

CITY OF WAUWATOSA

MEMORIAL CIVIC CENTER
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BUDGET & FINANCE COMMITTEE MEETING

Tuesday, May 28, 2002
Committee Room #2

PRESENT: Ald. Bruderle-Baran, Casey, Grimm, Jenkins, Matthews, McCarthy, Stepaniak,
Subotich - 8

ALSO PRESENT: T. Wontorek, City Admin.; A. Kesner, City Atty.; P. Coffaro, Asst. to Admin.;
R. Braier, Compt./Treas.; W. Kappel, Dir. of Public Works; J. Wojcehowicz,
Water Dept. Supt.; K. Isleb, City Assessor; R. Lenski, Appraiser III; J. Jaworowicz,
Appraiser I; M. Brown, Personnel Dir.; C. Thomas, Emp. Rel. Mgr.

Ald. Stepaniak as Chair called the meeting to order 8:00 p.m.

Report of independent auditors for the City of Wauwatosa and the Wauwatosa Water Utility for year ended December 31, 2001

Mr. Braier introduced Mr. Don Villione from Virchow Krause & Company. Mr. Villione said the summary letter included with the reports condenses 70 pages of information and emphasizes highlights from the reports. The reports illustrate that the audit has been conducted fairly with no problems and cooperation from all the staff with which they had interactions. He said some issues that needed consideration have been discussed with the Comptroller. He pointed out that from an operations standpoint, the city is doing well and had added to the fund equity. The water utility is in good shape. The department picture is very good with an excellent capacity to borrow. He said the governor's budget is creating a bit of uncertainty in local budgets, however the city's ability to weather any reduction in shared revenues should be strong for the next two years.

In response to questions regarding the fleet maintenance fund, Mr. Villione said the fund has run deficit revenues contingent upon the use of the vehicles. This year's standby charges came into play because the weather was very mild. Ald. Bruderle-Baran asked where potential cutbacks in shared revenue would be made. Mr. Villione responded that the cutbacks would come out of the general fund. He added that the city has adequate fund equity in the general fund so the city wouldn't have to react immediately to any reduction in state aid. Ald. McCarthy asked for an elaboration on the matter of management action taken on the fleet maintenance fund. Mr. Braier said they looked at all the vehicles this year as they do every year. They have instituted more fixed rates than last year and that should eliminate any fluctuations from good to bad years. The new rates were instituted in May and they will be looked at during the budget process to see how things are going. He said the department looked at how the revenue is being generated monthly. Mr. Kappel added that it was decided that putting in a monthly rate would be prudent at this time.

Moved by Ald. McCarthy, seconded by Ald. Grimm to recommend
accepting the audit report --

Ald. Stepaniak asked about the Government Accounting Standards Board (GASB) Statement No. 34. This is a new accounting requirement effective for the city on January 1, 2003. Mr. Villione said that Statement No. 33 has been implemented by the city. With regards to Statement No. 34, the finance department has already begun a process to implement the new standard. He said that Virchow Krause will be working with the city for the January implementation. Mr. Braier explained that the department will take the current audit report and create a

draft as if Statement No. 34 had been implemented this year. Virchow Krause will then review the draft and if all goes well they will be set to go for the January implementation date.

Vote on the motion was, Ayes: 8

Resolution for \$4,000,000 of Wauwatosa Water Utility Revenue Bonds, Series 2002

Mr. Braier said the proposed bond issue of \$4,000,000 for water utility capital will fund this year's capital projects. He said the sale date would be July 2, 2002. He introduced Mr. Paul Thompson from Hutchinson, Shockey, Erley and Company. Mr. Thompson told the committee there is a required reserve fund that has to roughly equal one year's debt service. Many water utilities borrow for this fund but the city's fund has the reserves. He said the water utility's current outstanding debt would have a coverage ratio of about 1.75. The current city credit rating is A1. He said they would like to obtain a rating upgrade.

In response to questions regarding the process, Mr. Thompson said the initial resolution would go to the Council on June 4th for adoption. They are then authorized to proceed. He indicated that even if on July 2nd the rates were to go significantly higher, the city could take action up until Council approval of the final sale Resolution.

Moved by Ald. McCarthy, seconded by Ald. Casey to recommend approval of the initial resolution authorizing the borrowing \$4,000,000 and providing for the issuance and sale of waterworks system revenue bonds, series 2002 - 8

Contract for stop loss insurance on the city's self-insured health and dental plans for the period June 1, 2002 through May 31, 2002

Ms. Thomas said they received bids from AIG and BSC. She said this was the first time they have received more than one bid in a number of years. The total administrative cost for both bids is within the budgeted amount for 2002. Each of the companies bidding submits an estimated claims cost. She said the estimated claims contained in the bids are \$5.6 and \$5.7 million for AIG and \$5.9 million for BSC. She indicated that the city's health insurance consultant believes that the claims are going to level off. She explained that \$75,000 is the city's specific stop loss and that is the deductible per person. Currently the city has 6 people over that stop loss amount. She said the difference between the two bids from AIG is the aggregate stop loss position. The \$75,000 bid brings the city's aggregate stop loss down. She said they tried to get some help with the additional liability specifically the "lasered" amounts. "Lasering" is an industry term which means not offering coverage to specific individuals based on medical history. She said there are five specific people that have higher deductible amounts. The lasers are exactly the same between the \$75,000 and the \$100,000 bids. She said the \$75,000 stop loss amount prevents the roller coaster effect. BSC at \$100,000 represents the largest total liability and the aggregate stop loss is the highest as well. She said that BSC had fewer lasered people with higher deductibles. Her recommendation was to accept the AIG bid at \$75,000 because it is in the budget and is an acceptable alternative. In response to questions regarding her recommendation, Ms. Thomas reiterated that the lower the city could afford to keep the stop loss amount, the less of a roller coaster the budget will be on. In response to questions regarding the lasering methods, Ms. Thomas said that most of the lasering is based on a combination of diagnosis and medical history. She said that this year there are 63 people on the lasered list. She added that the stop loss insurance is simply for the self-funded insurance plan not the HMO. She said they also budget for expected claims and administrative cost. The aggregate stop loss is the city's overall protection. Ald. Bruderle-Baran commented that this has always been an issue and it is good to have options.

Moved by Ald. Bruderle-Baran, seconded by Ald. Jenkins to recommend acceptance of the bid from AIG at the level of \$75,000 in stop loss insurance - 8

Civic Celebration Commission application for a \$2,500 grant from Ameritech for 4th of July flags

Mr. Coffaro told the committee that Carol Anderson who is a volunteer on the Civic Celebration Commission and also an employee of Ameritech would like to apply for a grant through her company for \$2,500 to cover the costs of flags that are distributed during the parade.

Moved by Ald. Casey, seconded by Ald. McCarthy to recommend authorization for Carol Anderson to apply for an Ameritech grant in the amount of \$2,500 - 8

Proposal by Northwoods Software Development, Inc. to implement an on-line program to access property and tax information and transfer of \$22,000 from Reserve for Contingencies

Mr. Coffaro said the internet project site was implemented a month ago. The goal was to make the web site inviting to look at and keep the content fresh and up-to-date. He said that with the success of that project and the revaluation coming up in the assessors office, he and Ms. Isleb have spoken with Northwoods about adding a property database to the web site. Ms. Isleb said that several municipalities already have assessment values that the public can access on their web sites. She stressed that it was a timely project due to the coming revaluation. The assessor's office would like to send notices to the public and it will take Northwoods approximately one month to implement the database. She told the committee that 30-40% of time in her department is spent on the phone answering questions. Of those phone calls 75% are from realtors, attorneys and people looking for property information. She said that during the last revaluation they had books out in the hallway on tables and the public could come in and look up assessments and other information. She said they could better serve property owners by putting the information on the internet. People looking for information will be able to search by a number of criteria including style, price range and bedroom count. The information would be primarily geared for residential. For commercial information they will have a one or two page listing dealing with commercial sales. She said they have addressed confidentiality issues with the City Attorney. The property owner will have a tax key number. The search would not be done by owner name only by property. She stressed that this was a timely issue and will serve the public very well. It will cut down on traffic this year during the revaluation and will reduce the number of calls the Council members will get. She explained that the public would be able to know where the assessed values came from through the information presented on the web site.

Ald. Jenkins asked how the department got so far along with this project when it was not a priority in the planning stages of the web site. Mr. Coffaro responded that when the internet task force met last year with the design system consultants, the consultants felt that the city should go for the basic informational needs first. He said that at this date, they are ahead of implementation by all measures and so decided that it would be possible to add this information now. The cost to implement this proposal is \$33,000. Of the \$86,000 in the 2002 web site budget, they can apply \$11,000 to this project. He recommended that the remaining \$22,000 come from the Reserve for Contingencies.

Ald. Bruderle-Baran asked how long the data extraction would take. Mr. Coffaro responded that staff would perform the data extraction from the 2 operating systems. Two tasks involving the Cigma System will have to be done monthly. He said that Northwoods would help Bob Luedtke in the information systems department to set up updating the assessments monthly. The other data would be maintained a couple of times per year. Ald. Bruderle-Baran asked if a person looks up her address would her name appear as well. Ms. Isleb replied that her name would come up as part of the information considered to be public record by state law. She said the reason for the search being done with addresses and tax key numbers is they did not want to make it too easy to find the owner's names. Ald. Casey said he shared Ald. Bruderle-Baran's concern. He liked the idea of building a firewall into the database to keep the public from being able to access a person's name while searching for assessment information. Ald. McCarthy said the same information is available in surrounding cities. He said that 99.9% of inquires come from real estate and title company professionals. A very small percentage might be done for a sinister reason. He stressed that a database like this is a huge timesaving factor and that other municipalities have gotten way ahead in providing this information. It will be a long-term cash savings feature for the city.

Moved by Ald. McCarthy, seconded by Ald. Grimm to recommend approval to implement an on-line program to allow access to property assessment and tax information and to allocate \$22,000 from Reserve for Contingencies --

Mr. Kesner said that when he first started doing internet law, he participated in privacy seminars at a university on the East Coast. The example they used as negative to privacy issues was the City of Milwaukee's assessor's office web site. He said the conclusion is that some cities have taken owner names off the site. The real concern about privacy is being able to look a person up and find where they live. He said that in Wauwatosa there are city, state and federal officers and people with restraining orders that would not want their names attached to their property information. He said a reasonable use of the system is to only use the address with no capability to look up the information by name.

Ald. Matthews asked if are there any municipalities that put the information out there but don't have the name attached to the files. Mr. Kesner responded that the City of Janesville and some cities out of state are set up that way. Ald. Matthews asked what the value was of having the name with the properties. Ms. Isleb replied that in a non-revaluation year the biggest inquiries come from outside title companies and attorneys. The name information is for the general public. Mr. Coffaro added that he told Northwoods to put in place a system that would allow the city to easily take the owner's name off if there were problems. Ald. Matthews asked where the budget stands on paying for this. Mr. Coffaro answered that they are on budget and have actually done better with more functionality than they had anticipated. Ald. Matthews expressed the concern is that the internet project will be back for more upgrades for the web site. Mr. Coffaro indicated that the responsibility of the internet task force is to come to the committee and present good projects, do due diligence and let the committee decide on these matters. Ald. Bruderle-Baran indicated she had no problem with getting this information on the web site this year. She said she was not convinced that there is a good reason for putting the names on there. She supported the project, but not with the names included.

Moved by Ald. Bruderle-Baran, seconded by Ald. Casey to amend the original motion to include eliminating property owner names from the assessment database --

Ms. Isleb said they worked with Northwoods in setting up their home page. She wanted the committee to know that the initial money was being well spent and Northwoods has been a pleasure to work with. Ald. Jenkins asked if the names are not put on now could they be added later. Mr. Coffaro replied that the access the public will have is to a dummy database and the city will be able to pull a switch to turn off the names and turn them back on if needed. Ald. McCarthy said that leaving the names off would only go 50-60% of the way in solving the Assessor's problem. He said there are other directories that list names and street addresses. People don't necessarily need the web site. He recommended that the city go with the professional advice. He said they could eliminate the names later on.

Ald. Casey said he seconded the motion in order to hear the discussion. He said that although the information is a matter of public record and can be looked up in books in the city hall hallway, it becomes much more accessible to people on the internet. He said that if a person can request that their name be kept out of the phone book when their number is unlisted and block personal information with caller id block, the city should be able to block this personal information by individual. Mr. Kesner indicated that legally the city could make that choice to accept specific requests, but it would not be practical. Ald. Matthews said that just because the information is public record does not mean the city has to make it easy for people to get the information. She asked if the city has a legal obligation to provide this information over the phone. She stressed that she would like to err on the side of the constituent in this matter. Mr. Kesner indicated that technically the city is not required to provide the information by phone and not providing it is not a violation of the open records law. He said the city mainly provides this information as a customer service. Ald. Jenkins said that if the city could use an on/off button for the property owner's names, he would vote for the amendment. He suggested that the

committee could review the decision if it becomes an issue for the assessor's office. Ald. Bruderle-Baran added that with or without names this would save time for the assessor's office.

Upon a roll call vote, vote on the amendment to the motion was,
Ayes: 6, Noes: 2 (Grimm, McCarthy)

Vote on the original motion as amended was, Ayes: 8

Geographic Information System (GIS) Needs Analysis for the city

Mr. Kappel said that city department heads have expressed the desire to implement and make available to them a Geographic Information System (GIS). The process would begin by retaining the consulting firm of Ruckert / Mielke to perform a GIS Needs Analysis for the city. The end product would be a report that would lay out a 5 year plan, some options for implementation and potential budgetary impacts including hardware, software, and staffing needs. He said that since this is a citywide analysis, Community Development Block Grant (CDBG) funds could be used. He said it would help to analyze what data the departments would want to put into the system as the first step leading up in implementation of the GIS system. He said an internal GIS task force was established consisting of the Public Safety Analyst, Assistant to the Administrator, Information Systems Manager, Community Development Director, Engineering Services Manager, Water Superintendent and himself. A request for proposals was sent out in April. Six responses were received. The task force concluded that Ruckert / Mielke had the best to offer. He said it is likely that they could save some dollars at the end of the project depending on the number of presentations they would need to be done by the firm. Ald. McCarthy noted that 2 companies have lower bids than what is being proposed. He asked what the difference was between those companies and Ruckert / Mielke. Mr. Kappel indicated that through a thorough analysis of the dollars and hours, Ruckert / Mielke would provide more hours for the cost. He recommended that proper city officials be authorized to contract with the firm of Ruckert / Mielke for a GIS Needs Analysis in an amount not to exceed \$39,800 and that the funds to pay for the study come from the CDBG Administrative account.

Moved by Ald. McCarthy, seconded by Ald. Jenkins to recommend authorization to contract with the firm of Ruckert / Mielke for a GIS Needs Analysis in an amount not to exceed \$39,800 and that funds to pay for the study come from the CDBG Administrative account - 8

Revised 2003 budget format and content

Mr. Wontorek said this item was carried over from the last meeting. His recommendation was to adapt the format illustrated on the front and back of the last budget format example in the packet. He said that the committee had expressed an interest in finding room to show dollars and cents changes in the line items. He indicated that they were willing to sacrifice the adopted budget as opposed to the amended budget or they could delete one of the prior year's histories and/or condense some of the narrative. Ald. Matthews made a request from the 2001 budget saying that she really appreciated the page that had tax levy and rate history. She asked if they were still going to have the same pages that they had last year. Mr. Wontorek replied that their intent was to continue with that type of summary data. Ald. Bruderle-Baran said last year there was information on revenues for each generating department. She suggested a simpler format where that information would be easily available. Mr. Wontorek responded that the City of Appleton did that in a program approach to the format. He offered to try to do something like that. With regards to questions about FICA and benefits, Mr. Wontorek indicated that there should be a line item for fringe benefits. Ald. Stepaniak asked about identifying year term projections for departments. Mr. Wontorek responded that under the performance indicator portion there should be appropriate objectives listed. Ald. Stepaniak asked how overriding issues would be dealt with such as shared revenue. Mr. Wontorek replied that last year a transmittal or executive review summary of the budget was done pointing out major impacts on all of the budgets and allowing departments to focus on unique issues for that department.

Moved by Ald. Casey, seconded by Ald. Bruderle-Baran to accept the format as presented with modifications as discussed by the committee and staff - 8

Vouchers

<u>NAME</u>	<u>AMOUNT</u>	<u>FOR</u>
E. Krueger	\$510.51	Health - 5/7-5/10/02 - Eau Claire Biological and Chemical Terrorism: The Threat Continues
C. Galloway	\$56.08	Health - 5/15-5/16/02 - Madison Communicable Diseases Spring Seminar 2002
J. McGuire	\$51.85	Health - 5/15-5/16/02 - Madison Communicable Diseases Spring Seminar 2002
T. Brenzel separate forms same trip	\$45.00	Police - 5/13-5/17/02 - MATC Oak Creek Advanced Death Investigation
T. Brenzel separate forms same trip	\$193.11	Police - 5/13-5/17/02 - MATC Oak Creek Advanced Death Investigation
J. Roy	\$31.09	Police - 5/6-5/9/02 - Wauk. Cty. Sheriff's Dept. Standard Field Sobriety Testing Training
T. Szudy	\$705.16	Planning - 4/14-4/15/02 - Chicago, IL American Planning Association Annual Conf.
R. Harris	\$713.23	Planning - 4/14-4/15/02 - Chicago, IL American Planning Association Annual Conf.
D. Semega	\$139.00	Police - 4/21-4/26/02 - Madison Firearm Instructor
C. Caffery	\$26.06	Health - 5/17-5/18/02 - Oconomowoc Communicable Diseases Spring Seminar 2002
D. Schindler	\$27.53	Health - 5/17-5/18 - Oconomowoc Communicable Diseases Spring Seminar 2002
M. Carberry	\$26.70	Fire - 4/23-4/26/02 - Fort McCoy Wisconsin Emergency Management Course

Moved by Ald. Matthews, seconded by Ald. McCarthy that the vouchers be allowed and paid - 8

The meeting adjourned at 9:35 p.m.

Carla A. Ledesma, City Clerk
City of Wauwatosa

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