



CITY OF WAUWATOSA

7725 WEST NORTH AVENUE
WAUWATOSA, WI 53213
Telephone: (414) 479-8917
Fax: (414) 479-8989
www.wauwatosa.net

BUDGET COMMITTEE MEETING

Thursday, September 24, 2009

PRESENT: Alds. Berdan, Donegan, Ewerdt, Jay, Krol, Organ, Walsh, Wilke -7

EXCUSED: Ald. Organ

ALSO J. Archambo, City Admin.; R. Braier, Finance Dir.; N. Welch, Community Dev. Dir.; D. Wheaton,

PRESENT: Chief Insp.; N. Kreuser, Health Officer; L. Nielsen, Nurse Supv.; J. Beix, Epidemiologist; Ald. Dennik; Mayor Didier

Ald. Ewerdt as Chair called the meeting to order at 6:10 p.m.

Community Development Department

Building and Safety Division: Mr. Wheaton, Chief Inspector, summarized the responsibilities of the Building and Safety Division and the specific budgets under that division. Those budgets, all submitted with no increase in 2010, cover building regulation, weights and measures, property maintenance, disaster assessment and recovery programs, and municipal and police complex physical plant operations.

Asked by Ald. Donegan if there is a need to make property maintenance inspector position full time, Mr. Wheaton reported that about 1,700 hours per year are needed for the program, which is in essence full time, but it is seasonal. When those hours are exhausted, the program shuts down, which occurred somewhat earlier than usual last year. At that time, only active complaints are carried into the next year, with 54 complaints carried from 2008 to 2009. Prorated to the overall number of commercial and residential properties in the city, Mr. Wheaton estimated the 2008 cost as \$3.34 per property. Total complaints rose from 368 in 2007 to 451 in 2008, and 2009 is expected to meet or exceed that. Peeling paint and tall grass represent the majority of complaints in summer. If the slight trend toward lack of maintenance or repairs that has been observed continues, he would probably seek funds to invest more in the program to the point of doing proactive inspections.

Ald. Donegan said that he believes the program is effective and important, and he felt we need to be diligent in managing property maintenance. He suggested requesting more hours for 2010 if deemed necessary. Mr. Archambo reported that 300 hours were added in executive review, which is reflected in the personnel cost but not the budget narrative. Mr. Wheaton felt that those additional hours would cover 2010 sufficiently and that the inspector could take on that additional time.

Moved by Ald. Donegan, seconded by Ald. Wilke to approve the Building & Safety Division budgets. Ayes: 7

Historic Preservation: Ms. Welch reported that this budget funds staffing of the Historic Preservation Commission, which will undertake work on the designation of a Wauwatosa Avenue historic district and the Schoonmacher Reef as a public park.

Moved by Ald. Walsh, seconded by Ald. Donegan to approve the Historic Preservation budget. Ayes: 7

Community Development/Planning: Ms. Welch summarized responsibilities including long range planning, working with developers, TIF issues, Redevelopment Authority, and the annual CDBG grant of \$1.2 million. In addition, brown field grant funds of \$400,000 were just recently released, and staff also processed all paperwork for \$543,000 in Recovery Act funds. The 2010 budget includes funds to cover updating the zoning code, and an Economic Development Manager position was placed in this budget after executive review.

Moved by Ald. Krol, seconded by Ald. Berdan to approve the
Community Development/Planning budget –

Ms. Welch explained that \$50,000 was budgeted in 2009 with the intention of starting the zoning code update and completing it under the 2010 budget. Except for about \$5,000 used to pay WEDC bills, that money was not used. Mr. Archambo reported that the \$45,000 remaining as well as \$95,000 from the former WEDC allocation will move forward to 2010 along with an additional \$140,000 of unallocated levy for a total of \$280,000.

Questioned further about the zoning code, Ms. Welch said that the current code was written in 1972 and has been amended periodically for specific purposes but there are concerns about addressing many other specific issues, examples of which she listed. Standard practice is to update about every 20 years, and the new Smart Growth law requires it to reflect the comprehensive plan. Staff continually receives reasonable requests that are difficult to fit within the code. Five years ago non-conforming properties with inadequate setbacks could not be improved. With over 8,000 non-conforming housing units, that became a problem, and homeowners often reported difficulties in getting mortgages due to that status.

Ald. Donegan asked about activity in connection with the UW-M engineering school proposal. Ms. Welch reported that she has been meeting with UW-M representatives and has also been in contact with county staff, who will submit a rezoning application and a new preliminary master site plan that could begin moving forward in October with Common Council action in January. She met today with Sen. Sullivan and a UW-M representative who is working on funding, including a joint grant application to the federal government.

Ald. Donegan said that he supports approving funding for an economic development position and appurtenant costs, which he sees as a substantial first step toward getting more economic development. He noted that an alderperson has petitioned the committee to also create a business specialist position, but he feels that the budget clearly would not support that.

Ms. Welch said that the Horton report anticipated major needs in economic development. The city has always faced a challenge in working with small businesses while dealing with the big projects, which a business services specialist could help address. She anticipated that in the first year the economic development person would in many ways take on both roles, but not to the extent of two people. It would not be appropriate to wait two years to meet the needs of small businesses, noting that some staff time is already devoted to some of those issues.

Ald. Dennik, chair of the Economic Development Advisory Committee (EDAC), said the committee has met once, focusing on the economic development manager position so that a placeholder and dollar amount can be inserted in the budget. He felt that it may not be realistic to add another \$110,000 mission at this time. Mayor Didier agreed with the need to proceed one step at a time. Ald. Krol also favored funding just the initial position. Mr. Archambo noted that the budget creates the ability to go forward with \$280,000 in 2011 without the expense of the zoning code update.

Ald. Jay asked about the cost of the manager position. Mr. Archambo said it was inserted as a placeholder with a salary of \$100,000 and \$50,000 in benefits, leaving \$30,000 for ancillary items. The EDAC suggested a very wide range of \$70,000-\$130,000. The position would be placed in a grade and step system through the Employee Relations Committee. Ald. Dennik added that \$100,000 is probably about the norm or maybe on the low end for

positions of this kind. Many similar positions in the state are filled by highly seasoned professionals with experience in finance, business improvement and TIF districts, grant writing, and lobbying, and are well above that mark.

Vote on the motion, Ayes: 7

Health Department

Dr. Kreuser, Health Officer, introduced Dr. Leslie Martin, chair of the Board of Health who is a member of the Medical College faculty and has an occupational medicine practice in Wauwatosa. Dr. Martin said that the budget is consistent with the 0% guidelines, noting that the department comprises 2.8% of the city's tax levy and also is supported from unallocated revenues. The department generates approximately \$292,000 in grants and fees and was recently allocated \$119,000 in pandemic flu (H1N1) grant funding. Dr. Martin listed the department's responsibilities, which include disaster preparedness, immunization services, disease surveillance, food service inspections, tobacco prevention, school health, community health, and data collection and analysis. In addition, the department addresses specific crises such as food-borne illnesses and influenza outbreaks as they arise. The anticipated flu pandemic will greatly increase their burden. Dr. Martin said that he has found the department to be impressively competent, especially considering that its staffing and funding are at the low end for cities of this size both nationally and in Wisconsin. He distributed graphs supporting that statement.

Referring to her September 15 memo, Dr. Kreuser reported on changes that have occurred since submission of her budget. A public health nurse resigned effective August 31. State tobacco funding that was unknown but estimated at \$20,776 for 2010 has come in at \$2,200, a significant reduction. Part of that funding helped support a .5 clerical position. The department has been notified of a \$119,258 allocation for pandemic influenza response. With a department that is relatively understaffed, a rolling vacancy in a .865 FTE position and loss of funding for a .5 FTE clerical position, there is a disproportionate burden to keep up with the workload, especially considering the pandemic flu situation.

Dr. Kreuser said that her preferred option to remedy this situation would be to create and fill a 1.0 FTE public health nurse position using the majority of the pandemic flu grant, but with some assurance that the tax levy would kick in once the grant was exhausted. Suspension of the rules in creating the position would expedite moving forward. The grant is a one-year allocation that is restricted to pandemic response. The department doesn't want to train someone for just one year, plus a good candidate is unlikely to apply under those circumstances. Dr. Kreuser proposed hiring someone with less experience at the lower end of the scale, which would save \$4,000-\$10,000 from the original budget. Mid-range grade 8, step 1 would be about \$47,886 annually with fringe benefits of 48.8%, or approximately \$71,254 of the funding. They may also need some paramedic assistance to help with injections at about \$40 an hour, and there are information technology costs to meet reporting requirements. A second option described by Dr. Kreuser would be to continue funding the .865 FTE position and contractually hire another full-time nurse.

There are restrictions on grant monies because agencies must provide H1N1 free of charge. The department usually gives 1,700 doses of regular vaccine per year. About 4,500 doses of H1N1 vaccine are expected in the next week followed by weekly shipments. Private entities will not have the vaccine, but it will eventually be provided free to all residents. The Centers for Disease Control (CDC) has earmarked target groups at higher risk that will be taken first. Ms. Nielsen explained that Wauwatosa is part of a consortium of 13 departments in Milwaukee and Waukesha counties. The vaccine is restricted to residents in those jurisdictions, but the department has agreed not to turn away non-Wauwatosa residents. In general, the department does not serve a great many people from outside of Wauwatosa, and other jurisdictions do, on occasion, serve our residents.

Assuming that most residents get health services through their own private insurer, Ald. Walsh questioned the need for someone to go to the health department. Ms. Nielsen explained that the department does not provide

primary health care. She emphasized that public health is the only entity that investigates communicable diseases. Outlining the detailed follow-up process, she said that nurses spend 60-70% of their time on communicable disease programs.

Mr. Archambo said that the position existed at executive review and was funded in the 2010 budget. When it became vacant, it became one of the unfunded rolling vacancies. For purposes of the grant, we are assuming that it would fall within the 12 positions but would remain vacant for the year. The request, which he supports, is to 1) increase the current position to 1.0, which includes benefits; 2) in some manner assure that the position would continue beyond the one year grant funding with the understanding that no position is entirely guaranteed from one year to the next; and 3) procedurally, take the modification direction to the council to expedite the process of recruiting and filling. The department has tried to fill the .865 FTE position for some time with little success. Ms. Nielsen noted that there is a nursing shortage and nurses don't want to leave a permanent position with benefits for a minimal benefit position that is temporary. With a 1.0 FTE position, they may be able to recruit new grads. The department is in a position to take a person with less experience because they have five very experienced nurses. They do anticipate retirements in three-five years, so this would also provide some stability.

Mr. Archambo said that he would look to minimize the potential levy impact for 2011 so that we aren't making up for the grant with levy at that time. He would review the needs of the department and prioritize which positions are most important. If it is paramount to continue to fund the subject position, other means to keep the levy down will be investigated. The position would be filled on the basis of a permanent full time position as that classification stands.

Moved by Ald. Donegan, seconded by Ald. Berdan to approve the Health Department budget and accept pandemic grant funding for creating and filling a 1.0 FTE public health nurse position with the understanding that an existing .0865 FTE public health nurse position would be eliminated, and to forward the recommendation to the Employee Relations Committee for appropriate action. Ayes: 5; Noes: 2 (Walsh, Wilke)

(The meeting recessed at 7:55 p.m. and reconvened at 8:08 p.m.)

Consolidated Free Schedule

The committee reviewed the Consolidated Fee Schedule. It was noted that many fees were modified in the past few years, so there are not many changes. There are new fees under Parks and Facilities Rental. There was a brief discussion of the \$100 backyard pickup, which Mr. Archambo said was found to be less than half of what a private hauler would charge. Utilization of this service has decreased every year.

Moved by Ald. Krol, seconded by Ald. Donegan to approve the Consolidated Fee Schedule as presented. Ayes: 7

Unallocated Revenues

Based on information just received from the State, the Expenditure Restraint Program will be about \$170,000 more than anticipated in the executive budget. Transportation Aids will be down \$35,259 in 2010. Mr. Braier said that the recommendation is to reduce the Appropriated Surplus Applied by the net amount of \$135,000. Mr. Archambo briefly explained the available choice and said that the thought is that applying it to surplus is safest since there are additional numbers that could still change. Also, he said, that supports the premise of increasing the levy only by that approved by referendum. It needs to be put into the budget somewhere at this time; changes can be made later.

Moved by Ald. Donegan, seconded by Ald. Walsh to approve adjusting Unallocated Revenues as discussed –

In response to a question from Ald. Jay, Mr. Archambo explained that the levy goes up by \$300,000, which is almost entirely attributable to fire station debt service. The application of the subject \$135,000 could reduce that to \$165,000. The net effect to the owner of a home of average value would be about \$4.80. Ald. Donegan calculated that it could bring the projected tax rate increase down from 1.67% to 1.08%.

Vote on the motion, Ayes: 7

General Liability Reserve

Mr. Braier said that we self-insure up to a self-insured retention level (SIR), and then CVMIC insures the balance. The city has always had an SIR level of \$100,000 per occurrence, but new pricing from CVMIC has led him to recommend increasing the SIR to \$125,000 per occurrence. In the past 22 years, we have exceeded the \$100,000 amount only once and that was by \$6,000. Claims are generally in the \$75,000 range. The SIR was last raised in 1987. The city would save over \$12,000 by going to the \$125,000 SRI. Previously, going to that level would have provided only \$2,000-\$3,000 in premium reduction. CVMIC does not offer a \$150,000 level.

Moved by Ald. Donegan, seconded by Ald. Krol to approve the General Liability Reserve budget with the self-insured retention level raised to \$125,000. Ayes: 7

Tax Incremental Financing

Mr. Braier reported that the budget narrative provides information on when TIF Districts #2, 3, 4, and 5 were created, their estimated value, and targeted and/or mandatory expiration dates. The largest is TIF #2, the Research Park, which is doing very well and is expected to close in 2013 or earlier. The State Street TIF, #3, has operated on a pay-as-you-go basis with an increment sufficient to pay for expenditures. TIF #4, the former Camelot site, has also done well and generates enough to pay the debt. In TIF #5, Mayfair Medical, taxes that are generated are used to pay for the parking deck. Despite the lack of activity at this site, it is already worth more than previously. There reportedly are plans for the building to be enclosed by the end of the year.

In the multi-year capital improvements budget, the city will be looking to round out projects left to be done in TIF #2 and possibly finalize them by 2011. TIF #3 is paying for cleanup of the Western Metals site. The City Attorney has been in frequent contact with the developer. Mr. Archambo indicated that at this point the developer is still eligible for additional reimbursements for work still to be done.

Moved by Ald. Krol, seconded by Ald. Donegan to approve the Tax Incremental Financing budget. Ayes: 7

Budget for Debt Service

Mr. Braier reviewed this budget, which lists details on all outstanding debt. He distributed and commented on four color graphs depicting Debt Balance as of 12/31/09, Debt Service, Outstanding and Projected Debt Service, and Debt to Equalized Value Ratio. In discussing debt level, Mr. Braier noted that 42 cents per thousand is the amount of tax rate that goes toward debt service.

Moved by Ald. Krol, seconded by Ald. Walsh to approve the Debt Service budget. Ayes: 7

Public Hearing

Inasmuch as there will be no October 1 meeting, the Chair noted that it is necessary to forward a recommendation for a public hearing date to Council at this time. The next Budget Committee meeting is on October 8th.

Moved by Ald. Walsh, seconded by Ald. Jay to recommend that Council set a public hearing date of November 3. Ayes: 7

The meeting adjourned at 8:52 p.m.

Carla A. Ledesma, City Clerk
Wauwatosa, Wisconsin

es