

CITY OF WAUWATOSA

MEMORIAL CIVIC CENTER
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BUDGET & FINANCE COMMITTEE MEETING

Tuesday, November 25, 2003

Committee Room #2

PRESENT: Aids. Casey, Grimm, Jenkins, Matthews, McCarthy, Stepaniak, Subotich – 7

EXCUSED: Ald. Bruderle-Baran

ALSO PRESENT: T. Wontorek, City Admin.; R. Braier, Finance Dir.; W. Kappel, Public Works Dir.; Chief B. Weber, Police; J. Wojcehowicz, Water Supt.; J. Tschudy, Acct./Bus. Mgr.; M. Brown, Personnel Dir.; J. Bembenek, Purchasing Mgr.

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

Health and dental insurance rates for 2004

Mr. Brown said health and dental insurance rates for 2004 are increasing substantially with an approximate 32.58% increase in United Healthcare even with the elimination of the vision plan. The vision plan will no longer be part of the basic coverage; however, due to a contractual agreement, it will continue to be offered to active and retired participants represented by AFSCME. The increase for United Healthcare including the vision plan for AFSCME members will be approximately 34%. He said the increase in dental insurance will be approximately 7% for the Care Plus plan and 2.80% for the Dentacare plan. He recommended approval of the proposed 2004 health and dental insurance rates and Vision Insurance Plan of America.

Ald. Matthews said it appears from the information in the memo that the increase would not be completely covered in the budget. Mr. Brown responded that the amount budgeted was only 30%. The additional funds will have to come from the Reserve for Contingencies. Mr. Wontorek explained that health and dental insurance costs are budgeted in the general fund. In years where the claims go over the budgeted amount, the balance is paid from this account; however, there are years in which the claims are lower and any funds remaining are added to the reserve. This system covers any cost increases or decreases.

Mr. Braier said claims were lower in 2003 and the funds were placed in the reserve. The only factor that fluctuates in the HMO plan is the number of employees and whether they enroll in a single or a family plan. Ald. Matthews asked if there was any indication that employees might start switching to a less expensive plan. Mr. Brown said there was no data on that number because the open enrollment period has just begun.

Ald. McCarthy asked if the consultant had suggested involving other insurance carriers in the bid process. Mr. Brown responded that due to union negotiations, it would not be possible to involve other carriers at this point.

Moved by Ald. McCarthy, seconded by Ald. Casey to recommend approval of the health and dental insurance rates for 2004 – 7

Fund Transfer for Government E Management Systems (GEMS) software upgrade

Mr. Wontorek said the GEMS software upgrade was approved by the Council in September of this year. The fund transfer request will cover this year's cost of the upgrade. He said the cost to upgrade will not exceed \$90,000 with a payment term of three years. Funding for this year in the amount of \$53,000 will come from fund transfers of pre-budgeted money. No additional funding is requested beyond what is currently budgeted. He said the information systems department recommends approval of fund transfers in the amount of \$53,000.

Ald. Casey asked what type of accounts the money will be transferred from. Mr. Braier responded that the fund transfer would involve all information systems accounts.

Moved by Ald. Casey, seconded by Ald. McCarthy to recommend approval of the fund transfer – 7

Patrol officer vacancy in the police department

Chief Weber said they are requesting to replace an officer who resigned to pursue a different career path. The position is in the 2003 Budget and is currently accounted for in the 2004 Police Department Budget. He said that leaving this position vacant would likely result in the transfer of an officer from the community support division.

Moved by Ald. Jenkins, seconded by Ald. Matthews to recommend approval to fill the patrol officer vacancy – 7

Extension of contractual agreement for cell phone service with U.S. Cellular

Mr. Bembenek said the Council approved a one year extension at reduced rates last year. He is requesting approval for another 16-month contract extension. This will make the contract coterminous with other local governmental agencies and will enable the city to participate in the State of Wisconsin cell phone bid in May 2005. At that time, there should be very good pricing for this service.

Moved by Ald. Matthews, seconded by Ald. McCarthy to recommend approval of the contractual agreement extension – 7

Donation from Richard Bachman establishing a non-lapsing American flag maintenance account

Mr. Bachman said there is no expense for this project. He distributed approximately 350 letters to area businesses asking for donations. For the last ten years he has been placing small flags in the median from 121st Street to 124th Street for the Memorial and Independence Day celebrations. He added that many of the flags disappeared due to theft. He has collected \$3,372.13 for flags placed on the light poles along North Avenue from Mayfair Road to N. 124th Street and \$5,431.50 for flags along North Avenue from Mayfair Road to N. 76th Street. He suggested that this money be placed in a non-lapsing fund for continuous donations. The only expense will be installation by the city.

Mr. Braier said a trust fund could be established for flag donations and expenses. He added that this is an eligible deduction for any donor and normal city purchasing procedures would be followed. Mr. Kappel will purchase the flags. Mr. Kappel said the flags will fly from Memorial Day through September 11th each year.

Ald. McCarthy commended Mr. Bachman for the hard work he has done to gather donations for the flags.

Moved by Ald. McCarthy, seconded by Ald. Grimm to recommend acceptance of the donation with a thank you to Mr. Bachman and to establish a fund as decided by the Finance Director for distribution of the monies received --

Ald. Casey and Ald. Stepaniak thanked all who donated and said the flag project was a great community effort.

Vote on the motion was Ayes: 7

2004 Water Department Budget

Mr. Wojcehowicz said they experienced some changes that affected the utility's budget. The budget for water sales is based on an average years' consumption. Before the 2003 re-estimate, the average was based on the consumption from the years 1989 to 1993. This time period was a good estimate of consumption until recently. Due to declining usage in recent years, the average was revised by using the consumption for the most recent time period of 1999 to 2002.

Mr. Wojcehowicz said in conjunction with the recent water rate increase, the Public Service Commission (PSC) issued revised depreciation rates effective January 1, 2003. The overall effect is to lessen the service lives thereby increasing depreciation expense. Also, the large amount of capital projects completed in 2002 contributed to the increase in depreciation expense. He said continuing preventative maintenance programs, water quality issues and chlorine residuals testing will be the department's focus. This is based on a change in water system requirements by the Department of Natural Resources (DNR). The 2004 bonded capital projects will focus on improving water quality and fire flow issues.

Mr. Wojcehowicz said they are also working to improve the safety training program. He said future directions involve a vulnerability assessment and an emergency response plan. This assessment is mandated by the Environmental Protection Agency (EPA) and is required of all water suppliers who serve a population greater than 3,300. The deadline for submission is June 30, 2004. The Emergency Response Plan must follow within six months of submitting the assessment. With regard to the Geographic Information System (GIS), they continue to integrate all utility records, in-house data and field verifications, into one comprehensive source of information.

Moved by Ald. Casey, seconded by Ald. Jenkins to recommend approval of the 2004 Water Department Budget as presented – 7

Change of Purpose to purchase an asphalt hot box for public works operations section

Mr. Kappel said he has tried to include the asphalt hot box in the equipment budget for the last three years, but it has gotten taken out or voluntarily removed because of higher budget priorities. The money for this purchase will come from the sign purchase account in the street maintenance account. A three year project and purchase updating the city's construction signage will end in 2003. The new signs are more durable than expected so there will be additional money left in this year's budget. He explained that the asphalt hot box keeps asphalt material warm consequently providing a better patch for potholes than can be produced with cold material. The warm material lasts longer which means the work will have to be redone less frequently. He recommended approval for the change of purpose request.

Moved by Ald. McCarthy, seconded by Ald. Grimm to recommend approval of the change of purpose – 7

Award of Bid, Change of Purpose and Fund Transfer for exhaust fan installation at the public works building

Mr. Kappel said funds were carried over from 2002 due to three projects that were not completed. The three projects include: 1) digital controls in the amount of \$45,000, 2) roof exhaust fans in the amount of \$20,000, and 3) further study of the HVAC in the office area in the amount of \$12,000. Installing exhausters is the most important of these projects. This project replaces the lower units with roof mounted units. He said the Fund Transfer and Change of Purpose consolidate two accounts into the existing rooftop exhaust account which already contains \$20,000. The other two accounts are: 1) digital controls in the amount of \$45,000 and 2) the HVAC office study in the amount of \$12,000. His final request is that the entire amount of \$77,000 will be carried forward into 2004 until the project can be completed. He added that there may be an opportunity once the fans are installed to use any remaining funds to further automate the controls. He recommended consolidation of three operating accounts into one roof exhaust account totaling \$77,000, award of bid to

Butters-Fetting Co., Inc., and carrying the unencumbered fund balance forward to 2004 until the project is completed with remaining funds used for additional automation of the controls.

Moved by Ald. Casey, seconded by Ald Matthews to recommend approval of the award of bid to Butters-Fetting Co., Inc., change of purpose and fund transfer – 7

Vouchers

<u>NAME</u>	<u>AMOUNT</u>	<u>FOR</u>
M. Deisinger	\$195.00	Police – 10/29-10/30/03 – Milwaukee Forensic Science Seminar
L. Hudson	\$195.00	Police – 10/29-10/30/03 – Milwaukee Forensic Science Seminar
J. Lane	\$195.00	Police – 10/29-10/30/03 – Milwaukee Forensic Science Seminar
T. Lilly	\$195.00	Police – 10/29-10/30/03 – Milwaukee Forensic Science Seminar
D. Moldenhauer	\$27.00	Police – 10/28-10/30/03 – Milwaukee MPD High Risk Search Warrant & Hostage Rescue Techniques
D. Collins	\$110.00	Police – 10/29/03 – Milwaukee Forensic Science Seminar
R. Burnett	\$195.00	Police – 10/29-10/30/03 – Milwaukee Forensic Science Seminar
J. Yauck	\$296.27	Police – 10/22-10/23/03 – Middleton Child Sexual Abuse Conference Training
T. Kucharski, P. Allen, B. Dess	\$169.80	Parks – 11/5-11/6/03 – La Crosse WI Parks & Recreation Assoc. Seminar
P. Dirksmeyer, K. Walbrant, T. Jovanovich, G. Glander, R. Luebke	\$250.00	Forestry – 10/28/03 – Waukesha WI Arborist Assoc. 2003 Fall Seminar
Mayor Estness	\$51.73	Mayor – 11/6-11/7/03 – Wauwatosa WI Alliance of Cities
T. Kucharski, P. Allen, B. Dess	\$577.11	Parks – 11/5-11/6/03 – La Crosse WPRA Fall Seminar
L. Nielsen	\$145.96	Health – 10/10-10/13/03 – Madison Focus Groups Workshop
M. Swanson	\$109.41	Health – 10/10-10/13/03 – Madison Focus Groups Workshop

<u>NAME</u>	<u>AMOUNT</u>	<u>FOR</u>
S. Anderson	\$135.00	Library – 10/28-10/31/03 – Milwaukee WLA Convention
M. Krueger	\$146.50	Library – 10/28-10/31/03 – Milwaukee WLA Convention
J. Brown	\$135.00	Library – 10/28-10/31/03 – Milwaukee WLA Convention
S. Duffy	\$85.00	Library – 10/28-10/31/03 – Milwaukee WLA Convention
M. Mulroy	\$85.00	Library – 10/28-10/31/03 – Milwaukee WLA Convention
D. Semega	\$77.25	Police – 10/26-10/29/03 – Appleton Street Crimes Program
W. Tarman-Ramcheck	\$465.68	Street – 11/5-11/7/03 – Pleasant Prairie APWA Training Conference
D. Davidson + all supervisors	\$1,065.00	Police – 9/17/03 – Wauwatosa Legal Update Training – all supervisors
P. Clarey	\$598.00	Police – 10/12-10/16/03 – Appleton Management of Undercover Operations
D. Davidson	\$207.00	Police – 10/26/03 – Wauwatosa Computer Based In-service – Blood Borne Pathogens
R. Torrez	\$124.00	Police – 10/21-10/23/03 – Wisconsin Dells Vehicle Theft Training
E. Leranthe	\$258.96	Muni. Court – 10/22-10/24/03 – Wis. Dells Municipal Court Clerk Seminar

Moved by Ald. Casey, seconded by Ald. Jenkins that the vouchers be allowed and paid – 7

The meeting adjourned at 8:47 p.m.

Carla A. Ledesma, City Clerk
City of Wauwatosa

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