CITY OF WAUWATOSA
7725 WEST NORTH AVENUE
WAUWATOSA, WISCONSIN 53213
Telephone: (414) 479-8917
Fax: (414) 479-8989
Web Site: www.wauwatosa.net

BUDGET & FINANCE COMMITTEE MEETING

Tuesday, May 31, 2011
Committee Room #2

PRESENT: Alds. Walsh, Ewerdt, Hanson, Berdan, Causier, Wilson, Donegan, McBride – 8

ALSO PRESENT: J. Archambo, City Admin.; A. Kesner, City Atty.; B. Aldana, Asst. City Atty./HR Director; W. Porter, Public Works Dir.; Chief R. Ugaste, Fire Dept.; J. Ruggini, Finance Dir.; C. Ledesma, City Clerk; Deputy Chief's J. Case, S. Erke, B. Lee, Fire Dept.

Ald. Walsh as chair called the meeting to order at 8:13 p.m.

Municipal Court software purchase

The committee reviewed a memo from the City Clerk regarding replacement of the municipal court software. In 2000, the city purchased software from Henschen and Associates that has adequately served the court's needs for the past decade. The software runs on a server that is also about ten years old. This is the only software that is not compatible with the Microsoft operating system. A server of this vintage will fail at some point, causing a disruption in court operations.

Ms. Ledesma said she has talked with clerks in surrounding municipalities that use the requested software, TiPSS and it was recommended enthusiastically. This software interfaces with the Department of Transportation (DOT) and Department of Revenue (DOR) programs that will decrease the amount of clerk's paperwork and manual data entry.

Ms Ledesma noted that driver's license suspensions are now handled manually. With the new software this will be able to be done electronically and get revocations in place sooner. The DOR interface will work with the tax refund intercept program to collect overdue unpaid citations. So far this year the department has collected about $96,000 in overdue citations but it is a very tedious manual process. It is expected that a greater amount of overdue citations will be collected.

Ms. Ledesma advised that $34,000 was allocated in the 2011 budget for the replacement software. A Request for Proposals was issued in early March and three vendors submitted proposals. The lowest proposal was submitted by Titan Public Safety Solutions (TiPSS). The proposal exceeded the budgeted amount by $10,000. Ms. Ledesma requested that a transfer of $2,600 be made from account 01-121-5100 into account number 01-121-5520, and that $7,400 be transferred from the Reserve for Contingencies into account number 01-121-5520.

Mr. Archambo replied to a question that he concurred with the recommendation. He said that this is a good example of where we are doing an awful lot of manual work and felt the city would be able to capture a greater amount of money. He felt the software should pay for itself in less than two years.

> Moved by Ald. McBride, seconded by Ald. Donegan to recommend approval of the purchase of municipal court software from Titan Public Safety Solutions. Also a transfer of $2,600 be made from account 01-121-5100 into

account 01-121-5520, and that $7,400 from the Reserve for Contingencies account be transferred into account number 01-121-5520. Ayes: 8

School Crossing guard contract

The committee reviewed a memo from the Purchasing Manager regarding a contract extension for the crossing guard program. The pricing, contract terms, and conditions remain unchanged.

Mr. Bembenek said that the contract expires this June and he would like to renew it for an additional year to allow the city time to review its options. He said the program fees will remain the same.

Mr. Archambo said that the biggest problem the city has with the crossing guard program is the lack of being able to monitor the crossing guards. There are many things to monitor including attendance, ensuring that safety cones are out, and that safety vests are being worn. The City Administrator said that Ald. Roznowski is working on a template program at McKinley School to see if the city can improve the quality of monitoring. The one year extension to the current contract will allow time for this template program to be instituted and reviewed.

Moved by Ald. Ewerdt, seconded by Ald. Hanson to recommend approval of a one year contract extension to Twin Cities Security expiring on June 30, 2012. Ayes: 8

2011 First quarter budget fund performance

The committee reviewed a memo from the Finance Director regarding the status of the City's first quarter General Fund Balance performance.

Mr. Ruggini discussed the report from the three months of data presented. He reminded the committee that forecasting is difficult. All forecasts are educated estimates and that first quarter forecasts tend to be the most volatile as information is based only on information from 25% of the year. This being the first time the forecast is being presented, he felt assumptions would be improved so that volatility in future forecasts is decreased.

Mr. Ruggini said that the report is being presented in a stop-light fashion to enable the reader to quickly focus on areas of concern. He explained that a green circlet indicates that actuals are forecasted to surplus over budget. A yellow triangle indicates actuals are forecasted to deficit by up to 9% and should be monitored. A red diamond indicates that actuals are forecasted to deficit by 10% or greater and that corrective action may be considered.

Mr. Ruggini noted that no assumptions were made regarding when legal issues regarding the Budget Repair Bill are resolved. He said any savings associated from changes made possible by the bill would improve the standing of the General Fund as forecasted in this report.

Some additional items not included in the discussion were the potential recycling reduction which could be a 40% reduction or more in the recycling grant. Ambulance billing bad debt will be written off due to being uncollectible which has not been done in a couple of years.

Ald. Ewerdt thanked Mr. Ruggini for the presentation and asked about the ambulance billing bad debt. Mr. Ruggini said that no debt was written off in 2009 and 2010. Only about 50% of the collections are

being received. Mr. Ruggini said that he will be working with the fire department regarding this to see if there are other options.

Ald. Walsh agreed that the analysis was very helpful. He suggested additional symbols be used to reflect more analysis.

The City Administrator noted that they would like feedback from the committee. In the past this information would not be available until during the budget process and he felt that a quarterly review is time well spent.

2012 Budget Cost-to-Continue review

The committee reviewed a memo from the Finance Director regarding a cost-to continue analysis. The Finance Director said an analysis was conducted to determine the cost of providing the same level of services in 2012 as in 2011. The budget gap to be discussed will provide a framework for decisions that must be made to balance the budget for 2012.

Mr. Ruggini noted that when preparing the cost-to-continue analysis for 2012 assumptions were made. These include: the continuation of a slow economy recovery, no increase in property tax levy, a 5.8% pension contribution for non-public safety employees when the repair bill goes into effect as well as a city imposed 10% health care premium contribution for the non-public safety employees, reductions in municipal aid, no change to benefit levels other than the premium contribution, and a $1.0 million appropriated surplus reflecting a $500,000 decrease in state aid.

Mr. Ruggini said that based on these parameters, expenditures are forecasted to exceed revenue by $2.6 million. This is approximately a 5% budget gap in general fund expenditures.

Mr. Ruggini said he hopes to provide a ratio analysis of comparable municipalities in the future.

ICMA report

The committee reviewed a memo from the Fire Chief regarding the findings and recommendations from the ICMA report with response from the Fire Department.

Chief Ugaste told the committee that he has been analyzing this report since he started in the department two and one-half months ago. He said the first thing he was faced with was the upcoming retirement this year of the two assistant chiefs.

The Fire Chief explained that he met with his staff and the reviewed the report together. He asked them to keep an open mind and document things as they went along. He said there have been many staff meetings as the process has evolved. One thing the Chief commented on was that the ICMA report was not personal to him since he is new and reviewed it objectively.

Chief Ugaste said that restructuring is one of the primary items that needed addressing. He said that a majority of staff felt that a more traditional structure might be better based on the organizational chart reviewed which showed a staffing model of 24 per day.

Chief Ugaste explained how important it would be to implement a fire accreditation process. During the discussion it was noted that there are only two other fire departments in the state that are accredited. He said it is worthwhile to go through the process in that the process will constantly make you think strategically and review the long term plans. It will be a way to work with hard numbers and facts. The Chief asked the committee to accept the report.

The Finance Director commented that this is exactly what he had in mind for budget savings by chipping away at budget gaps.

The committee discussed the funding of the accreditation program. Ald. Wilson commented that knowing there is a more holistic and strategic approach being undertaken to this report, he felt the cost of the program would be well worth it.

Mr. Archambo said that there is a lot of material here to digest and told the committee to not feel pressured to act immediately. This discussion could be continued at the next meeting if it was felt additional time was needed to digest all the information.

Ald. McBride thanked the fire chief for the work he has done on this report. He was relieved that the Chief treated the report as helpful. The Chief addressed a question whether there was faulty information in the report or anything that he profoundly disagreed with. Chief Ugaste said that the data gathering in the department is not good now. He commented that some apparatus descriptions were faulty but overall he found the information in the report quite useful.

Chief Ugaste asked for additional time to firm up numbers related to the accreditation process. The process itself is generally a two-year process. He noted that the department wants to act in the most efficient manner possible.

The Chief explained the process of changing Ambulance 2 to a jump company that would be housed at Station3. He answered a question of staff changes and noted that no demotions would be made. The changes will come through attrition.

Ald. Berdan commented that she fully supports the move toward accreditation. She expressed disappointment on the night the report was presented which she felt was negative and almost accusatory. She appreciated that Chief Ugaste took the time to look at the report objectively and thanked him for his work.

The committee discussed the consolidation of neighboring departments. The Chief said he is part of the group of Milwaukee County Chief's reviewing this. He said consolidation when done the right way and for the right reasons is OK. Ald. McBride urged the Chief to take a hard look at consolidation; he noted that there are a lot of problems, politically and turf ego. Ald. McBride felt at the same time there are downsides to consolidation and you have to be open about that.

The committee discussed the potential for growth in the next few years. There could be an entire campus in the medical complex. Chief Ugaste noted that the department protects some very unique facilities and noted that a risk analysis throughout the city needs to be done.

The committee asked for additional time to review the information.

<u>*Claim of Christie Guertin, 1263 N. 64th St.</u>

The committee reviewed a claim by Christie Guertin, 1263 N. 64th St. Ms. Aldana reviewed the claim with the committee. There was evidence of issues in the lateral that were not city related.

> Moved by Ald. Hanson, seconded by Ald. Ewerdt
> to recommend denial of the claim by Christie Guertin,
> 1263 N. 64th Street. Ayes: 8

Vouchers

Name	Dept.	Reason and location	Date	Amount
Nancy Welch	Community Development	EPA Brownfields Conference - Philadelphia	04/02/ - 04/05/11	1,074.38
Cory Wex	Police	Radar/Lidar training - Pewaukee	05/09/ - 05/12/11	36.00
Jeremy Bronner	Police	Radar/Lidar training - Pewaukee	05/09/ - 05/12/11	36.00
Scott Erke	Fire	Fire Accreditation International Workshop - Monroe	05/03 - 05/06/11	1,053.86
Timothy Kastner & Addy	Police	2011 NAPWDA WI State Workshop certification	05/01 - 05/06/11	727.88
Bradley Isaacson	Police	SWAT- basic course - Pewaukee	05/02 - 05/06/11	42.48
Bradley Isaacson	Police	Basic breath examiner course - Franklin	04/27 - 04/29/11	26.68
Jeremy Bronner	Police	Basic breath examiner course - Franklin	05/02 - 05/04/11	27.00
Joel Kutz	Police	Spring - Crisis Negotiations Seminar training	5/23/11	81.00
Timothy Kastner & Addy	Police	K-9 Handlers Training & Street Survival seminar	05/19 - 05/21/11	159.00
Thomas Orlowski	Police	Radar/Lidar training - Pewaukee	05/09/ - 05/12/11	35.69
Nancy Welch	Community Development	APA National Conference - Boston, MA	04/09 - 04/12/11	1,314.55
Beth Aldana	Human Resources	Using Systems Approach in a Chaotic Workplace - Madison	5/17/11	221.72
Donald Semega	Police	Spring Crisis Negotiations Seminar training - Appleton	5/23/11	81.13
James Case	Fire	Fire Accreditation International Workshop - Monroe	5/3/11	687.69
Joanne Pelczynski	City Clerk	Statewide recount mileage	05/05 - 05/06/11	39.78

Moved by Ald. Hanson, seconded by Ald. Berdan
that the vouchers be allowed and paid. Ayes: 8

The meeting adjourned at 9:54 p.m.

Carla A. Ledesma, City Clerk
City of Wauwatosa

mks