

Greater Sheboygan Committee
October 2008

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Note: In this document, the use of the term “municipal management” is used as a general term to describe city managers and/or city administrators.

1. Professional Management For Municipalities

INTRODUCTION: The City of Sheboygan municipal government is a significant economic enterprise. With an annual operating budget of \$33 million, a total budget of \$96 million (in 2007), a labor force of 463 employees and tens of millions of dollars in physical assets, this governmental unit is charged with delivering varied and complex services to its ownership.

While one half of the City Council can be potentially replaced every other year and a new Mayor elected every four years, the qualifications for these positions consist only of: being a US citizen, being a resident of the City of Sheboygan, being of legal age, and not being a convicted felon.

Over the years, well intentioned, dedicated, and honest citizens have stepped forward to serve Sheboygan as elected officials. However there is no certainty that citizens with the necessary expertise and direct experience will be elected to manage the City's complex municipal operation.

City officials may be elected because of their political skills, but these do not always translate into the management skills necessary to make the critical decisions that impact every City resident.

One of the ways to address this matter is through the use of trained municipal management professionals who can provide expertise and assistance to elected City officials

PROFESSIONAL MUNICIPAL MANAGEMENT: Wisconsin State statutes permit municipal governments to be managed, in part, by a Mayor, a City Manager, or a City Administrator. Following are some of the most common options:

- a. Mayor/City Council
- b. City Manager/ City Council
- c. Mayor/City Administrator/City Council

In general, municipalities who have City Managers do not have Mayors, although the position of mayor is not expressly prohibited. Some municipalities with City Managers provide the president of the city council with the title of Mayor.

In municipalities with an administrator, the Mayor may be a full time or part time elected position.

2. What is the difference between a City Manager and a City Administrator?

Under a City Manager there is a clear separation between the legislative, policy-making authority of the city council and the executive and administrative powers of the city manager. The city manager, usually professionally trained, serves at the pleasure of the city council. The powers of the city manager are broad and comprehensive, including, but not limited to the management of employees and department heads, budgeting and financial management and reporting.

Under a typical City Administrator arrangement, the administrator is responsible for day-to-day operations, implementing ordinances and carrying out administrative actions directed by the city council. This leaves the council free to concentrate on policy matters. While exact duties will vary from one city to another, the following are typical:

- serve as chief administrative officer under the general direction of the mayor and council
- implement legislative actions
- carry out directives of the council
- direct, supervise and coordinate day-to-day activities of municipal departments and services
- administrative duties such as: assist in developing council agendas and documents, reporting on operations, budgeting and serving as the municipal personnel officer

3. What are the reasons for having a city manager/administrator?

Per the Wisconsin City/County Management Association (WCMA): “The world, however, is changing and what used to work can no longer meet the standards of effectiveness, efficiency and accountability now being demanded. First, local governments are complex organizations that require expertise in personnel, planning, finance, and intergovernmental relations and an administrative structure that provides coordination of municipal services. Second, communities throughout Wisconsin are increasingly facing global competition. Their abilities to compete depend not only on private sector initiatives, but on sophisticated and aggressive public efforts as well. The need for professional municipal administration is not a matter of the failure of local government, but rather adapting to changing conditions by increasing the capacity of municipalities to provide effective and efficient services”.

4. What are the advantages of having a city manager/administrator?

Per the WCMA: “Municipal management [meaning a city manager or city administrator] is trained to operate cities, villages, and towns. They are professionals in the same way that company executives, school superintendents, doctors and attorneys are professionals. Most of them have master’s degrees in public administration, with training in budgeting, finance, personnel, labor relations, intergovernmental affairs, public works, community and economic development and public safety....They are part of a network of expertise and they know where to go to get answers. They are committed to municipal administration as a career. The community’s success is their success and consequently, they have a strong interest in doing the best job possible.”

5. What specifically would a city manager/administrator do?

Per WCMA: "It is their responsibility to bring coordination to the provision of municipal services. They work to build a municipal team of department heads and other employees. They establish and enforce policies in the areas of personnel, purchasing, cash management, risk management, planning, and employee development in order to provide more efficient and effective government"

6. What is the benefit to a city council of having a city manager/administrator?

Per WCMA:

- Council members can spend more of their valuable time focusing on policy issues, community goals, and major projects rather than on administrative details.
- Council members get better and more comprehensive information and analysis from the administrator in a staff role to enable them to make more informed decisions.
- The changed role of the council may encourage more people to run for elected office.
- The professional manager can provide continuity when new persons are elected to public office.
- Can position the Council for greater success by eliminating disconnected islands of activity each with its own and sometimes conflicting focus. A trained, professional municipal manager can get every one within city government pulling in the same direction.
- A professional municipal manager can cause council members to be more accountable for their actions and more responsive to constituents. They cannot shift responsibility to department heads or a mayor,

7. How is the position of city manager or administrator created?

A city manager position may be created via charter ordinance that requires a 2/3 vote by the city council. It may also be done by referendum following an electors' petition equal to 15% of the votes cast within the city for the governor in the last gubernatorial election.

A city administrator position may be created by a simple majority vote of a city council.

8. How does a city manager or administrator provide continuity?

In the last 20 years, Sheboygan has tended to have one or two term mayors. During the period from 1980 to 2006 the typical city council member served an average of 2.5 terms (5 years). Out of these council members, 32% served only one term. Compared to some other nearby communities (Manitowoc and Plymouth both have or had mayors who served many terms) Sheboygan has tended to have significant turn over in its elected officials. This would argue for the continuity of professional municipal management [meaning a city manager or city administrator] that could assist newly elected officials and reduce disruption caused by frequent high learning curve transitions.

9. Doesn't the creation of a city manager or city administrator take away the right of citizens to vote for their leaders?

A municipal manager serves at the pleasure of the city council and in most cases can be removed for cause or performance. In both the city manager and city administrator situations, the city council continues to be elected by the voters. The council can remove a poorly performing municipal manager on behalf of the tax payers, while a poorly performing elected mayor cannot be removed until the end of term or via a cumbersome recall process.

It is the job of a municipal manager to administer, not to set policy. The taxpayers still have elected council members who have legislative powers and set policy.

In the case of a city administrator, the city continues to have an elected mayor.

10. Under the Mayor/Council form of municipal government, doesn't the Mayor serve in the capacity of "city manager"?

Under the Mayor/Council form of municipal government the elected mayor is expected to perform as the chief executive officer of the community, regardless of that person's qualifications or experience. In many cases Mayors are elected for their political leadership. This does not always translate into effective administrative leadership. Some mayors will have administrative skills; other mayors may not.

There is nothing wrong with a mayor being elected on the basis of strong political skills. These are the type of skills that can be best used to lobby for the community, to focus on economic development, to develop grant and other funding sources, and to develop intergovernmental relations on the state and local level. Every community needs an effective "cheer leader", and a mayor with reduced administrative duties, because of a city administrator, can serve in that role.

On the other hand, mayors who must focus significant time and effort on the politics of re-election will spend that much less time on city administration.

11. Under the Mayor/City Administrator/Council form of municipal government, what is the responsibility of the Mayor?

With this format, the mayor's position may be full time or part time. The mayor's duties will vary depending upon which is chosen by the council. According to WCMA the following are typical of duties for a mayor in this type of city government:

- Policy leader for the community, including providing policy info and recommendations to the council
- Presiding at city council meetings
- Voting in case of a tie
- Veto power on council passed ordinances
- Represent the city in relations with the media
- Represent the city in meetings with other governmental units, businesses, community groups and other groups

- Work with residents who have specific requests or complaints

12. How is the salary of a municipal management paid?

Sources indicate trained, professional municipal management should produce more than enough internal savings to cover its cost. In addition, under the mayor/city administrator/council format, the mayor's position could become a part time elected position, which could help fund a city administrator.

13. Isn't municipal management unusual in Wisconsin?

Not at all. Out of 22 cities in the State with populations of 30,000 to 150,000, as of 2007, thirteen of them have appointed city managers or city administrators (Source: Wisconsin Taxpayers Alliance).

In addition, the concept of professional management is almost universally seen in school districts. Elected school boards recognize they often do not have the expertise necessary to effectively administer their school districts. As such, they hire professionally trained individuals to fill the position of School Superintendent.

14. Do cities with municipal management always have lower taxes and lower municipal spending?

The answers are mixed in some areas such as tax rates and per capita levy. However, in the case of operating spending per capita (which is all municipal spending except debt service and capital expenditures), out of the 22 cities referenced above, the 11 cities with the lowest operating spending per capita include 8 with municipal managers.

In the local area, most will agree that the addition of a County Administrator to the operations of Sheboygan County has had a significant impact in making financial decisions, improving the effectiveness of County government and in stabilizing and reducing County budgets and tax rates.

15. How do local politics relate to professional municipal management?

- Some refer to city managers and city administrators as municipal management without the political priorities.
- The profession municipal management can help insulate department heads from a certain amount of politics, but at the same time it raises the accountability of department heads.
- Political concerns that may stifle innovation in local government can be reduced.
- It should be recognized that when the issue of professional municipal management is raised, it is often met with resistance by currently elected officials who may have concern over changes to their current authority and duties.

16. What are some of the miscellaneous benefits of professional municipal management?

- Not only the benefit of a better budgeting process, but better follow through during the actual course of the budget.
- Potential for enhanced long range planning as the result of greater local government continuity?
- More consistent, effective, and realistic performance evaluations of department heads and other city managers.
- Professional municipal management can focus on effective administration and not on getting re-elected.

17. The structure of the Mayor's office in the City of Sheboygan allows the Mayor to have assistants. Isn't this the same as having city administrators?

While the Mayor's office has assistants, these staff members are appointed by the Mayor and serve at his or her pleasure. As such, they lack the independence a true city administrator would have. In addition, they need not have any special professional qualifications.

18. Didn't the City Council recently look into the possibility of having a city manager and decide it was not necessary?

In early 2007, the City Council reviewed a proposal to establish a committee to study the city manager concept. The committee was not established and no further action was taken.

19. Didn't the City of Oshkosh consider changing from the city manager structure back to the mayor/council format?

The city manager of Oshkosh came under severe criticism in 2007 for withholding critical information from the Oshkosh city council. He received pressure to resign and some Oshkosh residents suggested a return to the mayor/council format. However, this was a failure of the individual and not a failure of the city manager structure. He could have been an elected mayor with holding critical information from the council. In addition, the Oshkosh city manager was not a professionally trained city manager, but came out of insurance industry.

Summary and Conclusion

The Greater Sheboygan Committee recommends the Sheboygan City Council appoint a committee to study and make recommendations in regard to the creation of a City Administrator position. In addition, the Study Committee should review the issue of whether the City Mayor should be a part time or full time position and make appropriate recommendations.

To provide transparency to the Study Committee process:

- The majority of members should be qualified (having experience in management, organization or leadership) private citizens.

- The Chair of the Committee should not be a member of the City Council or a City staff member.
- The Chair of the Committee should not be aligned with any political faction within City government. In these situations, the current elected officials in a municipality might be assumed to be highly opposed to the establishment of professional municipal management. As such, it is critical that existing elected officials support the study process in an absolutely unbiased manner in all respects and appearances.

City government is simply too large and too complex to continue with out some form of professional management. A large volume of information supports the advantage and efficiency of professional municipal management.

The Wisconsin City/County Management Association and other organizations have existing guidelines and documentation formats which can serve as direction for the work of the Study Committee.

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