

Neenah-Menasha Fire Rescue  
Joint Finance & Personnel Committee  
Meeting Minutes  
June 28, 2011 – 5:30 p.m.  
3<sup>rd</sup> Floor Council Chambers – City of Menasha

Present: Ald. Ahles, Sevenich, Klein, Krueger and Ramos

Excused: Ald. Stevenson

Also Present: Chief Auxier, Director Stoffel, Director Easker and Office Manager Theisen.

Ald. Sevenich called the meeting to order at 5:30 p.m.

Approval of Minutes: The Committee reviewed the May 24, 2011 meeting minutes. **MSC Ahles/Krueger to approve the May 24, 2011 meeting minutes, all voting aye.**

May 2011 Budget Report: The Committee reviewed the May 2011 budget report. **MSC Ahles/Klein to approve the May 2011 budget report and place on file, all voting aye.**

May 2011 Activity Report: The Committee reviewed the May 2011 activity report. Chief Auxier reviewed the calls for the month of May and noted the call volumes have increased this time of the year compared to the last two years. Ald. Krueger asked if the calls included an automatic aid calls with Appleton and it was noted that the automatic aid calls would not begin until late July or early August. Chief Auxier said due to radio communication issues we have not been able to start automatic aid calls with Appleton Fire Department as planned on June 1, 2011. **MSC Klein/Ahles to accept the May 2011 activity report and place on file, all voting aye.**

Public Input/Forum: Ald. Sevenich said in the City of Menasha they have a place on each agenda for public input or forum. Ald. Ahles noted that they do have this on some agendas in the City of Neenah. Ald. Sevenich recommended that this item be added to the end of the agenda and comments from the public would be limited to what is on the agenda, unless someone is asking for something to be placed on the agenda for future consideration. Ald. Ramos suggested that it be placed earlier in the agenda so someone doesn't have to sit through an entire meeting if they do not want to. **MSC Klein/Ramos to include the addition of a public forum to be included on every agenda to be placed after attendance with a time limit of 5 minutes per person, all voting aye.**

Consolidation Review: Ald. Sevenich said there has been some concern with the monetary savings with consolidation of the two Departments and felt there should be a review to see if the monetary savings are actually there. He noted that Ald. Krueger has been putting this information together and keeping himself and Ald. Klein up-to-date with the information that he has found.

Ald. Krueger passed out information on some preliminary information he put together with raw numbers with regards to salaries only. He noted that there was a savings when you compare what the projected and actual numbers are when compared, however, it was not the savings that were anticipated. He wanted to review this information and see if there is a way to start getting salaries back in line with what was anticipated for savings. He also noted that the 2008 & 2009 numbers are not actual numbers as he didn't have all of the information but final budget numbers were used for years 2003 through 2007. Ald. Ramos asked how the projected salaries came in for

years 2003 and forward. It was noted that they were taken off of Appendix C of the Agreement. Chief Auxier said he didn't know who put together Appendix C but he did know when they were putting together the numbers they were projecting the savings of not filling the four positions that were eliminated through attrition. Ald. Ramos asked how the 3% was the number compared to what was actually given in raises. Chief Auxier said the raises usually were 3% but if wage increases were split for a year they could go slightly above 3%. Ald. Ramos asked if within the seven years if any positions were added back into the budget and Chief Auxier said no.

Ald. Klein said it is good to review this versus just making a change and then never reviewing it again to see if the monetary savings actually came about.

Ald. Ahles asked what the value of looking at just one portion of the budget versus all of it. Ald. Sevenich said the salary piece is a big piece of the budget. Ald. Ahles said that when you look at it, it is reasonable to look at the projections but these were just projections and it was known that this was not going to be the actual numbers. He also felt we should look at the projections and savings of fringe benefits, health insurance, etc. After all of this is looked at then we have to decide if we made the right decision and qualify the costs versus savings for not only salaries but also capital purchases, etc.

Ald. Krueger said he would like to review everything but doesn't know if we can actually do this. He feels the labor piece of it is a big portion and since we are only meeting 10% of the goal we should look at why. He said there is no way to recoup any of the projected savings but asked what can we do to go forward and try to recoup some of these savings in the future.

Ald. Sevenich said he voted for consolidation, not for the savings, but because it would be the best Department by taking the best of Neenah and the best of Menasha and combining that. He also said there is an assumption we saved a lot of money and we may not have since we took the best of benefits, etc.

Chief Auxier said we did not fill four positions and if you roll those dollar figures back into the budget and look at it the savings are there but the money was probably used in other areas of the budget. Ald. Krueger said the intention is to not shame people but it is intended to see if there is a way to try to start saving more money.

Ald. Ramos asked if the C-2 was estimated based on the number of employees prior to the merger. Chief Auxier said if you look at the number of people it was at the time this information was put together and by 2005 the savings of reducing the number of people to 68 was achieved. He also asked between 2003 and 2004 the projected salary was wrong and it carried forward through future years. Director Easker said when you try to save money you have to eliminate people and that was done by 2005. He also said when you compare the audit to the other savings it has not been determined if the same things are actually being compared because the audit may have included things that we have normally didn't include. Director Easker said Menasha's portion (roughly 40%) pays for 27.2 FTE's and pre-merger it was at 29. He also when the savings was put together it was projected before the union contracts were finalized and approved and the union contracts also have step increases they have to achieve to get to the wage they are presently at. Director Stoffel said what we are reviewing is what the numbers are after consolidation versus what we would have saved versus if the Departments have not merged. Chief Auxier said when we look at this it also doesn't include the money that wasn't used in the budget and was returned to both Cities. Director Stoffel said this is not reflected in the audit.

Director Easker said the City of Menasha Firefighters were able to go onto the City of Neenah's Health insurance after consolidation and Neenah's health insurance was a lot less compared to Menasha's at the time which also saved the City of Menasha money. He said the first year alone there was a \$72,000 savings for 27.2 FTE's that Menasha was paying for through the consolidation agreement.

Ald. Ahles asked if this was the first time the Finance Director's have seen these numbers before and it was noted that Director Easker has not seen this at all. He said it wouldn't be unreasonable for this Committee to review what has been saved over a period of time. He also asked that both Finance Director's review these numbers and see what is actually included in these numbers. When was C-2 created (before or after the labor contract)? What is the overall value and what has been the overall value for citizens of both Cities. Moving forward how would we go back and understand the original merger proposal, how the dollars would actually be reflected and how we also take into the incidentals like fringes, capital costs, etc. Ald. Krueger said the residents of Menasha feel they were told there was going to be a savings but have never been shown if there was a savings or not. Director Stoffel said that there is no actual way to know and it would be a guessing game at this point. Director Easker said there is a definitive fact that Menasha would have been paying for 29 FTE and has been paying for 27.2 FTE with consolidation. He also agreed with Director Stoffel that you can project and guess but there is nothing definitive.

After a lengthy discussion, it was decided the Finance Directors would review the salaries, health insurance and capital purchase expenditures. They will review the numbers of the audits to see what figures were used and compare to actual numbers. Information will also try to be gathered to see who did the C2 report and what figures were used. This information will be brought back to the August 2011 meeting for review.

**MSC Ramos/Krueger to adjourn at 6:45 p.m., all voting aye.**

Respectfully Submitted,

Al Auxier  
Chief

AA/tt