

CITY OF WAUWATOSA

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BUDGET & FINANCE COMMITTEE MEETING

Tuesday, February 25, 2003

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.; R. Braier, Finance Dir.; W. Kappel,
Public Works Dir.; Chief B. Weber, Police; Lt. J. Reit, Police, Ofc. L. Kavelaris, Police;
Dr. N. Kreuser, Health Off.; L. Nielsen, Public Health Nurse Supv.; J. Bembenek,
Purchasing Manager; R. Gruebling, Deputy Treasurer

Ald. Stepaniak as Chair called the meeting to order 8:02 p.m.

Roof replacement at the public works building

Mr. Braier said the year-end, unallocated capital project fund balance for 2002 is projected to be \$960,000. Several items such as street improvements, storm sewers and sanitary sewers came in under budget and increased the projected balance by \$510,000. The remainder of the balance was generated by an acceleration of special assessment payments. This was probably due to an increase in mortgage refinancing. He said the Capital Projects Fund balance is larger than usual and the roof replacement would be the perfect project for these funds.

Mr. Kappel said he fully supported the use of the funds for the replacement. He clarified that instead of splitting the project over two years, the entire roof would be replaced all at once.

Moved by Ald. Jenkins, seconded by Ald. Matthews to recommend
approval of the roof replacement at the public works building --

Ald. Stepaniak asked if \$1.2 million was the latest estimate for the repair. Mr. Kappel responded that it is the estimate until they go for bids. Ald. Casey said this is a deferred budget item and there is a concern that if it is not fixed now the replacement could be even more costly.

Ald. Bruderle-Baran said she continued to have concerns about the city budget and she would be voting present at this time.

Vote on the motion was, Ayes: 7, Noes: 0, Present: 1 (Bruderle-Baran)

Resolution authorizing the sale of \$3,500,000 in general obligation promissory notes, Series 2003

Paul Thompson, Hutchison, Shockey, Erley & Co., told the committee that market conditions are currently very favorable. Interest rates are at a 40 year low. He fully expected Moody's Investors Service to give the city a triple A rating again.

Mr. Braier said the Board of Public Debt Commissioners met and discussed both the roof replacement project and the bonding issues. They approved of both. He said there will need to be another committee meeting prior to the March 18th Common Council meeting.

Mr. Kappel said there are still ongoing infrastructure needs. He said that some are capital projects and some are ongoing operating expenses. They are looking at getting favorable bids on the construction projects and there has been a lot of interest in their contracts.

Moved by Ald. Bruderle-Baran, seconded by Ald. McCarthy to recommend approval of the sale of \$3,500,000 in general obligation promissory notes, Series 2003 – 8

Flu vaccine for the 2003-2004 flu seasons

Mr. Bembenek said this is the first time the price has jumped astronomically for flu vaccine. Last year the price per vial was \$26.82 and this year it is at \$67.70 for a vaccine that is not approved for children. An alternate vaccine would have to be purchased to cover children's vaccinations at an even higher price of approximately \$85 per vial.

Dr. Kreuser said the health department anticipated the price increase. It doubles and sometimes triples depending on the type that is being purchased. She recommended splitting the doses and ordering 140 vials from the Minnesota Multi-State Contracting Alliance for Pharmacy (MMCAP) contract at a cost of \$9,478. Another 50 vials used specifically for vaccinating children and the most vulnerable adults, would be ordered from Adventis at a cost of \$4,250. She said some of the unused Community Development Block Grant (CDBG) funds could be used for the purchase. Permission is needed to split the purchase, order the vaccine and use the CDBG funds for the balance.

Moved by Ald. McCarthy, seconded by Ald. Casey to recommend approval to purchase of flu vaccine from MMCAP and Adventis for the 2003-2004 flu seasons and to use CDBG funds towards the purchase --

In response questions regarding whether it would be cost effective to buy left over vaccine from other municipalities, Dr. Kreuser said that during the flu season there may be some left, but they can't plan on it. Ms. Nielsen added that the closer it gets to the flu season, the more the price of the vaccine increases. The vaccine cannot be held over to the next year because it is cultured in order to vaccinate against the flu viruses that are anticipated in the coming year.

Vote on the motion was, Ayes: 8

Replacement computers for various departments

Mr. Bembenek said the proposals they received are through the state and local government contract pricing. The lowest cost provider would be Dell at a cost of \$1,345 per unit. The 27 new computers will replace outdated units that can't be upgraded. He explained that the new operating systems take more memory than the outdated units have. The new computers would be placed throughout city hall as well as the police and fire departments and the library. In response to a question from Ald. Matthews about the amount budgeted for the purchase, Mr. Bembenek said that the original amount budgeted was \$1,350 per unit. They are actually \$5 dollars under budget. He added that the library computers will run approximately \$1,000 each.

In response to questions regarding the quality of the new units and the condition of the old computers, Mr. Bembenek said that the new units will be basic. They will carry a minimum amount of memory for windows XP Professional Office. They will come with the software which in itself costs approximately \$300. He said the units being replaced are breaking down and cannot be networked. The new computers will have the same exact version of word processing and spread sheet software that is currently used throughout the city. This will make sharing files and communications much more efficient. In response to further questions regarding the need for

the replacements, Mr. Bembenek explained that the system bios and the age of the hard drives in old computers are incompatible with the new technology.

Mr. Kesner added that when computers are standardized into one operating system, it improves maintenance and efficiency. He said there has been a great improvement in reliability. He reiterated that it also allows people from different departments to share materials without having software problems. Mr. Bembenek pointed out the decrease in prices. He said that as little as three years ago the city was spending \$3,000 per computer; now the cost is approximately \$1,500 on average.

Ald. Casey said that on his job he is on his third computer in approximately five years. He concurred that computer shelf life is about three years on average. It is projected however, that software in the future will advance enough to possibly allow for a longer computer shelf life.

Ald. Bruderle-Baran expressed concern that the cost seemed rather high. She asked if other bidding processes beside the state have been looked at. Mr. Bembenek said that state pricing is very good from the standpoint that Microsoft Office Pro alone is over \$300. It would cost over \$600 retail. He said the hardware alone is no more than about \$800. He added that the cost is within the budgeted amount.

Moved by Ald. McCarthy, seconded by Ald. Casey to recommend approval of the replacement computer purchase – 8

Process for authorizing applications for grants

Mr. Kesner told the committee his memo provides some suggested policies regarding the process for applying for or accepting grants. He said that because of fiscal as well as policy considerations, the City Administrator should be advised of grant applications and solicitations for donations over \$500 per item. He recommended that new grants requiring changes in operational or business practices by a city department or requiring use of previously unbudgeted matching funds should be approved by the council prior to application. Renewals of ongoing grants would not have that requirement. He further recommended that this policy be approved.

Ald. McCarthy asked if the \$500 minimum amount should be increased to \$1,000 based on inflation. Mr. Wontorek said that either the \$500 or the \$1,000 amount were reasonable. Mr. Kesner said that any grant would have to go to the council for acceptance.

Moved by Ald. McCarthy, seconded by Ald. Matthews to recommend approval of the grant application policy and change the minimum amount for submitting grant applications to the City Administrator to \$1,000 --

Ald. Bruderle-Baran stressed that the whole council should approve any grant involving unbudgeted matching funds.

Vote on the motion was, Ayes: 5, Noes: 3(Casey, Bruderle-Baran, Grimm)

(Ald. Bruderle-Baran left at 7:42 p.m.)

Impact of Governor's proposed 2004 budget on Wauwatosa

Mr. Wontorek reported that information recently received regarding the governor's proposed budget cuts of \$90,000,000 state wide is that the impact on the city will be a decrease of \$750,000 in state funding. He added that Mayor Estness also heard that the cuts might rise to \$800,000. That factor is something that has to be taken into account in the process of making any budgetary decisions. He said there are changes in how assessments

would be made on manufacturing facilities. That job would be transferred from the state to the Assessor's office and would involve additional training. He stressed that the state legislature has not acted yet, but early warning signs are that municipalities are not immune from cutbacks at the state level.

Mr. Kappel said the city will probably be funded at the same level for recycling. They will be coming back soon with a new recycling grant for participatory municipalities.

(Ald. Bruderle-Baran returned at 8:01 p.m.)

Police department budget cuts

Chief Weber said the police department answered all the questions that were proposed in the last meeting. They talked about crossing guards and included the schedule and where they are located. He was asked to meet with Dr. Robert Slotterback, Superintendent of the Wauwatosa School District. Chief Weber said he and Dr. Slotterback had a very cordial meeting and Dr. Slotterback explained that if the school district took over the crossing guard program it would cost them more than the \$250,000 that it costs the police department to run it.

Chief Weber said they submitted a report on department overtime reflecting that it dropped 21.3% from 2002. He said revenues have increased over the 2001 level. With regard to the sergeant vacancy beginning May 1, 2003, it was stated the salary and benefit savings would be \$60,000 if one position is left vacant after the sergeant retires. That number did not reflect the \$20,000 that was deducted from the 2003 salary account to replace a captain or lieutenant with a civilian analyst. Adopting the issue of leaving one sergeant's position vacant effectively eliminates the hiring of a civilian analyst. Also, the savings of salary and benefits by leaving a sergeant's position vacant is \$40,000, not \$60,000 as previously stated.

Chief Weber said that in laying off clerical staff the disadvantages outweigh the advantages. The department is fully staffed at clerical. He explained that as the police department makes gains in bringing the crime down in the city, the clerical staff has a greater workload. He added that before hours or duties can be changed, there would have to be negotiations with the unions. He said that one of the most important aspects about reduction in clerical staff is that a police officer filling in would require the use of overtime. Reducing clerical staff would also mean pulling police officers off the street. Dispatchers would have to handle the clerical as well and they enough responsibilities. He said the physical check of prisoners would have to be done by keeping a police officer in the building. He reiterated that throughout the years, it was the wish of the common council that police officers should be on the street doing police work not clerical work.

Chief Weber said that police function is more than just crime fighting. Cuts to the police department budget have a different effect than other department's budget cuts. His department deals with the reduction of fear among residents and community wellness. His department adds to the quality of life in the city. Throughout his 30 years in law enforcement he has come to understand that crime can only be affected when there is a change in social conditions. Fear has a greater debilitating effect on the community. He said people are afraid for the future and cutting the police department budget does not address that. Chief Weber said 90% of the department's budget is wages and benefits. If further reductions are made, it will impact their core services. Compromising the safety of the citizens is not a good idea. He stressed he could not in good conscience recommend further cuts to the police department budget. He said that patrol and clerical layoffs as well as reducing crossing guards are also unacceptable.

Dr. Robert Slotterback, Superintendent of Schools, Wauwatosa School District, said the city has always picked up the cost of the crossing guards. If the program were switched to the school district it would mean a \$400,000 increase in taxes to the citizens of Wauwatosa for the same program run by the police department now for \$250,000. He said the school district has no recourse because state revenues are capped and cannot go up. He added what they hear from their constituents is that they want more crossing guards not less.

Ald. Grimm asked if the police department could bill the school district for expenses relating to the crossing guard program. His belief was that the crossing guard program belongs in the school district budget at least partially if not entirely.

Dr. Slotterback reiterated that if the crossing budget is transferred to the school district, taxpayers will be paying a lot more money for the same level of service. The district will lose money because of the revenue cap. In response to questions about the crossing guard program being in the school district budget of other municipalities, Dr. Slotterback said the transfer would have happened before 1996. Since 1996, the rules have changed dramatically and this type of transfer can't happen now because of the spending caps.

Judy Burnick, Representative OPEIU, Local 35, 1116 Highway 175 Germantown, said she received a copy of the proposed changes to the clerical area. She explained that the changes that are proposed would have to be negotiated with the union. In order to make the changes the members of the union would have to vote to go along with opening negotiations. She said that currently they do not get overtime for a holiday. Under this proposal the employees would be changed to a 5-2 schedule. Any employee working on a Saturday would be paid time and a half and double time on a Sunday. The records clerk on Tuesday through Saturday would have to be paid 4 regular days and one day at time and one half. She said the clerks currently work a 4-2 schedule. A police officer makes a very expensive desk clerk. The costs to the city would be higher. Keeping the current desk clerks is the most efficient method of operating. She added that the police department desk clerks are quite a bargain. There have been significant increases in juvenile arrests. Crime is up and the potential for terrorist attacks has risen as well. She asked if this was really the time to pull police officers off the streets. She said she has always considered Wauwatosa to be safe and she moved from the city reluctantly. She said the city needs to strengthen its commitment to crime prevention. She addressed the issue of diversity on the police department staff. She said the two desk clerks that would be laid off would be minority. It would be a step back for the department.

Richard Bachman, 2229 N 115th Street, gave a history of how the crossing guard program came to be included in the police department budget. He explained that during the advent of hiring a private company to manage the program, the budget was transferred to the administration office budget. In the late 1980's or early 1990's it was transferred back to the police department. He said he has been trying to get the crossing guard program out of the police department budget for years. He also suggested a cadet program that was tried by Roosevelt Elementary School. He suggested that the ten debated crossing guard positions could be handled by cadets. He also suggested that the crossing guard program be put back in the administration budget. He said police officers should be kept where they belong, in the streets.

Marie Kushner, 2424 N 91st Street, said she is a desk clerk at the police department. She described her job as more than clerical. They have to check on prisoners and run criminal history checks as well as normal clerical duties. She said they are far behind in processing the warrants that have been issued by the courts. Traffic ticket entries have gone up as well. She outlined a list of current fees the police department charges for various services such as fingerprinting, copies of reports, and bail processing. She suggested that if those fees were increased the revenue could be increased by approximately \$50,000. If the desk position is left vacant on the weekend it leaves no coverage for any prisoners that are housed in the jail. Some may become ill or may be suicidal.

Amy Thompson, 7425 Grand Parkway, addressed the crossing guard issue. She urged the committee to keep the crossing guards at their current level. The streets going through the city are very busy. If the program is cut back, it is a death wish for the children. She said she couldn't believe that the proposal was on the agenda. She asked if something else couldn't be done.

Lynn Kavelaris, Wauwatosa Peace Officers Association, said he has been on the force for over 25 years and has seen the efficiencies as well as the workload increase. He said they have nowhere to go as far as cutting staff. He

was not suggesting that crossing guards are not important, but he took issue with Dr. Slotterback's statement that transferring the program to the school board would hurt their spending caps. He suggested the school board look at making cuts to their own budget to make room for the program. He urged the committee to not take officers off the street. The school district should be charged with things that affect the schools. The police department needs to be charged with things that affect the safety of the residents.

Ellen Anderson, 1514 St. Charles Street, said that as a business owner she was very much against any cuts to the police department budget. She cited increasing incidents of violence in the city. She said that people would be willing to take a tax increase rather than a cut in police services.

Mary Van Derven, 2339 N. 62nd Street, said she was there in support of the police department and to oppose any cuts in their budget. She realized there were budget constraints, but police service is a quality of life issue. The reasons quoted for staying in Wauwatosa are the safety and the quality of the schools. She said that in the budget committee talks there were other proposals put forth such as cutting the police academy. She said a decision on the budget should have been made a while ago. She pointed out that the public meeting held the night before was filled with angry and upset people because of the crime that is happening in their neighborhood.

(The committee recessed at 9:36 p.m. and reconvened at 9:42 p.m.)

Ald. Casey said among the 26 municipalities, approximately 2/3 have the crossing guard program in the police department budget. The rest have either a portion or half the program budget in the police department. He said the crossing guard program needs to be looked at as well as the possibility that it could be transferred to other departments.

Ald. McCarthy agreed that the crossing guards are a big issue; however, it looks like it will be kept in the police department budget for this year. He said a good point was made about options. He said it is nice to keep the budget intact, but some budget decisions have to be made as well. He said Capt. Bozicevich identified some areas that could be changed. He stressed that the city is responsible for ensuring a prisoner's safety. There is liability involved and many medical and behavioral circumstances that would require close monitoring. He said that Ald. Bruderle-Baran made a motion to reduce the police department budget by \$97,000 at the last meeting. Based on the revised calculate involving the sergeant vacancy, that number would be reduced from \$97,000 to \$77,000. If the police department budget is reduced by \$77,000 it would bring the total departmental budget to roughly \$12,000,000.

Moved by Ald. McCarthy, seconded by Ald. Subotich to recommend amending the previous action by the committee by reducing the police department budget by \$77,000 --

In response to questions regarding the officer that is about to be called up for military service, Chief Weber reiterated that the officer has not been called up yet; however, when he is that would be a \$50,000 savings to the department.

Ald. Jenkins said he wanted to see the committee pursue having the school district assume at least some of the costs of the crossing guard program. They should make some of these budgetary decisions as well.

Ald. Matthews said she was leaning towards eliminating the ten crossing guard positions. The school board is meeting in the next day or so and they are making over \$1,000,000 in cuts. She suggested proposing a 50/50 split. She proposed that the city pay 50% of the existing school guards and any new guards would require a joint decision by the school board and the city. She said she was not interested in taking police officers off the street. She stressed that any reduction in the police department 2003 budget is not a budget cut. She pointed out that the police department received an increase last year. These cuts only reduce the increase they requested. She said

reducing clerical people looks like it would be difficult because of the negotiations involved. She noted that in 2002 the three clerical employees on the early shift used 38 days of sick time. That seemed to be excessively high unless there were extenuating circumstances. She said she would probably vote no on the motion at this time. She expressed interest in the comments about raising the fees. She said that if Wauwatosa's fees are unreasonably low in comparison with other municipalities, it might be possible to offset a clerical position by raising them. She asked for a report on what other municipalities are charging for services such as fingerprinting, report copies and bail processing.

Mr. Wontorek responded that the city looks annually at all the fees in its Consolidated Fee Schedule. The schedule is then voted on by the council. He said the council recently approved a new fee schedule; however, the rates could be modified and adjusted as needed through the action of the committee and the council.

Ald. Bruderle-Baran agreed that the fees should be looked at. She complimented Ms. Kushner on bringing forth the idea. She added that the committee and the departments have to keep looking at these kinds of creative ideas and initiatives. Crossing guards were never on the table as far as she was concerned. She expressed concern about the content of the crossing guard report. She expressed frustration that the money would have to be saved somewhere and the constraints of the city budget were still not being addressed.

Ald. Casey said it would not be good to have user fees as a way to balance the budget, but they need to look at whether the fees should be raised. He stressed that if the officer in military service is called up, he wanted to make sure that the \$50,000 in salary would be deducted from the police department budget.

Ald. Grimm expressed his frustration that the city is doing everything possible for the school district and they are not reciprocating.

Moved by Ald. Grimm, seconded by Ald. Subotich to return the entire reduction of \$77,000 to the police department budget --

Ald. McCarthy said he would like to see this motion taken separately rather than amending his original motion. He attended the meeting at McKinley School and saw almost 500 people that were very concerned about safety in Wauwatosa. He suggested that on average, residents would be willing to pay a slightly higher tax amount to keep a consistent level of law enforcement services.

Upon a roll call vote, Ayes: 3, Noes: 5 (Jenkins, Matthews, Bruderle-Baran, Casey, Stepaniak)

Vote on the original motion was, upon a roll call vote, Ayes: 4, Noes: 3 (Bruderle-Baran, Casey, Stepaniak), Present: 1 (Matthews)

Vouchers

<u>NAME</u>	<u>AMOUNT</u>	<u>FOR</u>
B. Geiger, C. Mason M. Swacher	\$195.00	Water – 1/29/03 – Waukesha Vulnerability Assessment Seminar
K. Verbanac	\$48.43	Water – 2/11-2/12/03 – WCTC Water Distribution Certification
L. Nielsen	\$56.69	Health – 2/11-2/14/03 – Milwaukee Terrorism Planning Course

<u>NAME</u>	<u>AMOUNT</u>	<u>FOR</u>
L. Nielsen	\$179.00	Health – 2/18-2/19/03 – Pewaukee How to Design Eye-Catching Brochures, Newsletters, Ads, Reports
C. Anderson	\$179.00	Health – 2/18-2/19/03 – Pewaukee How to Design Eye-Catching Brochures, Newsletters, Ads, Reports
T. Kucharski, P. Allen B. Dess	\$165.00	Parks – 2/19/03 – Pewaukee Midwest Perennial Conference
J. Wojcehowicz	\$100.00	Water – 2/19/03 – Brookfield Corrosion Control Seminar

Moved by Ald. Bruderle-Baran, seconded by Ald. Casey that the vouchers
be allowed and paid – 8

The meeting adjourned at 10:20 p.m.

Carla A. Ledesma, City Clerk
City of Wauwatosa

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