



CITY OF WAUWATOSA
BUDGET AND FINANCE COMMITTEE
MINUTES • SEPTEMBER 2, 2014

Regular Meeting**Committee Room #2****7:00 PM**

7725 West North Avenue, Wauwatosa, WI 53213

PRESENT: Alds. Roznowski, Walz-Chojnacki, Dubinski, Moldenhauer, Wilke, Tilleson, Kofroth - 7

ALSO PRESENT: Mr. Archambo, City Administrator; Mr. Ruggini, Finance Director; Mr. Kesner, City Attorney; Ms. Aldana, HR Director/Asst. City Atty.

ABSENT: Ald. McBride

Ald. Roznowski in the Chair.

BUDGET AND FINANCE COMMITTEE ITEMS

1. Memo from the Assistant Planner recommending approval of the extension of a contract with Ayres Associates for Davis-Bacon Act compliance for the CDBG Program

Mr. Ruggini, Finance Director, reported that the City contracted with Ayres Associates in 2013 to perform required Davis-Bacon compliance for CDBG (Community Development Block Grant) construction and building renovation projects. The compliance review assures that contractors are paying prevailing wages. Using a third-party for such monitoring has been found to be an efficient way to stay in compliance.

A proposed multi-year extension through 2015, using 2013 rates, is now proposed. Council approval is required because it is more than one year and exceeds the established \$25,000 threshold.

In response to a question, Mr. Ruggini stated that the \$25,000 threshold was established some time ago and is modeled after State requirements. It is on the list of items to be reviewed in the future.

Moved by Ald. Tilleson, seconded by Ald. Walz-Chojnacki
to recommend approval of the proposed contract extension -

Noting that the company apparently is not local, Ald. Wilson asked about associated travel costs. Mr. Ruggini explained that the work is done remotely out of Green Bay. Grant recipients transmit their payroll data for review.

RESULT:	RECOMMENDED FOR APPROVAL [UNANIMOUS]	Next: 9/2/2014 7:30 PM
TO:	Common Council	
MOVER:	Joel Tilleson, Alderman	
SECONDER:	Gregory Walz-Chojnacki, Alderman	
AYES:	Moldenhauer, Roznowski, Dubinski, Walz-Chojnacki, Tilleson, Wilke, Kofroth	
ABSENT:	McBride	

2. Memo from the HR Director/Asst. City Attorney and the Health & Productivity Coordinator recommending renewal of a contract for stop loss insurance

Ms. Aldana, HR Director/Assistant City Attorney, reported on the proposed renewal of a contract with ING for stop loss insurance for the City's health insurance plan. The plan is considered to be self-insured, paying actual claims up to \$75,000 and transferring the risk beyond that to a stop loss carrier, who also insures the aggregate risk.

Since the industry standard of inflation on stop loss is quite high, a 25% increase was anticipated. The proposal from ING, however, reflected a 12% overall increase for both aggregate and specific risk. Staff also looked at raising the risk tolerance and self-insured level but felt that staying at \$75,000 creates budget stability; increasing the stop loss to \$85,000 or \$95,000 yields marginal savings. That could be considered in future years should the percentage increase be higher, but it would be only a one-time strategy since successive years would again be subject to inflation.

Having reviewed three quotes that were competitive with current rates, Ms. Aldana recommended staying with ING, the current provider, with the 12% rate increase.

Moved by Ald. Tilleson, seconded by Ald. Walz-Chojnacki to recommend approval of the proposed contract renewal with ING. -7

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MOVER:	Joel Tilleson, Alderman	
SECONDER:	Gregory Walz-Chojnacki, Alderman	
AYES:	Moldenhauer, Roznowski, Dubinski, Walz-Chojnacki, McBride, Tilleson, Wilke, Kofroth	

3. Memo from the HR Director/Asst. City Attorney and Health & Productivity Coordinator recommending approval of a contract with Froedtert Health Inc. for Health Risk Assessment services

Ms. Aldana, HR Director/Assistant City Attorney, reported that Health Risk Assessments for employees and retirees have been key components of the City's wellness program. For this year's renewal, staff recommends entering into a contract with Froedtert Health Inc. (d/b/a Froedtert Health Workforce Health) at a projected annual cost of approximately \$24,500, which represents a slight savings over the previous vendor. Since the actual cost is based on enrollment and could exceed \$25,000, Council approval is sought. There are no changes in terms of content, and the process will be similar. The program provides a basis for establishing outcomes in the wellness program that will be implemented in plan year 2015

Discussion ensued in response to a question raised by Ald. Wilke on the possibility of an exchange of services with Froedtert, inasmuch as they are a local entity. Comments by Ms. Aldana, City Attorney Kesner, and Finance Director Ruggini led to the conclusion that procurements by the City are best made at arm's length.

Moved by Ald. Tilleson, seconded by Ald. Walz-Chojnacki to recommend approval of the proposed contract. -7

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TO:	Common Council	
MOVER:	Joel Tilleson, Alderman	
SECONDER:	Gregory Walz-Chojnacki, Alderman	
AYES:	Moldenhauer, Roznowski, Dubinski, Walz-Chojnacki, McBride, Tilleson, Wilke, Kofroth	

4. Vouchers

Moved by Ald. Tilleson, seconded by Ald. Walz-Chojnacki that each and every voucher be allowed and paid. -7

Carla A. Ledesma, CMC, City Clerk