



# City of West Allis

7525 W. Greenfield Ave.  
West Allis, WI 53214

## Meeting Minutes

### Administration & Finance Committee

*Aldersperson James W. Sengstock, Chair*

*Aldersperson Vincent Vitale, Vice-Chair*

*Alderspersons: Thomas G. Lajsic, Michael P. May, Cathleen M. Probst*

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Monday, October 28, 2013

6:00 PM

City Hall Room 128

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#### REGULAR MEETING

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#### A. CALL TO ORDER

*Chair Sengstock called the meeting to order at 6:00 p.m.*

#### B. ROLL CALL

Present: 5 - Ald. Sengstock, Ald. Vitale, Ald. Lajsic, Ald. May and Ald. Probst

Excused: 0

#### Others Attending

*Diane Brandt, WA-WM Chamber of Commerce; Alds. Czaplewski & Roadt; Mayor Devine; Police Chief Chuck Padgett and Deputy Police Chief Bob Fletcher; Gary Streicher, Interim Fire Chief; Martin King, Assistant Fire Chief; Audrey Key, HR Manager; Jane Barwick, Principal HR Analyst; Sheryl Kuhary, Assistant City Attorney; Paul M. Ziehler, City Administrative Officer; Ted Adkinson, Director of BINS; Sally Nusslock, Health Commissioner; Mark Wyss, Manager of Finance; Jim Jandovitz, IT Manager; Linda Huske, Safety & Training Coordinator; Shawn Hart, Accountant; and Jeanette Wardinski, Administrative Assistant.*

#### C. APPROVAL OF MINUTES

A motion was made by Ald. Lajsic, seconded by Ald. Vitale, to approve the Regular Meeting minutes of June 24, 2013; and Recess Meeting minutes of July 1, 2013, August 6, 2013, September 3, 2013, September 17, 2013, October 1, 2013, and October 15, 2013. The motion carried by the following vote:

**Votes:** Aye: 5 - Ald. Sengstock, Ald. Vitale, Ald. Lajsic, Ald. May and Ald. Probst

No: 0

#### D. CAO'S REPORT

##### 1. Awards/Commendations.

*Mr. Ziehler presented five awards the City received from CVMIC, its insurance company. All the awards are the result of safety/risk work in the Public Works Department and overall good risk management practices. The City also received \$4,000 as part of these awards which will be directed for use in safety/risk areas. This is a reflection of Ms. Huske's work as the City's Safety & Training Coordinator and the Department of Public Works, with specific individuals receiving recognition on some of these. The Committee expressed its delight in these awards and offered congratulations to all parties involved in this work and its reflection on the City of West Allis.*

**F. APPEARANCE BEFORE COMMITTEE****1. Appearance by Tom Karman, CPA, of Schenck Government & Not-for-Profit Solutions.**[2013-0535](#)

Comptroller/Manager of Finance submitting the City of West Allis Comprehensive Annual Financial Report for the year ended December 31, 2012 for review and approval.

*Mr. Tom Karman of Schenck was present to discuss the City's audit of 2012 financial statements. Mr. Karman said the City has received a clean audit, which fairly states the financial position of the City. The City has once again received GFOA's Certificate of Achievement for Excellence in Financial Reporting for 2012, and this is a positive factor as viewed by the bond rating agencies. He stated there are no items in the City's internal control system that are material weaknesses and no items of non-compliance. This is the best report the City can receive.*

*Mr. Karman then referred to Schenck's Management letter, stating this includes a summary of the City's financial information comparing one year to the previous, and again there are no significant issues. Ald. Sengstock asked if there are any recommendations for the City. Mr. Karman referred to page 17 in the Management Letter and the three comments/observations they made. The first concerns the City's journal entry procedures. To strengthen internal controls over financial reporting, they recommend the City create a formal written policy for journal entries and verify that all journal entries are prepared and approved according to policy. The second deals with the City's Procurement Cards (P-cards). Again, to strengthen internal control over P-card transactions, they recommend the City implement card holder and reviewer signoffs on the monthly statements. Lastly, a final comment was made for informational purposes only on the City's implementation of GASB Statement No. 63 (Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources and Net Position) and Statement No. 65 (Items Previously Reported as Assets and Liabilities). These items have been previously reported in the City's financial statements, so there is no change to fund balance or net position. Mr. Wyss confirmed that the two recommendations will be implemented.*

*Mr. Karman and City staff responded to questions/comments from Committee members. Mr. Ziehler advised that the report be accepted and placed on file. The Committee concurred.*

**A motion was made by Ald. Vitale, seconded by Ald. Probst, that this matter be Recommended For Approval. The motion carried by the following vote:**

**Votes:** Aye: 5 - Ald. Sengstock, Ald. Vitale, Ald. Lajsic, Ald. May and Ald. Probst  
No: 0

**E. CLOSED SESSION**

*At 6:20 p.m., Chairperson Sengstock stated it was the intention of the Committee to vote on a motion to convene in closed session to discuss collective bargaining matters with the Police Union, and to take such further action as may be necessary and appropriate with respect to such matter.*

*A closed session for the above purpose is authorized pursuant to the provisions of Wis. Stats. Section 19.85(1)(e) and (g), which authorizes a governmental body, upon motion duly made and carried, to meet in closed session to deliberate or negotiate the purchase of public properties and the investment of public funds, or conduct other specified public business whenever competitive or bargaining reasons require a closed session; and to confer with legal counsel for the governing body who is rendering oral or written advice concerning strategy to be adopted by the body with respect to litigation in which it is or is likely to become involved.*

A motion was made by Ald. Vitale, seconded by Ald. Probst, to convene in closed session at 6:20 p.m. The motion carried by the following vote:

**Votes:** Aye: 5 - Ald. Sengstock, Ald. Vitale, Ald. Lajsic, Ald. May and Ald. Probst  
No: 0

*Mr. Ziehler opened discussion by stating that Ms. Key and the management bargaining team are present to provide an update on negotiations with the Police Union. Ms. Key provided a handout for discussion purposes and spent some time reviewing aspects of the negotiations. Discussion ensued with questions/comments from Committee Members which staff responded to. Staff was provided direction on how to proceed with negotiations.*

*Upon conclusion of the closed session, at approximately 6:50 p.m., the Administration & Finance Committee reconvened in open session at said time and place to consider its public agenda, including motions to recommend approval or rejection of above-listed deliberations or any of the public agenda items that have not been acted upon.*

## G. NEW AND PREVIOUS MATTERS

### 1. [2013-0606](#) 2014 City of West Allis Mayor's Recommended Budget.

*Chair Sengstock commented that a summary and highlights of the budget will be presented by staff, beginning with Finance Manager Mark Wyss, who has a power point presentation for the Committee. With the aid of his visual presentation, Mr. Wyss presented an overview of the proposed 2014 budget. Some key points include: (a) a small decrease in the property tax bill for most residential properties due to the revaluation; (b) two-thirds of the tax bill relate to Safety, Health, and Culture and another large portion relates to DPW/Engineering; (c) a 1% wage increase for City employees translates to a \$500,000 cost (we can only go up \$200,000 under Act 10); (d) Assessed Values are reflecting just now the impact of the 2008 fiscal crisis; and (e) the change in tax levy vs. CPI shows the City is doing a very good job of being fiscally responsible.*

*Next, Mr. Ziehler spent some time reviewing the front section of the budget, which provides an overview of the proposed 2014 budget. He noted that the revaluation examples following the Mayor's Letter gives an idea of what is happening with the three classes of property. He then pointed out a few aspects of the Summary Highlights, noting that there were 42 expenditure changes in 14 departments which resulted in a net reduction of over \$800,000, and a description by department of where those changes occurred. The last page of this section summarizes the overall budget situation with regard to expenditures/revenues and the levy/rate. Other items of interest were also noted:*

*\* Total General Fund Expenditures are up 1.21%, and Total All City Expenditures (including Debt, TIF, etc.) are up 2.16%.*

*\* Regular Positions for 2014 have gone from 518 to 515, including 3 Fire Fighter positions dropped, 2 added positions (Innovation/Sustainability and IT Support to PD), and 2 positions reduced by the Mayor (from PW-Street & Sanitation or possibly some other area).*

*\* Unassigned General Fund Balance and Assigned Contingency Fund Balance at both around \$3Mil, continuing our practice of maintaining these balances based on 5% of our roughly \$65Mil General Fund. Also, \$250,000 has been assigned to a new fund for computer/technology improvements.*

*\* The Total City Levy has gone up .32%, and we've had an 8.61% drop in assessed value.*

*Chair Sengstock then commented about the Committee's budget review period, and this needs to include discussion on the Fire Department and the Committee's previous discussions about reducing Assistant Chief positions. He referred to the recent letter from Police & Fire Commission President Kempen concerning this issue. Ald. Vitale felt the letter did not address this topic and nothing was proposed in that letter about reducing Chief positions. Ald. Lajsic*

pointed out the letter discusses reducing a Battalion Chief, and Ald. Sengstock mentioned the need for additional monies for Fire capital equipment. Ald. May suggested leaving this issue up to the new Fire Chief to determine which positions are reduced and monies then transferred from salary account to capital equipment. The Committee noted that the Commission can do whatever it wants with positions, but Ald. Lajsic thinks the budget should reflect the reduction in salary funds vs. increase in capital equipment funds. Mr. Ziehler also explained the trickle-down effect of eliminating a Battalion Chief, which ultimately translates into savings at a Fire Fighter position level and not Battalion Chief. He said staff can come up with the exact savings to put in the capital equipment account. Ald. Sengstock also acknowledged Interim Chief Streicher's reduction of 3 fire fighters but noted the Committee is looking at the Chief level. Further discussion ensued on fire equipment, length of service, etc. and that the Capital Improvement Plan addresses the long-term needs and replacement schedule for these types of capital items.

Ald. Lajsic addressed the Energy/Sustainability position and that we had previously discussed about outsourcing this work. He wonders where we are at on this issue. Mr. Ziehler said the position is beginning to evolve into an all-encompassing type of position that addresses these needs, along with innovation and possibly marketing aspects. Staff feels an internal position and organizational integration rather than an outside consultant makes more sense for the institutional knowledge that would be needed for this work. Ald. Lajsic said he doesn't think one person can fill all these shoes or be experienced in all these areas. Mr. Ziehler that is a valid point and we need to look at this further; additionally, there may be some things coming out of the strategic planning process that impact this position. Ald. May suggested developing a job description with bullet points of what we want to get to the specifics of what the position would do. Mr. Ziehler said staff will work on that for a future meeting.

Mr. Ziehler then outlined the time frame for further review of the budget. He noted that the budget public hearing will be held at the 11/5 Council meeting, final budget approval is set for the 11/19 Council meeting, and if a Committee meeting is needed prior to that, it could be held on 11/11. Ald. May said he has a great deal of notes/questions on the budget, and Mr. Ziehler suggested Ald. May meet with the appropriate department heads and himself prior to the potential 11/11 meeting date to get as many answered as possible. If necessary, departments can also be scheduled to appear at a Committee meeting.

#### Held

## 2. [R-2013-0083](#)

Final Resolution authorizing public improvement by the installation of a new traffic signal system to include Emergency Vehicle Preemption (EVP) and pedestrian phasing at the intersection of W. National Avenue and S. 84th Street.

**Sponsor(s):** Public Works Committee

Chair Sengstock introduced this item and asked Mr. Ziehler to comment. Mr. Ziehler reported that the WI DOT has agreed to provide funding for an alternative design at this intersection. The Committee action is to recommend to the Board of Public Works to place this resolution on file. The Committee concurred.

**A motion was made by Ald. Lajsic, seconded by Ald. Probst, that this matter be Recommended to be Placed on File. The motion carried by the following vote:**

**Votes:** Aye: 5 - Ald. Sengstock, Ald. Vitale, Ald. Lajsic, Ald. May and Ald. Probst  
No: 0

3. [2013-0213](#) Communication from Principal Engineer, Peter Daniels, regarding the proposed lighting of the Dakota Street Pedestrian Bridge over I-894.
- Chair Sengstock introduced this item and asked Mr. Ziehler to comment. Mr. Ziehler reported that this matter has been resolved with the School District and WI DOT. The Committee action is to recommend to the Board of Public Works to place this communication on file. The Committee concurred.*
- A motion was made by Ald. May, seconded by Ald. Vitale, that this matter be Recommended to be Placed on File. The motion carried by the following vote:**
- Votes:** Aye: 5 - Ald. Sengstock, Ald. Vitale, Ald. Lajsic, Ald. May and Ald. Probst  
No: 0

## H. OTHER MATTERS TO COME BEFORE COMMITTEE FOR DISCUSSION/ACTION

### 1. Discussion/Action on Items by Alderpersons.

*Mr. Ziehler commented that the language for this Committee agenda item is no longer appropriate per the City Attorney's ruling. We will change the wording to follow what is now used on Council agendas. The Committee concurred.*

### 2. Discussion/Action on Items by City Administrative Officer.

- a. Status Report on Labor Management Health Insurance Committee.

*Mr. Ziehler mentioned that this Committee functioned when we had all the City unions, but we really don't need it any longer. We are communicating in other ways with our employees on this area. The Committee concurred.*

- b. Status Report on Research on Short-Term and Long-Term Disability Programs and Alternatives.

*Mr. Ziehler noted that some Committee members want staff to continue to look at this. Staff is still working on this and will report back at a future meeting with a thorough report.*

- c. Status Report on Health Insurance Dependent Audit and Claims Audit.

*Mr. Ziehler reported that we have had two audits going on with our health insurance consultant, Willis. Mr. Ziehler handed out a summary of health claims audit findings. We have realized a \$12,000 savings as a result. The Dependent Audit has resulted initially in 5-6 people reporting they no longer have dependents, which will also result in health insurance savings. Ms. Barwick, HR Analyst, offered comments about the next steps to finalize this dependent audit.*

### 3. Other.

*None.*

## I. ADJOURNMENT

**A motion was made by Ald. Lajsic, seconded by Ald. Vitale, to adjourn the meeting at 7:50 p.m. The motion carried unanimously.**