



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

Monday, March 25, 2013

6:00 PM

City Hall Room 128

REGULAR MEETING

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

Alderspersons Michael Czaplewski and Marty Weigel; Paul M. Ziehler, City Administrative Officer; Michael Lewis, Director of Public Works/City Engineer; Mark Wyss, Manager of Finance; Audrey Key, HR Manager; Police Lt. Steve Beyer; Jim Jandovitz, IT Manager; Kathryn Perrone and Pat Walker, IT Division; Dave Wepking, Assistant Director of Public Works; Bruce Danowski, Street & Sanitation Superintendent; Joe Narlock and Ron Terkel, Dept. of Public Works; Jeanette Wardinski, Administrative Assistant.

C. APPROVAL OF MINUTES

A motion was made by Ald. Lajsic, seconded by Ald. Vitale, to approve the Special Meeting minutes of January 28, 2013, and Recess Meeting minutes of February 5, 2013, February 19, 2013, March 5, 2013, and March 19, 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. NEW AND PREVIOUS MATTERS

1. [R-2013-0068](#)

Resolution relative to approving 2012 Transfers, Carryovers, Open Purchase Orders, Capital Accumulation Charges, and Negative Department Balances.

Sponsor(s): Administration & Finance Committee

Mr. Ziehler referred to the Carryover, etc. Report included in the Committee's handout material, which reflects the financial status of these items as of 12/31/12. Ald. May questioned the large carryover amount in the Police Dept. overtime budget. Mr. Wyss explained that most of this is due to retirements and final payouts. Mr. Ziehler also addressed the fact that for the last several years, the Police Dept. has overspent its overtime account but that it was previously offset by excess funds in the salary account that were not available this year. He also mentioned that unbudgeted salary in the Police Dept. salary account was kept short, with the monies set aside in the contingency fund. Further brief discussion ensued with staff responding to Alderspersons' questions.

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

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

No: 0

2. [2013-0106](#)

Communication from City Administrative Officer transmitting 2014-2018 Multi-Year Budget Forecasting Report.

Chair Sengstock introduced this item and asked Mr. Ziehler to comment. Mr. Ziehler explained that we haven't done this report for a few years, basically because there didn't seem to be much interest in it, and with the State Legislature changing fiscal rules so much over the last several years, the projections were way off and it didn't provide valuable information. There had been a request to present this forecasting report again, so the document has been resurrected, but it is only as good as the assumptions we make. The report does reflect a projected 4% total combined levy increase in the next few years, but the City will only be allowed a less than 1% increase based on the current State levy limit of net, new construction. Ald. May said he recognizes that Mr. Ziehler has had ideas every year to help our situation, but if this projection is realized, we are facing a huge problem. He asked about OPEB as an element in this equation. Mr. Ziehler said it is not required to be included at this time, but he said there is a legislative bill to require it being done for new employees. Ald. Sengstock spoke about how difficult it is to predict, especially depending on what aid we get from the State which affects this and how we handle our spending. Mr. Ziehler commented that spending is one thing we do control, but revenue is not. After other brief discussion, Mr. Ziehler noted that the report will now be done every year in the future following Council adoption of the annual City budget and based on updated set of assumptions.

A motion was made by Ald. Lajsic, 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

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

1. Discussion and Possible Modification of Certain Previously Approved Policies in the Transition Team Plan Documents.

Mr. Ziehler noted that there are four issues under this first discussion item regarding policy changes that will be needed, if the Committee concurs.

a. Saturday (and/or Sunday) consideration as an Incentive Day for Refuse Pickup which would determine whether time and one-half on Sat. (or double time on Sun.) applies to an 8 hr. day or the actual hours worked (regular/normal work schedule day or not?).

Mr. Ziehler presented a visual depiction of how pay would be awarded on Saturdays and Sundays as either incentive days or under actual work hours. Ald. Lajsic commented that this isn't the first time we have had to work on a Saturday, and it was always handled as an incentive day. He also mentioned how we have reduced routes and refuse crews over the years, resulting in savings to the City. In all fairness, he feels we should continue to do what we have done in the past, treating these days as incentive days. Ald. Vitale also mentioned how costs have been reduced over the last 30 years, and that our workers are doing a great job even with all the reductions over this time period. These Saturday situations don't happen very often during the year, and he concurs with Ald. Lajsic on continuing to pay under the incentive plan. Ald. Sengstock agreed that the incentive refuse program is a jewel we offer our residents. Staff was asked for input on the issue.

Mr. Ziehler said one consideration is that this is the only incentive program the City has and is it fair to all other employees. Mr. Wyss commented that paying overtime for hours worked is acceptable, but paying for overtime for hours not worked doesn't make financial sense, especially considering our financial situation. This is what the fiscal impact of the decision is.

Ald. May presented another alternative to how Saturday and Sunday hours are paid, but it's not much different than the scenarios presented by staff. Further discussion continued on how refuse collection procedures have changed over the years and the perception of City workers and the minimal constituent complaints once incentive was put in place.

Ald. Lajsic moved that we return to our former policy, that is, paying time and one-half on Saturdays and double-time on Sundays under the incentive program. The motion was seconded by Ald. Probst. Before a vote was taken on the motion, additional discussion ensued.

Ald. Czuplewski said he thinks the whole incentive program is obsolete. Our workers are paid more now and they have better benefits, and he thinks we are wasting money on this Saturday/Sunday incentive pay. No one else gets incentive, and we should be saving everywhere we can. There are very few areas where we can trim and we should take advantage of them when we can. Ald. Sengstock said he supports Ald. Lajsic's comments. We must also look at what services we give to our taxpayers, and this is one that is extremely beneficial to them. Further discussion ensued.

A vote on the previously made motion was then taken, passing 4 - 0 - 1, with Ald. May abstaining.

In conclusion, Mr. Ziehler said staff will draft the revised policy and submit it for the next Council meeting.

- b. For Interim Assignments (e.g., in filling temporary vacancies), modify allowable increase from a maximum of 5% to a minimum of 3-5% (beginning and ending pay range still applies).

Mr. Ziehler explained that as the policy was originally presented and approved, it doesn't give needed flexibility in pay for interim assignments, and in some situations, we have already exceeded the 5% maximum allowed. It is not practicable. Staff recommends amending the policy by modifying the allowable increase from a maximum of 5% to a minimum of 3-5%, with the ending salary range being the maximum. The Committee concurred and the following motion was made.

Ald. Lajsic moved, seconded by Ald. May, to modify allowable increase for interim assignments from a maximum of 5% to a minimum of 3-5%. The motion passed unanimously.

- c. Emergency Call Back Procedures to include Sundays and Paid Holidays scenarios.

Mr. Ziehler explained that when the policy was drafted, we forgot to include Sundays and Holidays in our emergency call back procedures. The policy should be amended to allow for these scenarios. The Committee concurred, and the following motion was made.

Ald. Lajsic moved, seconded by Ald. May, to include Sundays and Paid Holidays in emergency call back procedures. The motion passed unanimously.

- d. Change in calendar year for performance evaluations from January 1 to December 31, to October 1 to September 30.

Mr. Ziehler said we are just recommending a change in the calendar year for performance evaluations to make the process and timing work more efficiently. The Committee concurred and the following motion was made.

Ald. May moved, seconded by Ald. Probst, that the calendar year for performance evaluations be October 1 to September 30 rather than January 1 to December 31. The motion passed unanimously.

2. Discussion and Possible Direction on Certain Matters Brought up During the 2013 Budget Process.

Ald. Sengstock asked Mr. Ziehler to comment. Mr. Ziehler mentioned that these matters were held over from last year's budget discussions. He is bringing them forward now for Committee direction on whether we should pursue them or place them on file.

a. Pros and Cons of moving from Debt Financing to Cash Financing.

Mr. Ziehler addressed the pros and cons of moving from debt financing to cash financing, the main point being that in the near term it will cost more, but in the long term, we would not be paying debt interest. From a philosophical standpoint, the discussion becomes whether we want to burden the taxpayers of today paying the full amount of switching to a cash method with the understanding that future taxpayers experience no cost. Logistically speaking, how do we wean ourselves? It can be done, but it's complicated. Mr. Wyss spoke about a 20 year period of weaning ourselves from debt to cash financing. In practicality, there are concerns, especially in times of fiscal challenge and levy caps/limits. Another concern, as he's seen happen with other communities who have done this, is eventually getting to cash financing but having to go back to debt financing because of budgeting difficulties. Ald. May said it makes no sense to him to borrow \$4M, pay back \$4M and an additional \$1.3M in interest every year. Mr. Ziehler also noted that once the City would be completely on a cash basis for capital infrastructure, it would be very tempting to balance future budgets by eliminating all or most of that funding, and then such needs are not addressed. Other brief discussion ensued.

Chair Sengstock suggested that we keep this issue open for further discussion. The Committee concurred.

b. Feasibility of School District paying all or part of School Liaison Officers and/or Crossing Guards.

Mr. Ziehler noted this was another suggestion to help the City's budget situation; however, he doubts the School District would be willing to assume more costs considering their budget situation also. He pointed out that the City and School District do a lot for each other, and he's afraid if we start getting selective about expenses, we will see their response to charge in turn for other things they do for us. He reminded the Committee that the City doesn't employ crossing guards anymore--we contract with a private firm for these services. Ald. Probst asked about a shared cost for these items. Mr. Ziehler said this can be brought up at the monthly meeting between City and School officials to see if that is a viable option.

Chair Sengstock suggested that we keep this issue open for further discussion once Mr. Ziehler reports back. The Committee concurred.

c. Possible use of rental/leased cars in certain circumstances.

Mr. Ziehler commented that this question was raised in light of higher costs in some cases when paying employees travel mileage vs. lower costs in renting a car and paying the insurance. He believes there is money to be saved in certain circumstances. The program would have to be structured to fit certain parameters and allowing rental usage in limited situations. The Committee agreed it was worth looking into and directed staff to proceed with this research. Mr. Ziehler said he will have the Purchasing Manager check into this and draft a policy/program for the Committee's review and consideration.

3. Staff Updates.

a. IT Division:

- Expanded Use of GPS.
- Use of tablets in the field.
- IT user group project review.

Mr. Ziehler said he has asked Mr. Jandovitz, IT Manager, to update the Committee on what's going on in the IT Division. Mr. Jandovitz reviewed several topics of interest using his Power Point presentation. First, he addressed the expanded uses of GPS throughout the City with plans to put units in Public Works vehicles. Police has it on all squads, and Fire is in the process of having units installed. He talked about the pros/cons of 2G vs. 3/4G devices, and the Committee expressed its interest in the higher level option. Mr. Jandovitz then discussed the growing use of I-Pads and tablets, including laptops for Police and Fire and expanding to Health and Bldg Inspections. He also talked about Reverse 911 and the growing use of this system. Mr. Ziehler mentioned the possible reallocation of the Purchasing Dept. radio communication funding to cover these costs. Finally, Mr. Jandovitz discussed the time tracking/scheduling program, which Committee members have expressed an interest in pursuing. He spoke about the costs involved and long-term savings to be realized.

In conclusion, Mr. Jandovitz addressed the significant costs involved in several non-budgeted items, including such big ticket items as emergency generator (\$20K), scanning equipment for documents/images (\$40-\$60K), GPS units (\$30-\$60K), time tracking/scheduling (\$40-\$60K), and Reverse 911 (\$10-\$15K, including \$10K yearly maintenance costs).

b. Finance Division:

- Employee changes.
- Office remodeling.
- Evaluation of functions (needs & skills assessment).

Next, Mr. Ziehler said he has asked Mr. Wyss to give an overview of his plans for the Finance Division now that he has been on board for several months. Mr. Wyss mentioned his evaluation of functions of the office and staff and his plans to redeploy and realign the office to take advantage of staffing skills. They will be working more with the IT Division to electronically handle payments of fees, etc. and having more places available to our customers to make payments, e.g., kiosks at other City building locations. He has taken small steps to form a work group with other municipal Finance Directors to discuss consolidated services. He feels it is important for us to get the word out to our residents about what we have available to help them get the things done they need to involving their City services. The Committee thanked Mr. Wyss for this update.

c. CVMIC 2012 Year End Reports.

Mr. Ziehler briefly reviewed the year end reports from CVMIC, which address the financial summary of claims for 2012. Brief discussion ensued, and staff responded to a few questions from the Committee.

4. Discussion/Action on Items by Alderpersons.

Ald. Lajsic expressed his interest in further discussions on time reporting and short-term disability. Mr. Ziehler also mentioned a discussion item related to our health insurance for retirees vs. active employees. He suggested that we include these items on the next Committee meeting agenda for further discussion. The Committee concurred.

5. Other.

None.

F. ADJOURNMENT

A motion was made by Ald. Lajsic, seconded by Ald. May, to adjourn the meeting at 7:40 p.m. The motion carried unanimously.