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City of West Allis

Matter Summary

7525 W. Greenfield Ave.
West Allis, WI 53214

File Number	Title	Status
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2004-0498

Communication

In Committee

Letter from Director of Public Works regarding 2005 Public Works budget.

Introduced: 9/7/2004

Controlling Body: Public Works Committee

Administration &
Finance Committee

COMMITTEE RECOMMENDATION *POF*

ACTION
DATE:

SEP 07 2004

MOVER

SECONDER

_____	_____	Barczak
_____	_____	Czaplewski
_____	_____	Dobrowski
_____	_____	Kopplin
_____	_____	Lajsic
_____	_____	Narlock
_____	_____	Reinke
_____	_____	Sengstock
_____	_____	Vitale
_____	_____	Weigel

AYE	NO	PRESENT	EXCUSED
✓			
✓			
✓			
✓			
✓			
✓			
✓			
✓			
✓			

TOTAL

5

0

PW

SIGNATURE OF COMMITTEE MEMBER

Chair

Vice-Chair

Member

COMMON COUNCIL ACTION

uplace on file

ACTION
DATE:

9-7-04

MOVER

SECONDER

_____	_____	Barczak
_____	_____	Czaplewski
_____	_____	Dobrowski
_____	_____	Kopplin
_____	_____	Lajsic
_____	_____	Narlock
_____	_____	Reinke
_____	_____	Sengstock
_____	_____	Vitale
_____	_____	Weigel

AYE	NO	PRESENT	EXCUSED

TOTAL

unanimous



CITY OF WEST ALLIS

WISCONSIN



Public Works Department

August 2, 2004

MICHAEL PERTMER
Director

Mayor Bell and Members of the Common Council
7525 West Greenfield Avenue
West Allis, WI 53214

Dear Honorable Mayor and Common Council Members:

The City's department heads are currently in the midst of preparing their 2005 budgets. After struggling through this process last year for 2004, which, upon conclusion, resulted in the elimination of approximately 25 FTE positions and the reduction of and/or elimination of services, I know each of us fervently hoped that we wouldn't be faced with the same gut wrenching undertaking for 2005.

Unfortunately, we are. With a budget directive to hold our 2005 budgets under a 1% increase, this directive effectively requires department heads to cut their 2004 budgets by a percentage somewhere around 2½ to 3% since, in most cases, we've had to absorb a salary increase of approximately 4½ % for represented employees. In a number of departments, personnel costs are over 80% of their total budget. Thus the directive inevitably necessitates further reduction in personnel and services.

While the percentage of labor dollars in the Public Works Department is somewhat lower, the Department has the added problem of absorbing the increased costs of materials and supplies necessary to deliver the services that we are charged with providing. As you are all well aware, over the past year we have seen double digit increases in fuel prices, natural gas and electricity. We are also experiencing similar, and in some cases, even more dramatic increases in construction materials as a result of China's emergence in this global economy. Concrete costs have increased by over 25%, asphalt products, steel, lumber and other building products have seen similar increases. In addition, the Department has long-term contracts, such as refuse disposal, tied in to COLA increases.

The Public Works Department has historically been committed to developing a budget that is both fiscally responsible while, at the same time, providing sufficient funding to deliver the services and service levels that our customers have requested and expect. I believe the following table lends credence to this statement. It demonstrates the Department's commitment to fiscal restraint over the past 20 years.

	1984	2004	% increase/decrease
Budget	\$8,868,535	\$8,695,287	-2%
Number of employees	198	141	-57 or -29%
Number of supervisors	20	12	-8 or -40%
Cost of living increase			+79%

1984 was, in fact, the year I was appointed to the position of Assistant Director of Public Works in charge of Operations. In the twenty years since my appointment, the Cost of Living has increased by 79% yet, in that same period, the Public Works budget actually decreased by 2%. In 2004, the Department's budget was \$8,695,287 or \$173,248 less than the \$8,868,535 budget in 1984. During this same period, the number of represented employees dropped 29% from 198 in 1984 to 141 in 2004. The Department's supervisory staff showed an even more dramatic decrease, dropping 40% of the 20 supervisors in 1984 to 12 today.

This seemingly impossible achievement was accomplished through a cooperative effort between the Department's leadership, the various Mayors and Councils, the Union and the public. The streamlining has not

Honorable Mayor and Common Council Members

July 19, 2004

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occurred at the expense of significant cuts or adjustments in services. To the contrary, during the twenty-year period, the Department has initiated several new services and/or increased service levels. These include, but are not limited to, a curbside recycling program, a self-help drop-off program at two sites, a Spring curbside yard waste collection program, maintenance of the County boulevards, increased boulevard and green space maintenance, maintenance of the Fire Department's equipment and a sharps collection program.

As noted at the beginning of this communication, I and my fellow department heads have been directed to deliver a budget for 2005 with no greater than 1% increase over 2004's adopted budget. I and, as I expect, my peers, will follow this directive and deliver a budget that meets the expenditure requirement. While the Public Works Department 2005 budget will meet this directive, I can no longer state that I feel that the budget I deliver will be responsible. To meet this goal I will have to reduce or eliminate or reduce various services that are in demand by the public. Of equal or greater importance, I must eliminate or defer purchase of equipment and maintenance of the City's infrastructure. While service changes will be visible immediately, the deferred maintenance will be less visible but, I fear, of even greater consequence in the years to come.

The elimination of services and deferred maintenance will, without question, negatively impact the vigor and vitality of this community. Over the past number of years, the City has received numerous accolades as a result of its major development and redevelopment initiatives. As we continue to bring major developments into the City, it is equally essential to fund the quality of life initiatives that go hand in hand with development. As part of this effort, we need to fund the reconstruction and maintenance of the City's infrastructure and maintain the services that historically our residents have come to know and expect in West Allis.

We all realize that we are living through a complex economic period. Unfortunately, this becomes even more complicated when the State Legislature feverishly attempts to divert attention away from its own budget woes, which ironically, it created through care free spending in the 1990's, by trying to force local governments into unrealistic spending restraints. At the same time, "talk radio", giving the Legislature a free pass and buying into its spin, attempts to convince listeners that every local governmental entity is laden with fat. Despite this rhetoric, it does not give us license to shirk from our responsibilities to our constituency. West Allis has been fiscally responsible. For many years, the fat has been cut before it had a chance to develop. Being forced to cut the lean from our budgets should not be the reward our past efforts. Such an approach can only have long-term negative consequences for the city's economic health and our resident's quality of life.

Respectfully, I implore you to carefully consider the impacts of the budget cuts that my peers and I have been forced to make in order to be compliant with the 2005 budget directive. These are not one-time cuts that will be restored in future years. They are permanent and their negative impacts will be permanent. For the continued economic health of the City and the quality of life our residents have come to expect, I sincerely hope, after due consideration, many of the budget cuts will be restored.

Thank you for your consideration of this critical issue.

Respectfully yours,



Michael F. Pertmer
Director of Public Works

cc: Paul Ziehler

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