

Web Update April 16, 2015

Received the City Council copy of the 2015 – 2016 Budget Thursday evening (it is available on line and I'll post a PDF copy). Interesting to note a decrease in the Legislative (City Council) budget –

Employee Costs have decreased from prior year - \$1,286 – Council previously rejected a slight increase recommended by the Compensation Commission. Operational Costs – decreased sharply (\$4,279) – the employee recognition events and holiday gift certificates (non-union City employees) were eliminated after review by the City Attorney. These items were “long standing” expenditures of taxpayer funds (greater than 20 years).

Special City Council meeting called by Mayor Kenney for March 31<sup>st</sup>, 7:00 PM in City Hall Council Chambers. The purpose is to take action on an Interim City Manager until a new City Manager is appointed by City Council. I would hope we can follow the example of WSCC and conduct the interviews in a public forum once candidates are identified.

I'll post a time-line on the City Assessor soon – the delay reported in the Manistee News Advocate and attributed to the soon to end employment of the City Manager will be clarified soon. You can see the full scope of the process. The City Manager tried to contract City Assessor in 2011 also and City Council retained the function as “in house.”

By the way – the appointment of the City Manager by City Council is for an “indefinite period,” with annual agreements for the terms of employment. The City Manager serves “at the pleasure of City Council.” The agreement stipulates “at will” employment – it can be revoked at any time and does not need a specific cause. The “raise” indicated by the MNA article was simply the same 1.6% cost of living raise all non-union city employees received – it was not a “performance” raise. Sometimes people make assumptions without checking the facts or doing much research.

Rumors abound – and I'll not add to them – just facts and documents to support them. I'm seeking legal advice on what exactly can be posted. I'm aware of the Open Meeting Act and have followed the rules. My efforts are to insure public availability of information and transparency in conducting public business. I've failed to respond to a few emails lately due to rules of “Closed Meeting” request and my intent to honor the privacy of those entitled to make those requests

I respect other opinions and perspectives, even when in disagreement with them – if we can't have healthy dialog on issues and “agree to disagree” sometimes without distancing ourselves from each other we're not showing much respect for each other. Those who disagree with decisions often are much more vocal and passionate than those who agree. Those who are in favor of something need to be just as vocal as those who oppose it – or your elected officials end up supporting the vocal minority instead of the silent majority. Let your precinct City Council member know when you are pleased or unhappy – their emails on the City Web Site (and telephone numbers).

As I stated at the Special Meeting called by Mayor Kenney, I twice requested information on the Personnel Committee activities toward identifying candidates for Interim City Manager. The committee indicated they would find a time to meet Friday (March 20<sup>th</sup>), and I was informed after the fact they did so at the House of Flavors. I left a voice mail with a committee member who left a return voice mail with me the following day – indicating they would possibly meet again on Wednesday (March 25<sup>th</sup>). Again, no notice to other Council members, no notice to the public. I emailed a Council member

requesting information that might be researched prior to the March 31<sup>st</sup> Special Meeting and was told “I don’t have any information to share as we will all review the information on Tuesday March 31<sup>st</sup>.” So the three Council members on the committee (appointed by the City Manager) had the information 5 days before the other four Council members and no way to review the documents before the meeting. It is difficult to consider this an “open government” process. As it turns out, the cost estimates for Mr. Bifoss were understated by \$24,799 when contributions to his retirement and annual leave were added.

**Statement of My Approach to City Management – R. Ben Bifoss**

I believe that a Manager must work for the elected officials and at the Council’s direction. He must provide them with facts and advice on matters of policy as a basis for making decisions and setting community goals. He must provide necessary information on a timely basis, and that information must be provided to all of the members of the Council equally.

The Manager has the prime responsibility for carrying out and implementing the policies established by the Council. The Manager must diligently implement these policies regardless of his personal feeling about them.

I’ll post a full copy of this document once it is scanned, this is just the first two of seven paragraphs (I’m not sure why they were not attachments to the Agenda for public access).

It is interesting to note that Mayor Kenny ask the outgoing City Manager to provide Council a list of priorities, rather than Council members establishing that list. Council members have routinely delegated their responsibility and authority under City Charter to appoint an Interim City Manager in the City Manager’s absence. The issue was brought up when the Manager’s trip to the Dominican Republic recently (and Council did appoint Public Safety Director Bachman) but when Mr. Diesch provided a vacation day list recently and ask if Council wanted to make appointments – it was suggested by the Mayor “a list of Council approved candidates be approved for the Manager to choose from.” This is not a time consuming or debilitating process!

I’ll push for the full Council to be involved in the process of identifying candidates for appointment to fill the City Manager position as I don’t feel this falls under the intent of the Manager’s Personnel Committee. I would expect the Interim Manager to participate and advise – but expect posted and public meetings with a quorum of council members so all are operating from a similar knowledge base. I would hope the process will provide public access, similar to WSCC, to information and interviews of the candidates. This is an important decision for the future of Manistee. Mr. Bifoss is already bringing a refreshing change to City administration – all committee meetings are to be posted in compliance of Open Meeting Act requirements and public attendance is welcome.

First work session on the City Budget took place April 14<sup>th</sup>. View the video and see what the MNA failed to report. I recommended adding \$200,000 from the \$3,000,000 of unrestricted Oil & Gas fund to the \$417,000 recommended in the budget for Local Streets but did not get Council support. The recommended \$600,000 a year to “maintain” the condition of our streets (marginal improvement of condition) just allows us to keep from further deterioration – that’s a high price for “status quo” with little opportunity to make improvements. The reluctance to spend money from the unrestricted funds is understandable when you consider the fund has been “leveraged” to pay debt service (78% this year – 83% the next three years) and there is concern there will not be enough investment income to cover the

debt it is paying for. By the way – in August 2012 the Oil & Gas Board voted to restrict spending from the unreserved fund to 4% of the fund balance, then approved \$125,000 above that rule in April 2013 to offset Water & Sewer rate increases. They then approved loans for the Marina and Boat Launch (at a below market rate of 2%, as an “investment”) at the same meeting (was not considered “spending”) of \$270,000. Of course the Marina has to have principal payments excused for 2013-2014 and 2014-2015 as they were unable to meet the full payments due to declining revenue (with interest rates to be reviewed again in five years). The minutes indicate “staff will be clear to Council that if they approve the budget as written; they will be authorizing the contribution” to the Water & Sewer.

Alliance for Economic Success (AES) gets \$91,000 from the County (\$3.70 of that from each resident of Manistee) and the City (25% of the County population) adds a \$46,500 appropriation (an additional \$7.40 per resident) when no other County community offers additional support (75% of the County population). The same is true for 2-1-1 service, the County appropriates \$3,000 and the City \$3,000 with no other appropriations from other County Communities. I’ll keep addressing these issue through the budget process to at least get them into a public discussion, but there seems little support from other Council members for taking these issues on.