

CITY OF PORT WASHINGTON
HARBOR COMMISSION MEETING
Monday December 19, 2016, 7:00 P.M.
City Hall, Lower Level Conference Room

Members Present

Jerry Baganz, Jerry Gruen, Sue Knauer, Bill Driscoll, Dan Herlache, and Jordan Schwanz

Others Present

City Administrator Mark Grams

Harbormaster Dennis Cherny

Assistant Harbormaster Lisa Rathke (Secretary)

Marina Tenant Richard Lakse

Kris Halbig Ziehm (Press)

1. Roll Call: (Absent: Dave Larson)

2. Approve Minutes Of Previous Meeting

Jerry Baganz made a motion to approve the minutes as written and Dan Herlache seconded. Motion Carried.

3. Monthly Financial Report

City Administrator Grams distributed an updated financial report through last week showing the final \$46,000 debt service payment of the year and updated wages. We are now looking at being \$12,722.31 in the red as of right now. With final bills and wages through the end of the year we will probably end up \$25-30,000 on the negative side.

City Administrator Grams also shared with the commission the last 14 years of audit reports. There have been some good years and some bad years he said. The fund balance shows what is in the reserve fund he said.

Harbormaster Cherny questioned how the fund balance number relates to the \$288,000 that is in the marina account. City Administrator Grams said that Mary Bley, a previous city treasurer put the reserve money in this money market account and after that it was never touched. Even though it has remained unchanged, the money was never put in or taken out of that account when there was a profit or a loss.

Member Gruen said that the financial statements the commission received before 2012 were far simpler to read. They also listed the reserve fund balance as well as the net profit/loss of the previous year. We always knew exactly where we were at. The new financial statements that the commission has been receiving since 2012 do not show these numbers. He would like to go back to the other system as the numbers were far easier to figure out. That way we know what we have and where we are going.

Member Driscoll questioned that there is \$288,000 that is in that account and only \$150,000 should be there. Where is the other \$130,000 supposed to be? City Administrator Grams said that it should be put back into the General Fund. The money is accurate said City Administrator Grams; it's just not in the right places. City Administrator Grams said that he will talk with the city treasurer and have the fund balance and net profit/loss added to the financial statement for the marina.

Member Gruen said that he would like to see the reserve money set aside in an account where it wouldn't be touched unless the Harbor Commission discussed the matter and decided that money needed to be taken out of reserve to handle a deficit or other issues that may arise like the fuel tanks a couple years ago.

4. Harbormaster's Report

Harbormaster Cherny mentioned that the lake is down over a foot since summer and hope that we pick that amount back up by spring.

On December 9th, a 68' power boat stopped at the marina and took on 500 gallons of diesel fuel on their way to Sturgeon Bay to store the boat for winter. The boat was covered with ice when it got to the fuel dock. The captain and mate were busy scrapping the ice of the windshield and around the fuel caps.

The marina itself is all prepared for winter he said. There was some ice building in the North Slip so he did run the ice eaters for a couple of hours to help break it up. The Main Marina is completely free of ice thanks to the electric company's warm water.

Slip contracts will be going out this week with first payment due on February 1st.

5. Marina Tenants' Comments

Marina tenant Richard Laske said that he has been following the reports in the Press about the marina. The paper said that the city was contemplating making the Harbormaster position a part time position. He said if you make the Harbormaster a part time function then the quality of the marina could take a nose dive. We have a beautiful marina here; one of the nicest on the Great Lakes, this place is a gold mine. If the marina has good years and bad years, it's just part of the deal. The revenues are going to fluctuate based on weather and fishing from year to year, that's just the way it's going to be. He said that he doesn't understand the logic behind not having a full time harbormaster based on the revenue from year to year if the marina continues paying its way.

City Administrator Grams said that the marina is looking at losing money three years in a row, something needs to happen in order for the marina to continue paying for itself and being its own entity.

Member Driscoll said that something different needs to happen to ensure the profitability of the marina. What the answers are, he does not know and that is what we are here to discuss and figure out he said.

Member Gruen said that there are ways to cut money, but he feels that cutting employees is not the way to do it. He also feels that there is a perspective issue. He went through the last fifteen years' worth of notes that he had and this marina has made money almost every year. We had a couple of tough years, the year that we had the \$75,000 issue with the fuel tanks, and the year when we entered into a fuel contract and that ended up being a losing proposition, but everyone is panicking saying the marina is losing money, but in truth the marina has made a ton of money over the last twenty five years. The marina has put a lot of that money back into the city. The city also gets paid by the marina every year to the tune of \$45-\$55,000 in lieu of taxes. And in the past large sums of money were just taken by the city and put into the general fund when the marina was making so much money and didn't have many expenses. We have had good and bad years, but over time the marina has been very successful.

6. Any Other Business That May Come Properly Before The Commission

No comments.

7. Motion To Go Into Closed Session According To Wisconsin State Statute 19.85 (1)(c) To Consider Employment, Promotion, Compensation Or Performance Evaluation Data Of any Public Employee Over Which The Governmental Body Has Jurisdiction Or Exercises Responsibility

The commission did not take up this agenda item. It will be put on hold till a later date.

8. Reconvene Into Open Session

9. Possible Action Regarding Any Item Discussed In Closed Session

10. Adjournment

Jerry Baganz made a motion to adjourn the meeting at 7:52 pm and Sue Knauer seconded. Motion Carried.

Minutes approved by the Harbor Commission