard Method of Disposition" for these properties would be through sealed bid, explaining that staff had put together a very generic bid package, including property information and zoning information. He informed members that those packages go to the City's purchasing agent and are posted on the City's website, and the City would receive bids on a specified date. Mr. Koenig explained that staff had talked to several developers, in the context of the downtown development district, that had expressed interest in these properties. He stated that since staff believed that, at a minimum, there would be several people interested in bidding on these properties, the recommendation was to dispose of them through sealed bid.

Mr. Shevock moved to recommend that the properties located at 423 Collins Drive, 749 West North Street, and 29 South Governors Avenue be designated to be sold and determined to be excess property, and that the City Manager be authorized to dispose of the subject properties using the "Standard Method of Disposition." The motion was seconded by Mr. Cole and unanimously carried.

Discussion Items Proposed During Budget Review

Due Diligence Research on Health Insurance Costs

Mr. Anderson stated that he was definitely a supporter of maintaining the quality of the City healthcare plan and ensuring that there is no diminution of that quality. He expressed his opinion that the City employees and taxpayers would welcome looking at opportunities to see if they can have the same quality of coverage and pay less money, particularly since there is cost sharing. Mr. Anderson advised that Kent County pays less money than the City does for similar coverage. He suggested that the City at least look at and study the process to determine whether or not the City and the taxpayers can save money, since this is one (1) of the largest line items in the City's budget. He noted that it would be irresponsible for the City not to do so.

In reference to Mr. Anderson's statement that Kent County pays less than the City for the same healthcare coverage, Mr. Sudler questioned what agency Kent County uses. Responding, Mr. Anderson stated that Kent County uses L & W Insurance.

In response to Mr. Hare, Mr. Anderson stated that Kent County has the same Highmark Blue Cross Blue Shield insurance coverage as the City.

Mr. Sudler questioned whether the City had received any bid proposals from L & W Insurance and inquired as to the City Manager's thoughts on this company. Responding, Mr. Scott Koenig, City Manager, recalled that in 2011 the City did either a request for proposals or a request for cost, and L & W Insurance did submit information; however, the recommendation was to stay with the State of Delaware. He advised that the playing field changes yearly, so it would be something that the City would have to pursue for FY 2017. Mr. Koenig reminded members that currently all of the City's

collective bargaining agreements reference the State of Delaware plan. He explained that for the City to change plans, the contracts would have to be altered going forward, noting that two (2) of the contracts are up for negotiation now.

Mr. Shevock questioned whether the City had ever considered putting a cap on what the City pays to cover an employee's healthcare coverage. In response, Mr. Koenig indicated that prior to 2011, the City had a committee with multiple stakeholders in the City that discussed ways to control costs. However, he explained that one (1) of the difficulties was that none of the unions would recommend ways to control costs because they thought that was part of the collective bargaining process for those particular groups. Mr. Koenig advised that, essentially, the City has six (6) different groups in the healthcare plan, including the four (4) unions; non-bargaining employees, which includes approximately 40 employees; and all of the retirees that are on the plan, who are not represented directly by anyone. He stated that a cap would have to be negotiated for any of the union contracts, and it would be a challenging task to implement a cap, dealing with six (6) different groups

Responding to Mr. Hare, Mr. Koenig explained that the language in at least two (2) of the union contracts is very specific in reference to the State of Delaware plans. He advised that if the City were to change its insurance plan, even if the same coverage was provided at a lower cost, it would have to be accomplished through the collective bargaining process, noting that there is a price to pay for that, just like everything else in the contract.

Mayor Christiansen questioned how much the City's healthcare cost with the State of Delaware had increased. In response, Mr. Koenig advised that it was a little more than 16%.

Mayor Christiansen indicated that the increase in the City's healthcare cost was one (1) of the reasons for the increase in the City's tax rate and budget, and questioned whether Kent County had fewer employees than the City. Responding, Mr. Hare stated that Kent County had 350 people on their health plan, including employees and retirees.

Mayor Christiansen offered to lead a committee consisting of himself, a human resource person, the Assistant City Manager, and the City Treasurer to compare what is available in healthcare benefits with L&W Insurance and perhaps others, put out a request for proposals (RFP), and make sure that the City is getting the biggest bang for its dollar. Mayor Christiansen noted that it was his understanding that with the continued State contracts, there is a possibility that next year the City's cost could go up 20 to 25%. He stated that this committee would report back to Council within 45 to 60 days.

Mr. Hare stated that he would like to include other people on the committee as well, and expressed his opinion that, with her current workload, Mrs. Donna Mitchell, Controller/Treasurer, may not need to be involved with this committee at this time. Responding, Mayor Christiansen suggested having the Assistant Treasurer serve on the committee, or someone who has the numbers.

Mr. Koenig stated that this would not be a 45 to 60 day undertaking, noting that it would probably take four (4) to six (6) months, at a minimum. He explained that the quotes would be for July of 2016 and an insurance provider may say that they can save the City money for one (1) year; however, they cannot guarantee anything after that. Mr. Koenig stated that this is currently one (1) of the most unstable areas in the economy to be reviewing. He reminded members that this was a huge issue related to the City workforce and would cause major strife moving forward.

In response to Mr. Hare, Mr. Koenig stated that no one could provide a guarantee on costs, even the State of Delaware; however, he expressed his opinion that being part of a larger group is more beneficial for the City of Dover.

Mrs. Mitchell clarified that the State is a self-insured plan; however, the insurance that Kent County has is not a self-insured plan. Mrs. Mitchell stated that Aetna and Blue Cross Highmark, and Blue Cross Blue Shield had gone to the insurance commissioner to request a 20% to 25% increase, which would affect the County plan, not the State self-insured plan.

Mr. Hare stated that he did not want to change the coverage or reduce it so that the deductible would be higher, etc. His concern was that the City did not know whether or not its insurance rates could have been reduced during the past four (4) to five (5) years. Mr. Hare stated that the rates were worth examining, even if it were to take four (4) to six (6) months, as long as the committee would be led by the Mayor.

Mayor Christiansen stated that he would take this responsibility and Council could set up the committee as it wants. He explained that the City had an obligation to the taxpayers and employees for maintenance of standards. Mayor Christiansen felt that the City needs to know whether the current insurance is the best deal available for all concerned, while maintaining the coverage employees had become accustomed to.

Mr. Shevock moved to recommend approval of Mayor Christiansen's proposal to go forward with the health insurance cost research, seconded by Mr. Sudler.

Mr. Cole questioned whether or not there would be a timeline or checkpoints associated with this recommendation, noting that, realistically, it would take a long time.

In response, Mr. Hare stated that the committee should have some results back by the first of the year. Mayor Christiansen suggested the beginning of the budget process.

Mrs. Traci McDowell, City Clerk, questioned whether the Committee wanted to define the number of members and the charge of the recommended committee, so that Council will know exactly what they are voting on when this recommendation is considered.

Responding, Mr. Hare suggested that the committee consist of at least two (2) members of Council, the City Manager, Mayor, Human Resources Director, and the Controller/Treasurer or her assistant.

Mr. Shevock and Mr. Sudler agreed to the amendment to the motion as recommended by Mr. Hare.

The motion to recommend approval of Mayor Christiansen's proposal to go forward with the health insurance cost research, as amended to include the creation of a committee to consist of at least two (2) members of Council, the City Manager, Mayor, Human Resources Director, and the Controller/Treasurer or her assistant, was unanimously carried.

Performance Audit of Civilian Side of City Government

Mr. Anderson suggested that members begin to look at city government from the perspective of efficiency and examine the benefits of a performance audit, noting that there are many ways to look at better ways of governing. He informed members that the State of Delaware has some processes with the Baldrige Awards, through which the City could get money to look at efficiency. Mr. Anderson stated that these excellence awards provide different goals, and there are options for various other performance audits. He recommended that the City explore these options since Council was considering tax and utility rate increases, and members need to be able to tell people, with assurance, that the City is using their money in the best way.

Mayor Christiansen reminded members that the City had an Ad Hoc Financial and Operational Advisory Committee; however, they seemed to have fallen by the wayside. He suggested that the City take advantage of professional people within the community, including citizens, retired business executives, etc. in order to complete a review of each department with in-house personnel. Mayor Christiansen expressed his opinion that the City should re-energize the Ad Hoc Financial and Operational Advisory Committee with new members to review all departments and report back to Council with their findings. He stated that he would like to serve as the chairperson, noting that he had the time and could do an in-depth review. Mayor Christiansen reiterated that this review should be done in-house, although the committee could include a member or two (2) of Council, if the Committee so wished. He noted that this suggestion was not to be critical of any City staff; however, he felt it important to develop mechanisms to streamline some of the departments in the interest of the taxpayers.

Responding to Mr. Hare, Mrs. Traci McDowell, City Clerk, stated that the Ad Hoc Financial and Operational Advisory Committee consisted of seven (7) members.

Mrs. Donna Mitchell, Controller/Treasurer, expressed her appreciation of everyone's interest in this topic. She agreed that the City should look at some things to determine whether anything can be done differently or better. Mrs. Mitchell requested that staff be allowed to brainstorm ideas and bring them back to Council, prior to the appointment of an ad hoc committee. She advised that throwing together a committee could result in the same issues that the City experienced with the previously ad hoc committee.

In response to Mrs. Mitchell's comments, Mayor Christiansen stated that this would be a different committee, and expressed his opinion that time was of the essence and the committee could coordinate its efforts before moving forward.

Mrs. Mitchell agreed that time was of the essence and requested an opportunity for staff to bring recommendations to the Committee within July or the first week of August. She stated that staff could work with Mayor Christiansen to include his thoughts prior to bringing it back to Council.

Mr. Anderson stated that Mrs. Mitchell had been working on some efforts with the City Warehouse and Finance Department, and the library had been conducting its own efforts. He questioned if Mrs. Mitchell had any success in her efforts with the City Warehouse or Finance Department. Responding, Mrs. Mitchell stated that staff had not yet had success in those efforts and that is why she requested an opportunity for staff to meet to discuss the roadblocks they had experienced and potential bottlenecks so that they can try to resolve those issues and get everyone on the same page. This would allow staff to present solutions and/or processes which they believe will work and be accomplished in a timely manner.

Mr. Hare suggested that the Committee start by recommending a format for the ad hoc committee. He inquired as to Mayor Christiansen's opinion regarding having seven (7) people on the committee, noting that two (2) members of Council could agree to appoint one (1) member from each district, the at-large Council member could appoint one (1) member, and the mayor could appoint two (2) members. He suggested that the mayor would also serve as the chairperson.

In response to Mr. Hare, Mayor Christiansen expressed his opinion that the committee format should serve the best interest of the citizens and include representation throughout the entire City, and preferably the members would not have predisposed agendas.

Council President Slavin advised that the Ad Hoc Financial and Operational Advisory Committee was appointed by the Council President. He stated that he would not be opposed to having an appointment of that type, explaining that the Legislative, Finance, and Administration Committee could make a recommendation and the full Council would then take action on it to form the ad hoc committee. Mr. Slavin offered a Plan B, which would allow members of Council to provide him recommendations and he could simply reappoint the Ad Hoc Financial and Operational Advisory Committee.

Mr. Hutchison reminded members that there were five (5) new members of Council and suggested that Council have an opportunity to discuss ideas in a workshop with staff in order to develop a master plan to help the City move forward.

Mr. Hare agreed that a workshop may be the best first step, noting that it would provide staff an opportunity to meet and bring their ideas forward to Council for discussion. He stated that Council could then decide if this committee is necessary.

Mr. Anderson stated that he did not have any objections to staff taking a month, noting the importance and benefits of staff buy-in. Referring to the potential of forming a committee, Mr. Anderson expressed his hope that Council would allow the City Manager's appointee and the finance director, or her appointee, to be ex-officio members.

Mr. Sudler stated that he liked both ideas, noting that the workshop idea would be very beneficial to the new members of Council and that it is also important to have buy-in from the community and involve them in the decision-making process.

Mr. Hosfelt requested clarification regarding the independent study which Council previously voted in favor of conducting. Responding, Mr. Hare stated that the independent study was for police and fire, and this study would include everything else.

Mr. Cole moved to recommend that staff and Council report back their findings in one (1) month. The motion failed for lack of a second.

Mr. Hare suggested that staff have their information ready by August 1, 2015 and that a workshop be scheduled for the first part of August.

Mrs. McDowell requested clarification regarding what type of findings the Committee was looking for. In response, Mrs. Mitchell explained that she was referring to strategic plans or strategic ideas that staff believes would improve processes and gain more efficiencies. She noted that these findings would not be all inclusive.

Mrs. McDowell questioned if members of Council would be bringing their ideas to a workshop. Responding, Mr. Hare clarified that Council would not do this; rather, Council would meet to review staff's ideas and proceed from there.

Mr. Scott Koenig, City Manager, expressed his opinion that members of Council should bring their ideas to the Council workshop in order to have a two-way dialogue, since staff and Council may have different ideas regarding efficiency improvements. He stated that he did not wish to present only staff's ideas and requested that members of Council provide staff with any specific ideas that they would like to discuss prior to the workshop, so that staff can bring information to the workshop.

In response to Mr. Koenig's comments, Mayor Christiansen expressed his opinion that the committee needs to move forward.

Mr. Sudler requested Mrs. Mitchell to provide five (5) sections or segments of the City that staff may consider first. Responding, Mrs. Mitchell stated that one (1) example of the types of ideas she is considering is a central services fund which would centralize fleet and operations in an effort to inventory all of the fleets and implement cross-divisional fleet sharing. She explained that there would be a central services manager who would schedule the fleet, ensure that the City is not buying more equipment than necessary, and log the current equipment's usage to determine things like how often it is used and whether the City can rent equipment.

Mr. Sudler suggested that Mrs. Mitchell provide members of Council and the Legislative, Finance, and Administration Committee with the flowchart that she will develop to direct staff's focus, in order for everyone to focus on the same areas for discussion at the workshop.

Mr. Hare questioned whether Mrs. Mitchell required Council approval to move forward with her idea regarding a central services fund. Responding, Mrs. Mitchell stated that she did not require Council approval and that she had begun discussing her ideas with Mr. Koenig. She advised that she would like to include all department heads in the strategic discussion because many have ideas that they would like to share. Mrs. Mitchell explained that when you have a committee first, employees and the public attend the meetings. She expressed her preference for department heads to be given an opportunity to discuss their ideas and bring them together first.

Mayor Christiansen questioned what staff discusses during department head meetings. In response, Mrs. Mitchell stated that staff's current department head meetings are for the discussion of agendas, and the City Manager also has individual meetings with department heads.

In response to Mr. Hare, Mrs. Mitchell explained that she is not the operations person, and allowing for a group discussion of all department heads would enable staff to determine if there are reasons why these types of changes have not been implemented in the past.

Ms. Maucher questioned whether a committee format would be more conducive to open discussion between staff and Council. She favored the idea of a committee, stating that this format allows for collaboration and for ideas to be sorted out.

Responding to Ms. Maucher, Mrs. Mitchell stated that she would not mind a committee meeting; however, she requested the opportunity for staff to meet independently prior to the committee meeting. Mrs. Mitchell reiterated that she was in favor of a workshop that would allow everyone to be a part of the discussion.

Ms. Maucher questioned whether there is a public document that details the functions, workflows, etc. of each department. In response, Mrs. Mitchell explained that this was included in the budget document and indicated that she would provide Ms. Maucher with a copy.

Mr. Anderson stated that there was a review being conducted by the Mayor, Assistant City Manager, and others, and suggested inviting them to provide their input as well.

Mr. Cole moved to recommend that the staff strategic planning team and members of Council develop ideas by August 1, 2015 and that a workshop be scheduled after August 1st. The motion was seconded by Mr. Sudler.

Mr. Hare noted that the Committee's agenda for this evening also included an item regarding Review of All Lifecycle Items (Report to Committee in 90 Days) and questioned whether this could be part of the performance audit discussion.

In response to Mr. Hare, Mr. Koenig advised that these items were motions made during the Special Council - Budget Review meetings and could all be part of the performance audit discussion. He reminded members that the issue of the City's form of government still needed to be solidified. He indicated that he did not have the ability to impose his goals for the entire organization because it

was still unclear who reports to whom, since the motions had been somewhat contradictory. Mr. Koenig stated that staff looks for efficiencies across the organization; however, Mrs. Mitchell's idea regarding the creation of a centralized fleet was not a simple undertaking because the City does not currently have that type of facility. He advised that it may require construction of a new facility at an existing or new location. Mr. Koenig thought it would be great to do a strategic plan in order to get these ideas out there; however, he noted that these would be long-term goals.

Mr. Koenig stated that the items proposed during the budget hearings would require a significant amount of staff time to develop and bring forward for consideration. It was Mr. Koenig's understanding that the Committee was prioritizing these items in order for staff to bring them forward to Council on a regular basis. He informed members that there was a lot of difficulty with the Ad Hoc Financial and Operational Advisory Committee because the workforce got extremely agitated by some of the discussion. Mr. Koenig reminded everyone that he must keep the organization moving forward and focused on the task while discussing all of these issues. He stated that this needs to have a very position spin, explaining that these are improvements to better the organization and service delivery, noting that everyone wants to provide services to the City at the lowest cost possible.

Mr. Koenig stated that the City needs to decide step by step how to move forward. He reiterated his request for a resolution to the form of government issue, so that there is a clear understanding of what items needs to be brought forward to Council. Mr. Hare agreed that the City does need to fix the form of government.

Mayor Christiansen concurred with Mr. Koenig; however, he stated that a new committee with responsibilities assigned by the Legislative, Finance, and Administration Committee and Council could prove to be very productive on behalf of the citizens.

Mrs. Mitchell stated that she did not go into all of the details with the Committee; however, when she discussed the idea of central services with the City Manager, it did include a building project. She expressed her thoughts that the list of proposed items discussed during the Special Council - Budget Review meetings could be prioritized first and then brought back to Council. Mrs. Mitchell agreed that many of these items could be included in the strategic plan discussion in August.

The motion to recommend that the staff strategic planning team and members of Council develop ideas by August 1, 2015 and a workshop be scheduled after August 1st was unanimously carried.

Proposed New Revenue Sources for FY 2016/17

Mr. Scott Koenig, City Manager, advised that staff would be prepared to bring forward recommendations for new revenue sources in the August/September time frame.

Public Safety Fee Study
Mr. Hare explained that he had contacted the City Solicitor's office and has appointments with other people to determine the feasibility of the City moving forward with this study and requested that discussion of this item be deferred.

By unanimous consent, the Committee deferred consideration of this matter.

Review of All Lifecycle Items (Report to Committee in 90 Days)
Mr. Hare reminded members that this matter was previously discussed during consideration of the Performance Audit of Civilian Side of City Government and staff indicated that it would be included as part of that discussion in the future.

Review of Internal Applicant Hiring/Training Opportunities
Mr. Sudler advised that the purpose of this discussion was to ensure that City employees have the opportunity to apply for other positions within the City and if they are not awarded a position because they do not meet the qualifications, that training is provided to enable them to be awarded the job in the future or be in a better position to compete for the job.

Mr. Cole questioned the Committee's position on this item, noting that in his professional career, this is a collective bargaining issue. Responding, Mr. Sudler stated that this would be for all employees because any employee can apply for an internal position, whether or not they are in a union. Mr. Sudler advised that management previously indicated that the City does provide employees with opportunities for professional enhancement training.

Mr. Hare clarified that the City provides employees training for their current positions. He explained that an accountant who was interested in become the finance director could go to school and take accounting classes; however, the City would not send an accountant to school to become a city planner. Mr. Hare also noted that the employee must take the initiative; management does not approach them regarding their desire to move up within the organization.

Mr. Scott Koenig, City Manager, explained that this is a two-way street. Referring to some of the City's labor positions, he stated that there is always follow-up with an employee who is not selected for a position to help prepare him/her for the next job opportunity with the City; however, there are issues, such as the ability to use computers or basic software.

Mr. Koenig advised that it is somewhat incumbent on the employee to make management aware of their desire to move up, to find out exactly why they were not selected for a position, and to ask about future training opportunities. He explained that the City does not pre-select employees to go to training or move up; an employee must identify themself as someone who wants to move up and meet the qualifications.

Mr. Koenig reminded members that training and travel had been cut from the City budget for several years; however, that approach impaired the City and the employees from being in a position to understand current trends and technology, as well as being prepared for the next round of supervisory

positions and promotions. He stated that funding for training had been added back into each division budget over the past four (4) fiscal years to allow for at least a basic level of training. Mr. Koenig noted that once employees have met the basic level, they can seek more advanced levels of training. He explained that this funding had been reinstated, with the understanding of each department head that it must be used for training. Mr. Koenig stated that managers had generally met challenges and sent people to training. He reiterated that employees must meet managers halfway, and managers have to hold employees accountable to get training to qualify for the next level within the organization.

Review of the Pay System

Mr. Hutchison recommended that the City complete an internal review of the market value of all City of Dover employees to assess whether or not they are at market value. He suggested that the City compare the market with the State of Delaware, Kent County Levy Court, City of Wilmington, City of Newark, and City of Milford. Mr. Hutchison expressed his opinion that once an individual reaches market value, they should be redlined. He explained that the individual would be entitled to bonuses but not an increase in base salary. Mr. Hutchison suggested that the Committee should meet with the City Manager and Controller/Treasurer to address this issue.

Mr. Hare questioned whether Mr. Hutchison would be opposed to including additional cities, such as Smyrna and Lewes, to the review. Responding, Mr. Hutchison stated that he would not be opposed to additional cities; however, it was his opinion that the comparison should be done within Delaware.

Mr. Hare suggested that the cities should have similar tax situations as the City of Dover, noting that the City of Wilmington's tax bracket was a little higher than the City of Dover and they also have a City wage tax. He stated that the City of Newark would be a good comparison.

In response to Mr. Hare, Mr. Hutchison explained that he had suggested the cities of Wilmington and Newark because they are the same size as the City of Dover, in terms of land, and they also face many of the same issues as the City of Dover.

Mr. Sudler moved to recommend that the Legislative, Finance, and Administration Committee review other cities in order to complete a comparison of the pay for the City's employees versus other cities' employees. The motion was seconded by Ms. Maucher.

Mr. Sudler moved to amend the motion to include a recommendation to create a list of cities that members deem appropriate to review for recommendations. The motion was seconded by Ms. Maucher.

Mr. Shevock questioned who would compile this information and bring it back to the Committee. Responding, Mr. Hare clarified that the motion before the Committee was to get the list of positions from Mr. Hutchison before moving forward.

The motion to recommend that the Legislative, Finance, and Administration Committee review other cities in order to complete a comparison of the pay for the City's employees versus other city employees, as amended to include that a list of cities be created that members deem appropriate to review for recommendations was unanimously carried.

Review of Planning Application, Zoning Verification, Itinerant Merchant, Safe Communities, Residential Vacant Building and Housing Violation Fees

Mrs. Ann Marie Townshend, Director of Planning and Community Development, stated that this item and the next item, Review of Planning and Inspections Fees (by December 31, 2015), were really the same item. She advised that she had begun work on this and would be prepared to bring a recommendation forward to the Committee in late July.

By unanimous consent, the Committee deferred consideration of this matter.

Review of Planning and Inspections Fees (by December 31, 2015)

Mrs. Ann Marie Townshend, Director of Planning and Community Development, stated that this item and the previous item, Review of Planning Application, Zoning Verification, Itinerant Merchant, Safe Communities, Residential Vacant Building and Housing Violation Fees, were really the same item. She advised that she had begun work on this and would be prepared to bring a recommendation forward to the Committee in late July.

By unanimous consent, the Committee deferred consideration of this matter.

Timeline for Review of Fiscal Year 2016/17 Budget

Mr. Hare proposed having a preliminary budget by February 1, 2016, to allow more time for review.

Mr. Scott Koenig, City Manager, advised that any request to compress the time would create a set of challenges for staff. He informed members that it takes staff several months to compile and review the information, which must then be formatted for members of Council. Mr. Koenig stated that changing the budget timeline would add more uncertainty, explaining that if Council would like to see a budget in February, all of the numbers would have to be finalized by January, which would result in the budget being compiled based on only five (5) to six (6) months of current year revenue and expense. Based on his experience over the last four (4) years, Mr. Koenig stated that the compressed period would cause the City to make decisions in a strict time frame.

Mr. Hare stated that his intention was not to have a full budget or even exact numbers by February or even March 1st. He simply wanted to know what the department heads were projecting for the fiscal year, explaining that he would like a head start if the City was going to have an unexpected $2M expense.

Mr. Koenig advised that the FY 2015/2016 operating budgets were basically status quo because that was the budget direction that was provided to staff last fall. He explained that the original budget direction was for a 2% reduction in operating budgets; however, that got off track when the City added officers mid-year. Mr. Koenig stated that he could provide a projection in February, noting

that his expectation would be status quo. He noted that there should not be any unplanned $2M increases to any budget unless there is a drastic change in some market, which Council would be made aware of.

Mr. Hare suggested having a preliminary budget by April 1, 2016.

Mayor Christiansen questioned if a preliminary budget could be delivered by the end of March that would provide a more realistic view of what staff would present at the end of April.

Mr. Koenig requested that this item be deferred until the next meeting to allow time for him and Mrs. Mitchell, Controller/Treasurer, to discuss the possibility of delivering the draft budget on April 2, 2016.

By unanimous consent, the Committee deferred consideration of this matter until their next meeting.

Mr. Hare requested the addition of an item to the next Legislative, Finance, and Administration Committee meeting for discussion of the City's form of government. Responding, Mrs. Traci McDowell, City Clerk, advised that the proposed ordinances and charter amendments related to the City's form of government were included on the draft agenda for the July 13, 2015 Committee meeting.

Mr. Sudler moved for adjournment, seconded by Mr. Cole and unanimously carried.

Meeting adjourned at 7:05 p.m.

William F. Hare
Chairman

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