

CITY OF WAUWATOSA

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BUDGET COMMITTEE MEETING

Thursday, September 3, 2009

Committee Room #1

PRESENT: Alds. Ewerdt, Walsh, Donegan, Krol, Jay, Organ, Berdan, Wilke - 8

ALSO PRESENT: Mayor Didier; J. Archambo, City Admin.; R. Braier, Finance Dir.; Police Chief, B. Weber; Cpt. J. Sutter; Cpt. D. Weiss; Fire Chief D. Redman; Asst. Fire Chief, M. Anton; Asst. Fire Chief M. Carberry; Dep. Chief, S. Erke; Dep. Chief, B. Rice; Dep. Chief, J. Case; H. Wendt, Fire Dept./IAFF, Local 1923; Dep. Chief, B. Lee

Ald. Ewerdt as Chair called the meeting to order at 6:05 p.m.

Ald. Ewerdt reported that new to this budget year, the department heads were asked to submit budget scenarios which reflected a 1% increase, a 1% decrease, and a 3% decrease to their budget. He also suggested that motions be made on each budget as presented in lieu of waiting until all budgets have been reviewed.

Mr. Archambo explained to the new committee members that each department presents their budget to the Executive Committee and from that review this document being presented is prepared. This budget will go to the Common Council for a public hearing after recommendations have been made by the budget committee.

Mr. Archambo reviewed the executive budget and discussed the significant negative revenue and expenditure impacts, as well as the significant positive revenue and expenditure impacts. Some negative revenue impacts include a decrease in building and electrical permits attributable to the economy. Negative expenditures include the debt service increase, salary/gross wage increases and park operations. Positive revenue impacts include an increase in court fine revenues, recycling tags and library fees. Positive expenditures include health/life fund, rolling vacancies and special projects. Mr. Archambo explained the rolling vacancies and that the amount of \$896,300 is the estimated wages for 12 employees which is the minimum number of positions needed to remain vacant.

Other significant issues discussed include the creation and funding of an Economic Development position, completion of zoning code re-write, a proposed 36% increase in City of Milwaukee wholesale water rate, potential reduction of garbage collection cost and stabilizing the health/life fund balance. Mr. Archambo said the City has reached a point where the fund is overfunded and ways to bring this number down are being discussed. The creation of a K-9 police unit funded principally through grants will happen in 2010.

The Police and Fire departments make up 54% of the general fund expenditures. The City Administrator reviewed the city's tax levy and rate history. The 2010 assessed tax rate increase is estimated at .04 cents. He noted that there has only been two other times in 17 years that there has been a lower percent increase.

Mayor Didier reported that Administration and Mr. Braier have met with each department individually and discussed their budget and all options. She said everyone has spent many hours and worked very hard in preparing the budget before it was handed over to the committee.

Ald. Donegan questioned the estimated assessed property value of \$5,324,737,600 which is higher than the estimated values in 2009 and home prices have been selling for less than the assessed value. Mr. Archambo reported

that the assessors are creating a tax roll with an approximate value for 2010 which are challengeable through open books. Once the Board of Review concludes its work they will have established the property value. Mr. Archambo said this figure is the best information we have at this time. When pressed he felt the most this figure could change would be by ½%. Ald. Donegan said he felt that the assessed values are overestimated. He thought we should be thinking through all of this for contingencies in the event that the assessed value is too high.

Ald. Donegan asked about the status of the Capital Improvement Plan. Mr. Archambo said the Capital Advisory Committee will be meeting and the committee will have this information sometime in October. Mayor Didier reported that there is a goal to try and move this up which may change the schedule a bit. Ald. Donegan commented that he had a problem approving this budget without having the capital improvements budget included. Mr. Archambo said the intent in the future is to have all of this information available at the same time.

Ald. Donegan asked about the health reserve fund balance. Mr. Archambo reported that claims have come down. The city looks to have a 30% reserve which would equate to about two million dollars. Mr. Archambo said the 30% figure needs to be rethought because of the volatility.

Mr. Archambo explained the rolling vacancies. He commented that the undistributed payroll under expenditures would equate to 12 employees at all times. All open positions would be reviewed and determined if the position needed to be filled immediately, trying to be more efficient in the long run. Ald. Donegan asked how long the position would remain unfilled and the response was an entire year. Mr. Archambo reported that would equal three employees each in police, fire, city hall and public works. He said this is not done without concerns because of the small department with only one or two employees. If the city doesn't get this through attrition or turnover they would have to go to drastic measures like layoffs which would not be the preferred method. The City Administrator said there are currently seven or eight vacant positions. He noted that because of the economy and the retirement system there is hesitancy for eligible employees to retire. The eligibility retirement list continues to grow. After being questioned why the retirement fund was being increased by 9%, Mr. Archambo reported it was because the fund performed so poorly last year. Mr. Braier reported that it fluctuates and when the market performs favorably the city benefits.

Police – Depts. #211 and #212

Chief Weber reported to the committee that his department followed the budget recommendations very carefully. He said he submitted his budget scenarios as requested. He noted that his costs don't stay at 0% but understands in tough budget years filling vacancies or purchases can be delayed but this cannot happen every year.

The Chief presented a graph showing the crime rates across the city for the past twenty years. He noted that overall in the past twenty years there has not been an increase in crimes. He felt there have done a very good job of protecting the city.

The Chief reported that for 2010 he can make this budget work by augmenting some programs and noted that the police union has worked with them pretty well. He said the union has committed \$10,000 for workout equipment which is a real positive move.

The Chief reported on the K-9 unit they have proposed in this budget. Ald. Krol said he was pleased to see the K-9 unit in the budget. Cpt. Sutter reported that the initial proposal is for one dual purpose dog. This will be for used for street patrol and search and seizure. The dog has a working life expectancy of seven to nine years. Cpt. Sutter said they hope to see an increase in asset forfeitures with this new unit. He felt that the K-9 unit would help prevent injuries to officer in foot chases and apprehensions. Cpt. Sutter reported that if the city has their own K-9 they hope to have more surprise locker searches at the schools that would be more effective. Currently when they have

scheduled searches word gets out within minutes and ruins the surprise effect. The department can schedule locker checks when needed instead of having to reserve a K-9 unit from a neighboring community.

Cpt. Sutter explained that the start up costs for a K-9 unit is between \$35,000 and \$40,000. Donations and grants are covering the costs of the animal and training for the dog and officer. A local veterinarian has offered to donate his services for the dog's health. The department is asking for \$5,000 in their budget for maintenance which would be an annual cost. Chief Weber said one officer will commit to the dog until the dog retires. The dog will live and work with its handler. They are working with the union on this currently and they have interested officers.

Chief Weber discussed the success of the Harley motorcycle units and commented that they have exceeded their expectations in traffic enforcement. Ald. Krol said he appreciates the energy savings with the motorcycles.

Ald. Donegan reported that he finds the budget acceptable. He inquired about the staffing levels on each shift and commented that he doesn't think any constituents want to take police officers off the street. Ald. Donegan asked what response times are for this year. Cpt. Sutter said these haven't been calculated. When asked what would happen to the response time if one day and one night officer were taken off the street, Cpt. Sutter responded that it would be subjective to what the assignment of the officer is. He said one person isn't going to make the response time increase 30 seconds.

Cpt. Sutter reported that special units are used when a pattern is seen for vehicles being broken into or burglary details where a rash of screens have been cut. This changes from day to day and night to night. With one less officer they could still do it however there would be less flexibility. The second shift has the highest call volume as the brunt of the crimes happen then.

Chief Weber added that third shift is running with seven front line officers each night. He said the problem is if a call comes in for a problem at a bar, it is a three or four officer call which takes that many officers off of the street.

Ald. Donegan inquired about the Director of Personnel position and would this be a spot to cut back. Chief Weber responded that they don't think that this would be the best way to go. He said you can't just throw a new officer on the street. They are supervised strictly to make sure they are properly trained to do what they are supposed to. He does not feel the department has too many supervisors. Chief Weber said the Director of Personnel coordinates training and said that training is ongoing every day. Cpt. Weiss reported that studies show that this position is one of the most vital and busiest. Cpt. Sutter responded that the biggest area of liability is training issues.

Mayor Didier reported that Administration meets weekly with the Chief and with her understanding of the department is not supportive of decreasing this budget. The officers need to be on the streets. She said in today's economy people are doing more desperate things and felt it imperative to keep the training in place and patrols on the street. She noted that the crime clearance rate in Wauwatosa continues to increase and people know you are not going to get away with criminal acts here.

Ald. Ewerdt asked if there are future plans to expand the Harley unit. Cpt. Weiss said they have discussed this but it would not be prudent to make a determination until they have a couple of years of data. Cpt. Sutter said it would depend on what the unit is deployed to. They are not as efficient as a car in some instances. He said this needs to be looked at longer term. Cpt. Sutter reported that the Harley units are out on the road from April to November 1st, and at least one is deployed on first and second shift. Chief Weber noted that if officers are cut the first to go would be to take a Harley unit off the street.

In response to a question Cpt. Sutter responded that the liability for a K-9 unit doesn't seem to be any different than any other use of force.

Moved by Ald. Krol, seconded by Ald. Organ
to accept the review of the 2010 police budget -

Ald. Donegan asked for clarification on this vote and will there be a chance to revisit any of items. Mr. Archambo said that amendments can be entertained at the end of the process.

Vote on the motion – 8

The committee recessed at 8:02 p.m. and reconvened at 8:10 p.m.

Fire – Dept. # 221 and #223

Chief Redman reported to the committee that his budget to the executive committee included a scenario of a 1% increase, a 1% decrease, and a 3% decrease to their budget. The Chief said essentially the budget is presented as a zero percent non-personnel and non-capital expenses. Some line items have been adjusted such as the fuel account, but other small adjustments have been made.

The Chief said the big picture of the operations change is incremental growth which was embarked on in 2004 to grow the paramedic system. The 1% reduction scenario would be to not send the paramedics to school for their certification. Since that time the City Administrator has directed to not make that change. In the budget there is one capital item purchase of thermal imaging equipment which replaces one that is ten years old. Also there is the updating of the restrooms in fire station #2, which would be a private restroom for females.

Chief Redman explained the Mutual Aid Box Alarm System (MABAS) used for mutual aid. He noted that the effectiveness of this was seen with the Patrick Cudahy fire. Deputy Chief Erke was the incident commander at the scene for a significant amount of time. Deputy Chief Bill Rice had a large role in developing the original system. This has been a huge value to the department. Regionally the firefighters are able to work with special services teams. The development of continued mutual aid for the next year is a big goal.

Chief Redman reported that after the narrative was submitted and after executive review the department had more than a 1% impact reduction. The Chief said operating with the unknown results from rolling vacancies creates a practical difficulty. He said last year the department reduced the number of filled firefighter positions and covered the unfilled positions with overtime. This resulted in a net reduction in operating costs that are incorporated into the 2009 budget and are extended into the proposed budget for 2010. The concept of rolling vacancies for 2010 takes advantage of current and future vacancies but does not provide for maintaining daily staffing levels through additional overtime. The Chief said assuming there would be a salary savings of \$160,000 and \$80,000 in fringe benefits from the vacant positions it would take as much as \$100,000 of overtime and \$20,000 in fringe benefits to cover the daily staffing. The Chief said he would have to change staffing in some way to do this.

The Chief said that company operations are closely aligned with daily staffing. He said a systematic reduction in daily staffing on 125 – 150 days per year as proposed, requires a change in fire company configuration. This result is to reduce one ambulance company at fire station #2. A firefighter would be shifted to the Quint apparatus (that would operate effectively as a pumper instead of a Quint) and this could reduce one position per day. The Chief reported that due to the major construction on Mayfair Road that is expected to continue for at least a couple of years, the paramedic unit at fire station #2 will be handling more calls requiring the Quint to be dispatched as support staff on certain medical calls. There would be about a 10% increased percentage of time where no unit would be available for response. There is a concern that the Mayfair Road construction will impact response times for second companies responding from our other two stations.

The Chief suggested instituting a temporary parameter during the first quarter of 2010 to close the ambulance unit only on the days that staffing falls below the current normal of 26. The remainder of the year would require closing the ambulance from 40% - 50% of the time to cover the rolling vacancies. He said that if during the first quarter it is found that actual vacancies create salary savings enough to operate this unit, this could be revisited to find a plan to keep the unit operating. He said the bottom line is if he has the vacancies and doesn't get the additional overtime, he cannot maintain the current staffing.

Chief Redman said that in the Fire Equipment Reserve account there is funding for one automobile in the amount of \$24,000. The rescue pumper being replaced in the 2010 budget is a rescue body pumper in the amount of \$550,000 for fire station #3.

The Chief updated the committee on the fire station. He noted that the bids for the station came in several hundred thousand dollars below the budgeted amount. Right now they are about \$400,000 below the budgeted amount. He felt that since construction got started two or three months late the contractor will be constructing past the planned period working into the winter. There could be additional construction costs because of that. The relocation of utilities was the big reason for the delay.

Ald. Organ asked for further information on staffing levels prior to 2006. Chief Redman reported that in 1998 they reduced three positions by one position per day, which is the equivalent of four firefighter positions. Between 2004 and 2005 they were reduced six more positions. The Chief said they are operating with 12 fewer positions now than in 1998. The Chief reminded the committee that in 2008, three full time equivalent positions were unfunded by use of overtime which saved salary and fringe benefits with a net savings of about \$200,000 per year. This was started in the second half of 2008 and the money was added back into the overtime. The 2009 was budgeted for the three unfunded positions which is about 7000 regular hours not worked or about 4000 hours of overtime.

The Chief when asked commented that after the department uses 7000 – 8000 hours of overtime a year he starts to get concerned about the burn out factor. He said he has not had difficulty in getting the firefighter's to work the overtime. They don't work multiple days enough to get burnt out.

Asst. Chief Anton provided a brief background on the fire apparatus. He said that prior to 1998 they operated seven apparatus. The City funded a study and one of the recommendations from that was to consider the Quint apparatus (combining of two companies). Asst. Chief Anton reported that in our three fire stations we have two pumpers, two Quints and one aerial truck. The fleet was reduced from seven to five.

Chief Redman said that he assumes when the City is not filling the vacancies and has salary savings, his assumption is that you won't catch up; you will have to reduce firefighters. Chief Redman is proposing that the cut comes off of the ambulance unit. He said Mr. Archambo doesn't feel this is the place to make the cut. The propensity of calls is skewed to EMS calls, and there would be a revenue reduction of \$29,000. The Chief advised that there will be times when all three units are busy and the number of calls that get handed off will increase but not dramatically. He said that people will get their service; they may just have to wait longer. He noted that there has not been an agreement with the City where the cuts should be.

The Chief explained the different apparatus and the number of personnel needed for each. He felt it is best for the city to not operate the ambulance. He said this would be a good issue for the consultant to look at when their survey is done. Mr. Archambo said it is a matter of managing risk. He said this can be handled but will have an impact on service.

Ald. Ewerdt asked about the consultant. Mr. Archambo said they started this morning as an introductory for scope of services. They will come back with a proposal which will go to the committee for discussion. There will be about a six month turn around for the report to be completed.

Ald. Donegan asked for clarification for the goal coming into the budget year. Chief Redman reported that the plan was to have three paramedic units available and they are hitting about 87% of that goal. In response to what the consequences of that are to citizens, the Chief replied that they receive dramatically better service as a better trained person getting to them quicker. The Chief noted that his proposal is to not reduce the paramedic unit.

Ald. Ewerdt suggested letting the consultants do their work and not make any premature decisions.

Hank Wendt, who works off the paramedic unit, said that with a 1% reduction when the paramedic unit gets called out, there will be a direct impact on the 6th, 7th and 8th district. He said there could be a serious time delay. They are down 12 positions from ten years ago. Mr. Wendt said they need the equipment at station #2 for them to do their job. He said that they are at bare bones and any further cuts in personnel will affect the quality of service. He felt there will be a public safety issue significant at station #2.

Moved by Ald. Donegan, seconded by Ald. Jay to
recommend approval of the budget as presented - 8

The meeting adjourned at 9:42 p.m.

Carla A. Ledesma, City Clerk
City of Wauwatosa

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