



# City of West Allis

7525 W. Greenfield Ave.  
West Allis, WI 53214

## Meeting Minutes

### Administration & Finance Committee

*Aldersperson Kurt E. Kopplin, Chair*

*Aldersperson Vincent Vitale, Vice-Chair*

*Alderspersons: Thomas G. Lajsic, Richard F. Narlock, Rosalie L. Reinke*

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Monday, August 9, 2010

6:00 PM

City Hall Room 128

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#### REGULAR MEETING

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#### A. CALL TO ORDER

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

#### B. ROLL CALL

Present: 4 - Ald. Kopplin, Ald. Lajsic, Ald. Narlock and Ald. Reinke

Excused: 1 - Ald. Vitale

#### Others Attending

*Tom Karman, Schenck Government & Not-for-Profit Solutions; Paul M. Ziehler, City Administrative Officer; Gary Schmid, Manager of Finance; Audrey Key, HR Manager; Jeanette Wardinski, Administrative Assistant.*

#### D. APPROVAL OF MINUTES

**A motion was made by Ald. Lajsic, seconded by Ald. Reinke, to approve the Regular Meeting Minutes of June 7, 2010; Recess Meeting Minutes of June 15, 2010, July 6, 2010, and August 3, 2010; and Recess Meeting Closed Session Minutes of August 3, 2010. The motion carried by the following vote:**

**Votes:** Aye: 4 - Ald. Kopplin, Ald. Lajsic, Ald. Narlock and Ald. Reinke

No: 0

#### E. APPEARANCE BEFORE COMMITTEE

##### 1. Appearance by Tom Karman, CPA, of Schenck Government & Not-for-Profit Solutions.

###### [2010-0438](#)

Comptroller/Manager of Finance submitting the City of West Allis Comprehensive Annual Financial Report for the year ended December 31, 2009 for review and approval.

*Mr. Tom Karman of Schenck Government & Not-for-Profit Solutions was present to discuss the City's audit of 2009 financial statements. He 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 2009, and this is a positive factor as viewed by the bond rating agencies. This is the 13th consecutive year the City has received this distinction, and West Allis is one of less than 50 communities in the State to do so. It is a positive accomplishment for the City.*

*Mr. Karman then reviewed Schenck's Management Letter, providing a general overview of its purpose. He noted that the City's unreserved/undesignated account balance has increased; these are funds the City is carrying forward that have no obligation. The recommended level of balance is usually 8-10% and the City is at 14%, which is still an acceptable range. Mr. Ziehler commented that the City's policy is to maintain a 10% balance, so we are within our goal. Mr. Karman also referred to page 6 of the Management Letter which discusses a new*

*GASB standard that will go into effect for the City's financial statements ending 12/31/11. The new standard changes the fund balance classifications to make them more easily understandable to financial statement users and clarifies how a community can use the specific funds. Mr. Schmid noted that staff will be addressing this change during this year's budget deliberations.*

*In closing, Mr. Karman stated that for a city of its size, West Allis is in a very good position compared to a lot of other communities. The Committee thanked Mr. Karman for appearing tonight, and action was then taken on the report before the Committee.*

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

**Votes:** Aye: 4 - Ald. Kopplin, Ald. Lajsic, Ald. Narlock and Ald. Reinke  
No: 0

## C. CLOSED SESSION

*At 6:20 p.m., Chairperson Kopplin 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 purposes 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. Narlock, seconded by Ald. Reinke, to convene in closed session at 6:20 p.m. The motion carried by the following vote:**

**Votes:** Aye: 4 - Ald. Kopplin, Ald. Lajsic, Ald. Narlock and Ald. Reinke  
No: 0

*HR Manager Audrey Key was present to discuss the status of negotiations with the Police Union. She mentioned each side has basically exchanged proposals and the next bargaining session is scheduled for next week. Brief discussion ensued. Staff confirmed it was proceeding with direction previously provided by the Committee.*

*Upon conclusion of the closed session, at approximately 6:28 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.*

## F. NEW AND PREVIOUS MATTERS

### 1. [2010-0424](#)

Wisconsin Professional Police Association communication regarding opening of contract negotiations.

*Mr. Ziehler noted this is just the Union's letter notifying the City it is interested in entering into negotiations with the City. Negotiations are underway as reported by Ms. Key, and this matter should be held until conclusion of negotiations. The Committee concurred.*

**Held**

2. [2010-0492](#)

Comptroller/Manager of Finance submitting the City of West Allis Unaudited Preliminary Financial Reports as of July 30, 2010 and Final Unaudited Financial Reports for January, February, and March 2010.

*Mr. Schmid commented that interest income is not coming in as we would like. Other revenues (tax collections, building permits, etc.) are doing fine.*

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

**Votes:** Aye: 4 - Ald. Kopplin, Ald. Lajsic, Ald. Narlock and Ald. Reinke  
No: 0

3. [2010-0494](#)

Communication from City Administrative Officer requesting consideration of program to publicize names of delinquent property taxes, etc.

*Mr. Ziehler commented that this communication is a result of our discussion back in February about this idea. Committee guidance at that time was to only target habitual offenders. If the Committee is still interested in this idea, staff would like to start the program by targeting habitual offenders of three or more delinquent years. He recommends publicizing names on the City's web site and in the City Newsletter and not in the newspaper, which would incur a monetary cost. Mr. Ziehler mentioned he had one constituent call that was concerned about how this would embarrass people. The caller suggested sending one last letter to these offenders giving them "one last chance" before announcing their names. Ald. Lajsic expressed his concerns on how this program could impact a business by having their name listed. He likes the last chance letter idea which gives individuals and businesses the option to make good so their name is not listed. By extending ourselves to help people, it offers a positive aspect to the program. Ald. Narlock mentioned his concerns about the current economy, and he doesn't feel it's a good time to start this program. He asked what types of delinquencies are being suggested. Mr. Ziehler said this would include real estate and personal property taxes, and other fees, etc. Ald. Reinke suggested that if some payment effort was started, we should not put the name on the list. Mr. Ziehler said this can be made a part of the program's parameters. The Committee wondered how many names we are talking about, and Mr. Schmid said there are about 100 just for personal property taxes. Mr. Ziehler further commented that any personal appeals can be handled administratively rather than the Committee becoming involved with individual cases, and there is also the Administrative Appeals Review Board which provides a final appeal process. Further discussion ensued.*

*Ald. Lajsic then moved that the communication be approved as amended by providing the following guidelines for the program:*

- 1. Target only habitual offenders of three or more years.*
- 2. No newspaper publication of names (only City Newsletter, web site, and cable channel).*
- 3. Staff ensures that the information is absolutely accurate before any names are publicized.*
- 4. A "last chance" letter be included as part of the program.*

*Ald. Reinke seconded the motion for discussion purposes. She wondered if we would be listing an offender's phone number or address when the name is published. Mr. Ziehler said for sure not the phone number, and upon further discussion by the Committee, the address will not be listed either. Only the names will be listed. After this additional discussion, a vote was taken on the previously made motion, including the decision that no phone numbers or addresses will be listed with the name.*

**A motion was made by Ald. Lajsic, seconded by Ald. Reinke, that this matter be Recommended for Approval as Amended. The motion carried by the following vote:**

**Votes:** Aye: 4 - Ald. Kopplin, Ald. Lajsic, Ald. Narlock and Ald. Reinke  
No: 0

4. [2010-0495](#) Communication from City Administrative Officer transmitting Traffic Violation & Accident Reports for the period April 1, 2010 through June 30, 2010.

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

**Votes:** Aye: 4 - Ald. Kopplin, Ald. Lajsic, Ald. Narlock and Ald. Reinke  
No: 0

**G. OTHER MATTERS TO COME BEFORE THE COMMITTEE FOR DISCUSSION/ACTION**

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

*None.*

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

a. School Crossing Guard RFP.

*Mr. Ziehler informed the Committee that an RFP for school crossing guard service was issued and is due by next week. The main reason for taking this step is it will reduce our long-term workers comp and liability potential. Currently, we self-insure the first \$500,000 per incident for workers comp and \$150,000 for liability, and we feel the risk is not worth the City employing these part-time employees anymore. Terms of the contract include the request that the company hire our current guards if at all possible. Ald. Narlock wondered what prompted us making the decision to contract out this work. Mr. Ziehler said we want to eliminate our large, long-term potential exposure.*

*Ald. Lajsic asked what the City is saving by contracting out the work. Mr. Ziehler said it is basically savings related to payments if there is an accident or lawsuit involving a crossing guard and the administrative costs of the Police Department's staffing/scheduling work to maintain the program. Mr. Schmid mentioned that we have been contracting out State Fair crossing guards for several years now, and that has worked well. Mr. Ziehler noted that insurance coverage would be specified in the contract. Brief discussion ensued, and the Committee thanked staff for this information.*

b. PW Supervisory Staffing Changes.

*Mr. Ziehler mentioned that the Committee may be aware that Inventory Supervisor Doug Bartels is also serving as Building & Sign Superintendent on a six-month trial basis. If Mr. Lewis and Mr. Harmatys are satisfied with this arrangement after this time frame, it will become a permanent staffing change resulting in the elimination of two positions and creation of one new, combined position. Ald. Lajsic expressed his concerns about salary adjustments based on a person assuming more work. Mr. Ziehler explained that Mr. Bartels is actually taking on Superintendent level duties in addition to his Inventory supervisory obligations. Before any salary adjustments are made, HR will conduct a job evaluation that determines the appropriate salary level for the job duties/responsibilities.*

c. Indirect Costs Plan.

*Mr. Ziehler commented that the School District wants to use the City's name to apply for grants. There are education grants that can only be applied for under the community's name, and the City has done a few grants for this reason. However, if we are responsible in name, are we going to have to do the financial paperwork, etc. for monitoring the grants. Mr. Schmid said he has one person on staff who solely works with all the City's grants. Because each grant is different in its reporting requirements, it can be burdensome to maintain.*

*Mr. Ziehler said the School District has raised the issue of an indirect cost plan. The problem for the City with this idea is if we apply the indirect cost plan to School grants, then we have to do so with all our City grants. This results in the City losing money because we'd have to take money from a grant for administrative purposes and away from program costs. In the past, the Committee has indicated it didn't want money taken from grants to cover administrative costs in this way. Committee members expressed their reservations about the indirect cost plan idea and wondered if we can work with the School District on reimbursement for the direct costs incurred by the City when allowing them to use the City's name for these grant applications. Mr. Ziehler said staff can pursue with the School District our preference for direct cost reimbursement.*

*Mr. Ziehler asked the Committee if it then wants to maintain its position on keeping all moneys in the programs and not decreasing City grants for administrative purposes. The Committee concurred this is the approach it wants to maintain.*

d. Workers Compensation Reports.

*Mr. Ziehler handed out for information purposes a report showing the 10 year history of worker's compensation claims. Brief discussion ensued.*

e. Follow Up on 2/8/10 Discussion of 2009 WA Mediation Center Report.

*Mr. Ziehler mentioned that at the February meeting, a question was raised about the "no shows" for mediation hearings and what this is costing the City. Out of the 20 cases in 2009, there were 2 no shows (10%). Mr. Ziehler followed up with the Mediation Center on this issue, and they explained that something positive is usually worked out outside the normal two-party session.*

f. Follow Up on 2/8/10 Discussion of Number of Employees Living Outside City.

*Mr. Ziehler mentioned that at the February Committee meeting, it was reported that out of 600 employees, about 230, or 38.5%, live outside the City. A Committee member had asked if we have this information broken down by department. Mr. Ziehler now has that report if anyone is interested in seeing it. He briefly mentioned that out of 150 Police Dept. employees, 75, or 50%, live outside the City; of 110 Fire employees, 56, or 50%, live outside the City; and of 56 PW-Sanitation & Street employees, 18, or 30%, live outside the City. Some discussion ensued on the future outlook for residency issue.*

g. Status Report on 2009 Health Insurance Fund and 2010 to Date.

*Mr. Ziehler handed out information sheets on health insurance rates and the status of health insurance fund. Mr. Schmid reviewed this information with the Committee, explaining that the majority of employees are enrolled in the PPO Plan. He also discussed retiree health care/medicare, dental, and the WRS. The Health Insurance Fund reflects a \$532,000 loss, just slightly above the \$500,000 amount budgeted for 2009. Lastly, he noted that we currently estimate a budget shortfall of \$950,000 vs. the \$1.25 million shortfall budgeted for 2010. Some discussion ensued, with staff responding to questions/comments from Committee members. Mr. Ziehler commented that our Labor/Management Committee has been a positive factor in communicating with our employees about what is happening with health care.*

h. 2011 Salary Change (Decrease - Give Back) for Mayor & Alderpersons.

*Mr. Ziehler explained that by ordinance, salary increases for the Mayor & Alderpersons are programmed for 2011. In light of most City employees not likely getting a salary increase in 2011 (as related to the three determining factors tied to potential salary adjustments), Mr.*

*Ziehler asked if the Alderpersons are willing to forego their 2011 increase; the Mayor has indicated he is willing to forego the increase. He checked with City Attorney Post about the legality of doing this, and Mr. Post has stated that because the salary adjustments are established by ordinance, some action on the part of the Alderpersons would be necessary. Mr. Post did find acceptable using a form that would allow the Alderpersons to voluntarily signoff on the 2011 raise. Would the Committee want Mr. Ziehler to develop such a form? Ald. Narlock said if we can do it legally, he has no problem doing it. However, he referred to the situation when Mayor Cashmore was in office and voluntarily elected not to accept the established salary, and he was advised by the City Attorney at that time that he could donate to a charity of his choice after still being paid first the monies. Mr. Ziehler said he will follow up with Mr. Post again on it to make sure it is legal. Further discussion ensued. The Committee directed Mr. Ziehler to proceed with creating the form as suggested.*

*Editor's Note: Mr. Ziehler reports that Mr. Post later states that a salary ordinance change can be passed officially eliminating the Mayor and Alderpersons 2011 raises.*

### 3. Other.

*None.*

## H. ADJOURNMENT

**A motion was made by Ald. Reinke, seconded by Ald. Lajsic, to adjourn the meeting at 7:30 p.m. The motion carried unanimously.**