



**CITY OF WAUWATOSA**  
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## **BUDGET & FINANCE COMMITTEE MEETING**

Tuesday, December 11, 2012  
Committee Room #2

PRESENT: Alds. Wilson, Organ, Tilleson, Dubinski, Birschel, Hanson – 6

EXCUSED: Ald. Donegan

ABSENT: Ald. Ewerdt

ALSO PRESENT: J. Archambo, City Admin.; A. Kesner, City Attorney; B. Porter, Public Works Dir.;  
J. Ruggini, Finance Dir.

Ald. Wilson as Chair called the meeting to order at 8:30 p.m.

### **Renewal of excess workers' compensation reinsurance**

The committee reviewed a memo from the Finance Director regarding stop-loss, or reinsurance, to insure against catastrophic losses. This reinsurance must be renewed on an annual basis.

The City of Wauwatosa manages a self-insured workers compensation program that is administered by the Cities and Villages Mutual Insurance company (CVMIC). Currently the City is responsible for all individual claims up to a maximum liability of \$450,000 per incident. Any claims exceeding that amount is paid for by Safety National Casualty Corporation.

Mr. Ruggini said that Safety National Casualty Corporation is proposing increasing the self-insured retention limit to \$500,000, an increase of 11.11%. Additionally, the premium is increased 14.1%.

Mr. Ruggini introduced Mike DeMoss, Executive Director of CVMIC. Mr. DeMoss explained CVMIC's involvement in negotiating the best premiums possible to municipalities. He noted that all insurance carriers are having concerns that the insurance carriers are taking on too much risk, and most carriers are not interested in quoting anything less than a \$500,000 stop-loss amount.

Mr. Ruggini said that four quotes were received, and despite the increase, Safety National still is the most cost-effective alternative for the City.

Moved by Ald. Hanson, seconded by Ald. Organ  
to recommend approval of the proposed worker  
compensation excess insurance proposal from  
Safety National as this is the most cost-effective alternative – Ayes: 6

### **Vehicle towing contract**

The committee reviewed a memo from the Finance Director regarding the award of the vehicle towing and storage contract from January 1, 2013 through December 31, 2015.

Mr. Ruggini explained this service is necessary when the police department needs to have a private auto towed. The established rates are the most competitive rate and standardized to be as fair as possible.

Mr. Ruggini noted that Dennis Towing has been our supplier for towing since 2001. This contract is bid out competitively every three years.

Moved by Ald. Hanson, seconded by Ald. Dubinski  
to recommend approval to enter into a new three-year  
contract with Dennis' Towing – Ayes: 6

**Agreement with WI Department of Transportation regarding 2013-2014 traffic mitigation for the zoo interchange project**

The committee reviewed a memo from the Director of Public Works regarding an agreement with WiDOT regarding 2013-2014 traffic mitigation for the Zoo Interchange Project.

Mr. Porter explained that the agreement with WiDOT will allow them to reimburse the City of Wauwatosa for expenses incurred as part of traffic mitigation efforts associated with the Zoo Interchange Project. The City will be reimbursed for staff time and other expenses as detailed in the agreement to assist WiDOT in the full implementation of traffic mitigation measures in 2013 and 2013. The timing coincides with the improvements planned to local roads in Wauwatosa on Mayfair Road, Glenview Avenue, Watertown Plank Road and Swan Boulevard. This is not inclusive to these roads. Projects affecting local streets within a two mile radius of the interstates are considered to be part of the management plan.

Moved by Ald. Wilson, seconded by Ald. Birschel  
to recommend approval to enter into an agreement with  
WisDOT subject to the City Attorney's review – Ayes: 6

**2013 sanitary and storm sewer rates**

The committee reviewed a memo from the Finance Director proposing 2013 Sanitary and Storm Sewer Rates. Since 2011, the City of Wauwatosa undertook increased capital spending to address basement backups, surface flooding and deferred maintenance of the sewer system.

Due to repeated flooding events, the City began planning for an enhanced sewer infrastructure program. The first major project began in 2011, with \$4.9 million being spent. The 2012-2016 Capital Improvement Plan was based on a state of good-repair analysis which established a baseline of spending the amount necessary to replace sewer infrastructure based on its useful life.

Mr. Ruggini explained that the issuance of debt is a way to smooth the cost impact on taxpayers and to spread the cost over time through the debt amortization. It was anticipated to take approximately 10-12 years for the debt to level out where the new debt added would equal to the debt expiring.

As a result regular rate increases to the sanitary sewer rates and storm sewer rates are anticipated over this period. The debt will be spread over a larger amount of taxpayers and more generations will benefit from this. Mr. Ruggini noted that while the rate increase is challenging, taxpayers need to realize that this is due to deferred maintenance and people have been realizing lower rates because of this.

Moved by Ald. Tilleson, seconded by Ald. Hanson  
to recommend approval of the 20% increase in sanitary  
sewer rates and 21.2% increase in storm sewer rates – Ayes: 6

**Reserve for contingencies transfer for 2012 litigation costs**

The committee reviewed a request by the City Attorney requesting a fund transfer from the Reserve for Contingencies for additional 2012 litigation costs in the amount of \$55,000. An additional \$12,000 is being requested for costs related for representing the City’s interest in the American Transmission Company power line hearing.

Atty. Kesner noted that the City has experienced an unusually high number of costly litigation matters related to property tax appeals in 2012. As previously noted, due to actions of certain private attorneys taking on property tax appeals for large companies on a contingency basis, we have had more cases appealed.

The matters which have been utilizing the funds include appeals by Bonstores, Macy’s, United Healthcare, CVS Pharmacy, Walgreen, Target and Sears. Also there have been a number of matters before the Board of Review which required outside counsel to represent the Assessor.

Moved by Ald. Tilleson, seconded by Ald. Wilson to recommend to Council the approval of a transfer in the amount of \$55,000 from the Reserve for Contingencies for litigation costs and \$12,000 to the City Attorney’s general Sundry Contractual Services Account for representation the City’s interest in the ATC power line hearing at the PSC – Ayes: 6

**Vouchers**

<b>Name</b>	<b>Dept.</b>	<b>Reason and location</b>	<b>Date</b>	<b>Amount</b>
James Archambo	Administration	Professional Development-ICMA Annual Conference	10/6-10/10/12	87.16
Steve Miner	Assessor Information System	Technology Award - Boston	11/30-12/02/12	490.22
Michelle Dahlen	System	Digital Cities Award Ceremony - Boston	11/30-12/01/12	58.44
Det. Michael Romeis	Police	Eyes for Lies Seminar - Franklin	11/26/12	9.00
Sgt. Bradley Beckman	Police	Standardized Field Sobriety Test - Pewaukee	12/4-12/5/12	165.92
Det. Brian Skornia	Police Information System	Eyes for Lies Seminar - Franklin	11/26/12	9.00
Thomas Otzelberger	System	Digital Cities Award Ceremony - Boston	11/29-11/30/12	25.10
Akeen Hamilton	Health	CVMIC training - Employee Differences - Madison	11/27-11/28/12	79.26
Derik Summerfield	Finance	MTAW Fall Conference - Stevens Point	09/26-09/28/12	11.00
Sgt. Bradley Beckman	Police	Field Training Officer-Supervising/Managing - Appleton	11/12-11/16/12	74.56
Sgt. Gary Gabrish	Police	Tactical Combat Casualty Care	11/15/12	9.00
Det. Doug Braun	Police	The Art of Interrogation - Pewaukee	11/15/12	9.00

Det. Doug Braun	Police	Eyewitness Evidence - Pewaukee	11/14/12	8.68
Karen Roy	Police	ACISS Case Management System Training - Madison	11/12/12	24.76
Paulette Enders	Development	IEDC E.D. Marketing and Attraction - Madison	10/25-10/26/12	0.00

Moved by Ald. Hanson, seconded by Ald. Birschel that the vouchers be allowed and paid - Ayes: 6

The meeting adjourned at 9:51 p.m.

Carla A. Ledesma, City Clerk  
City of Wauwatosa

mks