

**VILLAGE OF CLEVELAND, WISCONSIN  
COMMITTEE OF THE WHOLE**

**TUESDAY, NOVEMBER 16, 2021, 6:00 PM**

**MINUTES**

- I. CALL TO ORDER/PLEDGE OF ALLEGIANCE/ROLL CALL/AGENDA APPROVAL.** Village President Jake Holzwart called the meeting to order and led the Pledge of Allegiance at 6:03pm on Tuesday, November 16, 2021. All attended remotely except Director of Village Services Stacy Grunwald, who attended from the publicly-accessible meeting room at the Cleveland Village Hall, 1150 W. Washington Ave., Cleveland, Wisconsin.

Board Present: Jake Holzwart, President  
John Ader  
Jason Berdyck  
Linda Engel  
Al Forner  
Jon Hoffman  
Barry Nelson

Board Absent: None

Staff Present: Stacy Grunwald, Director of Village Services  
Jacob Schweigl, Police Officer

Motion Forner/Ader to approve the agenda as posted; carried without negative vote.

- II. YEAR 2022 BUDGET PREPARATION.** Director Grunwald reported the draft budget reflected operating deficits in all three funds and decisions would be needed to address the shortfalls. The Board reviewed the published budget summary and a revised one that reflected updates to the budget to reduce the General Fund deficit. The members also received a report on some expenditure changes that placed additional pressure on the 2022 budget, including technology, software, equipment maintenance, and health insurance.

By consensus, the Board supported the following committed fund draws: \$10,000 from *Park Improvements* for fundraising and grant administration related to Hika Park projects; \$34,875 from *Rainy Day* for the Hika Park wave analysis and sediment transport study; \$10,000 from *Public Buildings and Grounds* for forestry projects; and \$19,185 from *ARPA* to replace police communication equipment.

Prior to 2014, the Village Board's focus had been reductions in expenditures, with limited adjustments to revenues. Due to increasing required expenditures such as costs for ambulance service and regulatory compliance costs, and the decreasing ability to meet public service expectations due to staffing reductions and attritions, the Board's focus shifted in 2016 to improving revenues and services while monitoring expenditures.

The Village Board identified a need for approximately 3.0 FTE support staff in Public Works; there is currently 1.0 FTE. The Board identified a need for approximately 3.75 FTE support staff in Administration; there is currently 1.4 FTE. Director Grunwald intentionally left vacancies unfilled due to uncertainty the Village can sustain the positions in the long term under current Village Board revenue policy, particularly at the higher wage rates in the tight labor market. The Board's conversation that started 5 years ago needed resolution if the Village were to successfully provide effective public service and avoid the loss of experienced staff due to workload demands.

Director Grunwald noted Public Works and Administration labor expenses were shared between the General Fund, Water Utility, and Sewer Utility. General Fund revenues were restricted by the State's levy limit; and Water Utility revenues, by the Public Service Commission. The Village Board had the greatest flexibility with Sewer Utility revenues, which needed to be rational and reasonable but could be altered as the Board directed.

Utility rates captured revenue contributions from residents and property owners that did not pay property taxes, but the financial consequences of increasing utility rates tended to impact the Village's low-income utility customers more heavily than increasing property tax revenues. The Village Board already determined the Water Utility would apply for a rate increase to accommodate high-cost maintenance projects and capital investments. This combination of increasing Water Utility rates and negative financial consequences appeared to inhibit rate growth for the Sewer Utility.

Four options that would help address the deficits were brought to the Board's attention. A transportation utility and wheel tax were discussed by the Board in 2016 but held over while the County Board considered implementation of a county sales tax to be shared with the local municipalities. (The Manitowoc County Corporation Counsel opined the cost share was not legal and the issue was dropped by the County Board.) The Board could authorize a recycling fee, which would increase the general fund's capacity to absorb its other expenses. The Board could reduce one of the two full-time sworn law enforcement positions to part-time given the current vacancy in the Chief's position.

The Board discussed implementation of the recycling fee, revisiting contracted services such as recycling, and a general reduction in expenditures to address the shortfall.

**III. ANNOUNCEMENTS AND EVENT REPORTS.**

- A. TUE NOV 23 ..... VILLAGE BOARD, 6PM**
- B. NOV 25-26 ..... STAFF HOLIDAY**
- C. MON NOV 29 ..... PUBLIC WORKS AND UTILITIES COMMITTEE, 6PM**
- D. WED DEC 1 ..... PLAN COMMISSION, 6PM**
- E. TUE DEC 7 ..... MUNICIPAL COURT, IN-PERSON ONLY, VFW 4:30PM**
- F. WED DEC 8 ..... HUMAN RESOURCES AND PUBLIC SAFETY COMMITTEE, 6PM**
- G. MON DEC 13 ..... FINANCE AND BUDGET COMMITTEE, 6PM**
- H. TUE DEC 21..... VILLAGE BOARD, 6PM**
- I. FRI DEC 24 ..... STAFF HOLIDAY**
- J. MON DEC 27 ..... PUBLIC WORKS AND UTILITIES COMMITTEE, 6PM**
- K. FRI DEC 31..... STAFF HOLIDAY (HALF-DAY)**
- L. SCHEDULE ADDITIONAL MEETINGS, IF NEEDED.** No meetings were scheduled.
- M. ANY OTHER ANNOUNCEMENTS/EVENTS.** Candidates interested in appearing on the Spring Election ballot can begin circulating papers on December 1. The deadline for an incumbent to provide notice he is not running is 5pm on Christmas Eve. Director Grunwald will be available until 5pm despite it being a staff holiday but would be grateful if the three incumbents would each confirm whether they were running before that day, if they knew.

**IV. ADJOURNMENT.** Motion Nelson/Hoffman to adjourn; carried without negative vote. The meeting adjourned at 7:51pm.

Respectfully submitted,

*/S/ Stacy Grunwald*

Stacy Grunwald  
Director of Village Services

Approved on 11/23/2021