

**Special Common Council
of the City of Onalaska**
Tuesday, September 29, 2020
1

1 The Special Meeting of the Common Council was called to order at 6:31 p.m. on Tuesday,
2 September 29, 2020. It was noted that the meeting had been announced and a notice posted at
3 City Hall.

4
5 Roll call was taken, with the following members present: Mayor Kim Smith, Ald. Tom Smith,
6 Ald. Dan Stevens, Ald. Diane Wulf, Ald. Steven Nott, Ald. Jim Olson

7
8 Also Present: City Administrator Eric Rindfleisch, City Attorney Amanda Jackson, City Clerk
9 JoAnn Marcon, Financial Services Director/Treasurer Fred Buehler, Planning Manager Katie
10 Aspenson, Police Chief Charles Ashbeck, Parks and Recreation Director Dan Wick, Human
11 Resource Director Hope Burchell, City Engineer Jarrod Holter, Fire Chief Troy Gudie

12
13 **Item 2 – Approval of minutes from previous meeting**

14
15 Motion by Ald. Wulf, second by Ald. T. Smith, to approve the minutes from the previous
16 meeting as printed and on file in the City Clerk’s Office.

17
18 On voice vote, motion carried.

19
20 **Item 3 – Public Input: (limited to 3 minutes/individual)**

21
22 Mayor K. Smith called three times for anyone wishing to provide public input and closed that
23 portion of the meeting.

24
25 **Consideration and possible action on the following items:**

26
27 **Item 4 – Resolution No. 40-2020 – Preliminary Resolution to Vacate and Discontinue a**
28 **Portion of Crestwood Lane, City of Onalaska, La Crosse County, Wisconsin**

29
30 Katie said the purpose of this preliminary resolution is that is the start of a request to vacate and
31 discontinue a portion of Crestwood Lane, which she described as the cul-de-sac bulb at the end
32 of what is Crestwood Lane. Once vacated, the developer plans to rededicate new right-of-way
33 that will extend Crestwood Lane through the Crestwood Estates Final Plat. Katie said the
34 purpose of this is to notice that the Common Council will hold a public hearing at 7 p.m. on
35 Tuesday, November 10.

36
37 Motion by Ald. Stevens, second by Ald. Wulf, to approve Resolution No. 40-2020 – Preliminary
38 Resolution to Vacate and Discontinue a Portion of Crestwood Lane, City of Onalaska, La Crosse
39 County, Wisconsin.

40
41 On voice vote, motion carried.

42
Reviewed 10/01/2020 by JoAnn Marcon

43 **Item 5 – Resolution No. 41-2020 – To Implement Organizational Changes in Anticipation**
44 **of Future Budget Shortfalls**
45

46 City Administrator Rindfleisch referred to the copies of the resolution and memo he had written
47 dated September 24, 2020 included in Councilmembers’ packets, and he said, “I’m not sure this
48 would come to any surprise as we continue with our sustained loss of revenue in 2020 compared
49 to budget. But as we are assembling the 2021 budget, based upon the departmental requests and
50 the budgeted loss of sustained revenues, at this point in time we’re looking at a reduction of our
51 expenses in order to meet our levy limit requirements by over \$500,000. As 75 to 80 percent of
52 our budget is in personnel costs between wages and benefits, it is not sustainable to present a
53 budget to you that does not result in some level of job reductions in 2021. As suggested in the
54 resolution, as part of the budget process I’m seeking authorization to begin those proposed
55 reductions for 2021 in 2020. It may include things like layoffs, furloughs, reorganized
56 departments, and permanent staffing reductions. It is incredibly painful to even announce this
57 and to have these conversations about this, but I do believe in being honest about our situation.
58 And unfortunately, like 74 percent of other municipalities in the nation right now, our revenue
59 losses have become unsustainable and we do need to take action going forward in 2021.
60

61 The question that has been asked is, will the potential job reductions, layoffs, et cetera, result in
62 perhaps a reduction in service that the public has come to expect? I don’t think there is any way
63 I can answer the question without saying, yes. We are generally a very lean organization. Every
64 employee that we have, every position that we have, are vital positions. We have hard-working
65 employees that do a great amount of work. To reach a budget that reduces job positions, it is
66 inevitable that there will be some kind of service reductions. ... Unfortunately, that is inevitable.
67 It is not good news. The request is that as I prepare the budget for submittal next week to you is
68 that I wanted to make you aware of the situation and ask for authorization to effectuate some
69 changes immediately, and if there is any additional guidance that the Council would like to make
70 before I present to you the budget.”
71

72 Ald. Nott asked City Administrator Rindfleisch if the overall shortfall could be reduced by
73 moving “to the right” some of the hires currently on the 2021 plan.
74

75 City Administrator Rindfleisch noted Ald. Nott had referred to the plan to hire additional police
76 officers and firefighters in the 2020 budget, which was added in 2019, and he said, “Going back
77 to July and reviewing where we stood in 2020 with the revenue loss, it was agreed that we would
78 hire one of those three in each department in October and push the rest out to 2021’s budget.
79 Any movements within those positions would indeed free up additional monies in 2021. My
80 concern is any future delays would be something we would have to make up later on in 2022.
81 The short answer is, yes.”
82

83 Ald. Nott addressed the potential hiring of a part-time paralegal and suggested perhaps also
84 shifting that position “to the right” so that the city may save some funding for 2021 and

**Special Common Council
of the City of Onalaska**

Tuesday, September 29, 2020

3

85 safeguard some of the individuals who might be at risk. Ald. Nott said, “My hope is ... You
86 mentioned that we still have the cost of 2022. But I’m hoping that by 2021 we’re going to see
87 some of our income starting to come back in line with our expectations, which might actually
88 defer some of this as well as far as any kind of pain.”

89
90 City Administrator Rindfleisch said, “It’s certainly a concern if we defer too many costs to 2022.
91 We’d be looking at another round to balance that budget. It’s unknown how much revenue we
92 have. My interim budget before I’m looking at whatever guidance I get today, it does include
93 delaying some of those positions already right now from January to July.”

94
95 Motion by Ald. Stevens, second by Ald. Wulf, to approve Resolution No. 41-2020 – To
96 Implement Organizational Changes in Anticipation of Future Budget Shortfalls.

97
98 Ald. Nott referred to Resolution 40-2020, which the Council had passed earlier Tuesday evening,
99 and noted Ald. Olson, who was experiencing technical difficulties, had mouthed “aye” when
100 Mayor K. Smith had called for a vote.

101
102 Ald. Olson said, “I have a problem with the way this suggestion is worded. I would not have a
103 problem with the resolution if it stated that any changes that you wanted to make and any
104 discussions you wanted to have since the Common Council is the only unit in city government
105 which has the authority to spend the taxpayers’ money, I would suggest that if the City
106 Administrator wants to discuss the items with us while he’s thinking about it on hand and give us
107 the opportunity to have a conversation with him, I would not have a problem with that. If he’s
108 asking for authorization to make those moves without our consent, I disagree with that
109 wholeheartedly.”

110
111 Amanda told Councilmembers if they wish to have a discussion related to those, a meeting
112 would need to be scheduled, much like this evening, and the Council would have to conduct that
113 discussion in Open Session.

114
115 City Administrator Rindfleisch said, “To clarify, a discussion on the individuals perhaps
116 affected. My budget would be rolled out to you next week, and then you could have a discussion
117 on the positions.”

118
119 Mayor K. Smith asked Ald. Olson if that is his intent.

120
121 Ald. Olson said yes and stated, “As long as the discussion is on the situations we’re dealing with
122 and they’re open, that’s fine. That’s perfectly OK with me. That needs to happen. If nobody
123 disagrees with that, I’m good to go.”

124
125 Ald. Stevens said, “I’m going to suggest that the reason we have a City Administrator is to make
126 it so we can make this budget work. From an elected official position, I’m not sure that it’s

Reviewed 10/01/2020 by JoAnn Marcon

**Special Common Council
of the City of Onalaska**

Tuesday, September 29, 2020

4

127 entirely appropriate for us to be looking at making choices over individual people or
128 personalities. I see the City Administrator's role and function as to ensure that city service
129 continues and we're able to get through the pandemic to the best of our ability. If we are looking
130 at reductions in staff, I think that it should not be a political process, but rather an administrative
131 one. We should not be in the position of playing favorites. The reason we have a full-time,
132 professional City Administrator is to make sure that the functions of the city are met to the best
133 of our ability with the resources that we have. I wish we had more resources, and there are other
134 things that I would like to bring up that I think would be more appropriate when we talk to
135 budget. But I think this is a case where we let the City Administrator do his job."

136
137 Ald. Wulf said, "Due to State Statutes, we must pass a balanced budget. We all knew 2021 was
138 going to be a difficult year, and COVID-19 and interest rates has made it even more trying.
139 These are difficult times, and difficult decisions need to be made. I wish we weren't at this
140 juncture, but we are. Looking toward 2021, painful decisions have to be made, which will really
141 essentially affect every one of us. As an Alderperson, I don't feel like it's my responsibility to
142 make the decisions that are contained in this resolution. The city chose to employ a City
143 Administrator a few years ago, and I believe it was the right decision. I wasn't on Council at the
144 time, but if I had been it is one that I would have supported wholeheartedly. I think it is a City
145 Administrator's responsibility to make these difficult decisions, and I support him in doing so.
146 In fact, I appreciate our City Administrator for having the foresight and the fortitude to bring this
147 resolution forward and knowing that decisions have to be made. I will support this resolution
148 this evening."

149
150 Ald. Nott said, "In most of the proposal by the City Administrator, I actually have no issues with
151 it, although I guess overall something has to be done. I understand. And certainly we have to
152 have that balanced budget; I don't think anyone here is going to argue that. However, I think
153 that we can easily save a good \$100,000 simply by shifting the police, fire, and paralegal hires to
154 the right for a bit. That's not an insignificant sum for determining what the overall impact is. To
155 reference Alderman Stevens' view on people versus personalities, I'm more concerned about
156 positions, and positions that have a direct and immediate impact on the services that we provide
157 to the community. Yes, there are human beings attached to them, but they're also in a position
158 that has a job description that provides a service. We'd be eliminating those types of services as
159 well, or at least reducing them as a minimum. I would like to see us be enabled to move some of
160 those positions further to the right. I don't think that that's going to have any kind of a
161 significant overall concern on either one of the Fire Department, Police Department, or in legal
162 so long as they know we do have a commitment with a date and they see there is a light at the
163 end of that tunnel. If it's just two or three months to the right with those positions, I don't see
164 where there is any kind of permanent harm being done to our city. In fact, we'd be preserving at
165 least one position, and perhaps more, for providing services to the community."

166
167 Ald. T. Smith said, "I agree that I think we have to let Eric do his job because me as a
168 Councilperson ... They're all important, [and] I get that. But I think for us not to micromanage
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169 the positions and say, ‘This person may have to go and this may have to be consolidated,’ I think
170 the Administrator will be closest to working with the department heads and getting input from
171 everybody – and input from us, too. I think what Steven said is good. I think there’s some good
172 input that we can provide to give to our Administrator and hopefully he can consider that, too.
173 But I really do think that as the Administrator he’s closer to the organization and what works
174 today and what are the things to be done. We’re further removed from that, and I would hate to
175 see us micromanage that and say, ‘Here are people and positions.’ And I agree with Dan said.
176 We don’t want to make it political at all. We don’t need to know the names, just the positions.
177 As long as we can keep the service the best we can, I think we have to look at our Administrator
178 to make those right decisions on our behalf. And we can help support it and bless it. I’m for
179 really continuing to do it with Eric.”

180
181 Ald. Stevens said, “I think with reference to Alder Nott, I don’t necessarily agree that maybe a
182 directive to the City Administrator would be to allow for some flexibility. I don’t know that a
183 particular start date should be ... If we can solve the problem and meet the budget by bending a
184 little, I’m open to that. I’m a little concerned with the paralegal position. We’re leaning on our
185 City Attorney an awful lot. It seems that she’s moderating meetings. Municipal Court is now
186 back in session; at least it was open [Monday] when I was there. We’ve already kind of
187 mandated a half reduction in a position that we were able to kind of get by with because
188 Municipal Court was not happening. And now when we add all the COVID-related activity and
189 all the extra meetings that she’s moderating, I would concede to Steve’s point that maybe some
190 of the new hire positions could be a little bit flexible. But again, to reference Alder Wulf and
191 Alder Smith, there is a reason that we hired the City Administrator to make these positions. I
192 want to make sure that we keep our City Attorney sane and happy, and I would be very hesitant
193 to push that further to the right.”

194
195 City Administrator Rindfleisch said, “For the public record, what Alder Nott was referencing in
196 terms of delaying hire and what the math looks like [and] proposals in terms of when to bring in
197 each pair of firefighter and police officer, a three-month move frees up about \$44,000 in wages
198 and benefits. To those two positions, one each, for a three-month delay frees up \$44,000. One
199 each, six-month delay, frees up \$90,000. Alder Olson is correct: The reason for the resolution is
200 the City Administrator has authorization to implement the policies of the Council, which the
201 2020 budget is the policy document. [The] 2021 [budget] has not been passed yet, but that
202 speaks to the very heart of why the resolution is here as we move forward. It is the reason for the
203 request for the authority, because the Administrator does not have that. It is in the Council’s
204 hands right now. And it is a request so that we can move forward in a way that minimizes the
205 damage to the organization moving forward.”

206
207 Ald. Stevens asked City Administrator Rindfleisch, “Would it be a fair statement to say that
208 regardless if the public safety positions were not to start this year, we would still be required to
209 cut expenses on other positions?”

210

211 City Administrator Rindfleisch said yes and stated, “It’s actually better for us if they start in
212 2020. If we have to budget for three in 2021, that’s another \$44,000 we need to fund somewhere
213 or reduce somewhere else. If we get it built in the budget now, then we’re better off. What
214 you’re budgeting for is January to December revenues and expenses.”

215
216 Mayor K. Smith said she believes City Administrator Rindfleisch had stated he had delayed the
217 two positions to July. Mayor K. Smith also said she believes Ald. Nott is suggesting delaying
218 the positions longer, and she asked if that would have an increased effect on the following year.

219
220 City Administrator Rindfleisch told Mayor K. Smith he believes so, and he referred to Ald.
221 Nott’s point that there is the hope that there are increased revenues to offset that. City
222 Administrator Rindfleisch said, “That’s the risk. If we don’t have the revenues, then we’re here
223 again a year from now doing the same thing. We’re not budgeting for revenue sources, and are
224 there additional layoffs? That’s the decision I’m seeking guidance on. Right now I have the
225 thought of delaying hiring on all four positions – two police and two fire – not on January 1, but
226 in July instead. Is that a direction you wish to go, or do you give me other guidance?”

227
228 Ald. T. Smith said he assumes City Administrator Rindfleisch has studied the different scenarios
229 and where city services can be impacted minimally, and he asked him if he has worked with the
230 department heads on that.

231
232 City Administrator Rindfleisch told Ald. T. Smith he has sought input from the department
233 heads, and he said, “Ultimately the proposal will be the Administrator proposal. It doesn’t speak
234 to any recommendations the department heads have given me to say, ‘Yes, I don’t need so-and-
235 so.’ That is completely untrue. There are no positions that any department head says that we
236 don’t need. In the last several weeks, if not months ... we’ve looked at the entire organization
237 thus far as to knowing that we’re going to face these budget cuts [and] how to do it best do it and
238 minimize the loss of service. That’s the goal I have.”

239
240 Ald. Wulf addressed the proposal of filling two police officer and two firefighter positions in
241 July 2021 and stated, “Council went on record I believe earlier this year at the Special Council
242 meeting in June ... I believe we were all five in agreement that the emphasis was safety
243 positions. If we were to push those proposed positions farther to the right as Alderman Nott
244 suggests, I feel like that is going against what we all were in agreement with earlier this year.
245 Granted, we can always change our minds because conditions change and we have to roll with
246 how things are going. But I feel strongly that we made a commitment, and I think to push it out
247 even farther, I personally don’t feel comfortable. I think we made the commitment. My
248 personal belief is that Eric has done a balancing act here with picking a July date. If he were to
249 go ahead and start it in January, then we are talking probably \$550,000 worth of cuts, or maybe
250 \$600,000 worth of cuts and we would be more in the hole. In my opinion, I feel like he’s done a
251 good job with the balancing of picking a July date. ... I personally would not support pushing
252 them out farther than July at this point, especially based on all of our input of June of this year.”

253
254 Ald. Olson said, “The only thing I mentioned before is whatever decisions we should make as a
255 Council takes into consideration that as elected officials, we will be held accountable by the
256 public. And that is a little bit different scenario than some of the other people who were in
257 different positions. That’s my only concern. It’s been a good discussion.”
258

259 Ald. Nott said, “Going back to our prior vote with the police and fire, we were all in agreement.
260 However, there was a caveat to that, and I’m certain it’s in the [minutes]. I had actually
261 discussed hiring fewer because I was concerned about budget constraints. My vote for the
262 affirmative was based upon a question that I directly asked on whether or not we could hire this
263 many police and fire, and that they still could be paid within the current funding. I guess the
264 devil is in the details, but I certainly was not understanding – and it was not mentioned at that
265 time – that yes, it would be within the current funding, but only if we had to remove other
266 positions. I think that certainly would have affected my vote, and very well could have affected
267 some of yours. I can’t speak for you, but that was not brought forward when we all agreed on
268 this. That’s why I’m trying to come up with a possible alternative that might be able to at least
269 reduce some of the difficulty on this with reducing other positions simply by delaying the hires a
270 couple more months.”
271

272 Ald. T. Smith reminded the Council that the City of Onalaska had committed to a compensation
273 study that had been delayed due to the pandemic, and he said to City Administrator Rindfleisch,
274 “From that perspective, I assume that probably wouldn’t be reflected in the 2021 budget at all at
275 this point.”
276

277 City Administrator Rindfleisch told Ald. T. Smith the compensation study is funded in the 2021
278 budget, and he said the budget he proposes must meet the priorities established by the Common
279 Council. City Administrator Rindfleisch noted there are two priorities that are quite clear. One
280 is the implementation of the wage study results, which is being budgeted for at this time, but
281 does not include an automatic COLA (Cost of Living Adjustment). City Administrator
282 Rindfleisch said one concern is that a budget without a COLA immediately puts the city behind
283 the market in year one. City Administrator Rindfleisch said, “The other one [is] the general
284 request from the department, the increase in expenses is basically the same amount of increase in
285 expenses we have every year that we’ve been able to fit within the growth the city has every
286 year. ... The growth between 2018 and 2019 and the years prior to that [all show] similar growth
287 – expenses have grown, and revenues are expected to grow the same amount. The difference
288 between 2019 and 2020 is the one-time opportunity to forego the expenditure restraints and levy
289 enough to bring in the three new police officers and three new firefighters. That’s the one
290 exception. Had the COVID [-19 pandemic] not hit and interest rates not dropped from above 3
291 [percent] to below a half [percent] or less, we likely would not be having the same conversation.
292

293 The plan to hire would have worked, and did work, but it’s a one-time thing. That’s one of the
294 concerns that we have in delaying hiring. If we can’t hire them in 2022, we don’t have that same
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295 opportunity to repeat itself again. We did one shot, and it worked. It's the loss of revenue that is
296 really forcing this conversation. I ask the question again: Will we be able to hire in 2022 based
297 on the budget and the revenue? The answer is yes, because that revenue is still there. It's the
298 revenue we didn't know we were going to lose that we lost at that point in time, and that's the
299 trouble. To be clear, this is not looking at making reductions in other agencies or to hire a police
300 [officer] and a firefighter. A decision has to be done hand-in-hand. This is purely a reaction to
301 the loss in revenue that we would have been facing regardless of a decision made in 2022. I
302 think what Alder Nott is recommending is continuing to possibly delay those hires until such
303 time that we can truly afford it. I am concerned about 2022 to make sure we have enough
304 revenue to do so, but I think that's where you [Ald. Nott] are going with that one: to make sure it
305 still fits within the revenues and expenses we assume that we have, and we assume going
306 forward that we're going to have."

307
308 Ald. T. Smith asked, "We can't use any surplus funds for this, because this is administrative
309 expenses? The surplus funds we have, we can't pull some of those out to fill the gap?"

310
311 City Administrator Rindfleisch said, "I believe it was two years ago, we effectively budgeted the
312 use of \$150,000 in surplus to reduce the levy amount charged that year. We still have impacts
313 with that when we deal with Moody's and the rating agencies because effectively that's an
314 ongoing operational expense that we used reserves for, which raises red flags – are we collecting
315 enough revenue? Are we eventually going to go into the red over time? The use of revenues
316 should be one-time only expenses, and/or reserved for cases of emergency that ultimately we can
317 pay our debts based on the reserves instead of having to delay or not make payments or default
318 on our loans. Ongoing expenses, which personnel costs are, are not recommended to use
319 reserves. And quite frankly, this is where, in my opinion, La Crosse has lost their ratings over
320 time because they have continued to use reserves on an ongoing basis instead of a one-off basis.
321 ... A good chunk of our budget is debt servicing, and if that line item becomes far more
322 expensive because of rates or default, then you're not any better off."

323
324 Ald. Stevens noted he had had two points to make, one of which City Administrator Rindfleisch
325 had addressed. Ald. Stevens said, "When we had cast that vote for the extra public safety
326 positions, I believe that was in the pre-COVID era. Like the budget, we knew it would be tough,
327 but we wouldn't be looking at reductions at this point. It's a loss of interest revenue, and it's a
328 loss of enterprise revenue that's driving that and we still would be having this conversation. It
329 would just be a little less so. At first I was suggesting that maybe if we had to move a little bit to
330 the right we ought to. But I also think that we need to ... We have a problem that we need to
331 address right now, but we don't want to set ourselves up for a bigger problem down the road.
332 That's almost suggesting that maybe that needs to go to the left. Maybe the City Administrator
333 had picked the perfect compromise. ... I would look forward to seeing what the budget is, but
334 maybe it ought not go to the right. Again, I'm going to go with my original point and say that
335 we should utilize ... Let [City Administrator Rindfleisch] do his job and let's do the budget. ...
336 At the time the vote was cast I think we were solid. The second [point] is that we have a

**Special Common Council
of the City of Onalaska**

Tuesday, September 29, 2020

9

337 problem that we have to address now, but let's not set ourselves up for a bigger problem next
338 year. I think my directive to the City Administrator would be to propose a budget that keeps the
339 city going as smooth as we can and sets us up for success in the future. We also need to think of
340 future budgets, not just the current one."

341
342 City Administrator Rindfleisch said he was concerned about delaying hiring two firefighters as it
343 goes against the Common Council's guidance, which is to hire them as soon as possible in 2021.
344 City Administrator Rindfleisch said he will take guidance based on the conversation that has
345 occurred this evening about either moving right or left, adding, "If it is the desire to bring those
346 positions on even earlier than July, please also let me know and my budget can reflect that."

347
348 Ald. Nott said, "I don't think we'll be setting ourselves up for 'bigger problems' in 2022. What
349 my proposal does is only recoups about 20 percent, so there would still be a \$400,000 reduction
350 in this 2021 proposal. What we would potentially be setting ourselves up for would be for
351 another \$100,000 shortfall in 2022 if we don't recoup additional income during 2021, which is
352 my hope that we would as we hopefully start coming out of this. I also want to correct that this
353 wasn't a pre-COVID decision about police and fire. This happened right in the middle of it."

354
355 Motion restated:

356
357 To approve Resolution No. 41-2020 – To Implement Organizational Changes in Anticipation of
358 Future Budget Shortfalls.

359
360 On roll call vote: Ald. Steven Nott – nay, Ald. Diane Wulf – aye, Ald. Dan Stevens – aye, Ald.
361 Jim Olson – nay, Ald. Tom Smith – aye. Motion carried, 3-2.

362
363 **Adjournment**

364
365 Motion by Ald. T. Smith, second by Ald. Wulf, to adjourn at 7:18 p.m.

366
367 On voice vote, motion carried.

368
369
370 Recorded by:

371
372 Kirk Bey