



City of West Allis

7525 W. Greenfield Ave.
West Allis, WI 53214

Meeting Minutes

Administration & Finance Committee

Aldersperson Kevin Haass, Chair

Aldersperson Martin J. Weigel, Vice-Chair

Alderspersons: Michael J. Czaplewski, Michael P. May, Daniel J. Roadt

Monday, September 11, 2017

6:00 PM

City Hall Room 128

REGULAR MEETING (draft minutes)

A. CALL TO ORDER

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

B. ROLL CALL

Present 5 - Ald. Haass, Ald. Weigel, Ald. Czaplewski, Ald. May, and Ald. Roadt

Others Attending

Ald. Lajsic; Tom Karman and Bryan Grunewald, Schenck SC; Clete Anderson, Willis Towers Watson; Peggy Steeno, Finance Director; Patrick Mitchell, Police Chief; Mason Pooler, Fire Chief; Jay Scharfenberg, Assistant Fire Chief; Audrey Key, HR Director; Sally Nusslock, Health Commissioner; Ed Lisinski, Director of BINS; Sheryl Kuhary, Assistant City Attorney; Tony Warkoczewski, IT Operations Analyst; Rebecca Grill, City Administrator; and Jeanette Wardinski, Recording Secretary.

C. APPROVAL OF MINUTES

[2017-0585](#)

Minutes (draft) for Recess Meetings August 1, 2017 and September 5, 2017.

A motion was made by Ald. Czaplewski, seconded by Ald. Roadt, that this matter was Approved. The motion carried by the following vote:

Aye: 5 - Ald. Haass, Ald. Weigel, Ald. Czaplewski, Ald. May, and Ald. Roadt

No: 0

D. APPEARANCES BEFORE COMMITTEE

1. Appearance by Tom Karman, Schenck, and Celete Anderson, Willis Towers Watson.

[2017-0584](#)

Discussion of 2016 CAFR (Comprehensive Annual Financial Report) and 2016 OPEB (Postretirement Benefit Valuation Report).

Chair Haass asked staff to comment and begin with introductions. Ms. Steeno, Finance Director, said Schenck would present the CAFR, Willis on the OPEB Report, and then she would give a wrap up. Mr. Tom Karman of Schenck introduced himself and Mr. Bryan Grunewald and stated that he will be retiring by the end of the year and Mr. Grunewald will be taking over for him. Mr. Karman is present to discuss the CAFR and Management Communication. He said the City has received a clean audit, which fairly states the financial position of the

City. All information required to be included has been and no exceptions or exclusions; this is the same report the City typically receives. He referred to the compliance report for federal and state grant funding and noted the city has once again received a clean report as in past years. Mr. Karman then referred to page 5 in the management communication and reviewed the financial information with the Committee. Overall, the city has maintained strong balances from a general fund standpoint. Some capital project funds have deficits which isn't unusual; the important thing is to monitor these over time. The city doesn't have any seriously distressed TIDs, and the city does a good job of maintaining adequate rates for utilities. Mr. Karman and Ms. Steeno responded to questions on the TIDs. Ald. Weigel wondered how our report equates to a "letter grade." Mr. Karman responded that West Allis is an older, landlocked community and for the circumstances we are under, we have very positive balances and the city is in a very good position.

Next, Mr. Anderson of Willis Towers Watson, presented the OPEB (Other Post-Employment Benefits) Valuation Report under GASB 74/75. He said the whole purpose of the evaluation is the city needs to disclose the OPEB value in its financial statement. He discussed the three most important numbers to be aware of: (1) OPEB liability - present liability of benefits earned to date by participants in the plan. As of 1/1/16, that is \$141M. (2) The city has a "pay-as-you-go" plan, meaning the obligation is not funded. The net cash cost to the City is \$5M. (3) The actual accounting expense is \$8.7M. He noted the considerations for OPEB are who is eligible, contributions (by retirees), and benefit design. Ald. Weigel asked if we are properly funded. Ms. Steeno answered that whatever the cash cost is, the city is paying it; it's an unfunded benefit. Further explanations of OPEB provided by Mr. Anderson and Mr. Karman. Ms. Steeno also pointed out that we budget for expenses and have the \$8M reserve, which relates to the \$5 obligation. Mr. Karman noted there are other communities that offer this benefit. The city is required to include this information in its financial report and its important to understand the situation. This is a \$5M contribution to retiree health insurance. If the city is able to continue this obligation, then it decides whether it wants to; the biggest thing is to understand what is happening with this. Ald. May asked about the city's situation. Mr. Karman responded that when you get to the point in your budget and it's difficult to meet the cash obligation, that is when something will need to be done. Mr. Anderson added that from a cash standpoint, if you see the obligation going up, it needs to be addressed.

Ms. Steeno concluded by stating the CAFR will be formally introduced to Council for appropriate action.

There being no further questions or comments from the Committee and staff, Chair Haass thanked the representatives for their reports.

This matter was Discussed and Consensus Given

E. NEW AND PREVIOUS MATTERS

1. [2017-0561](#) Communication from City Administrator transmitting Report on Assessment of the City's current Information Technology operations.

Chair Haass introduced this item and asked staff to comment. Mr. Tony Warkoczewski, IT Operations Analyst, appeared and said he was brought in to do an assessment of the city's IT operations. He noted his 28 years experience in the field and the approach he used in conducting his assessment. Key to his work was going around and talking with the leadership of the city. He found a lot of good things happening in IT but if make some investments, things could be much better. He passed out a high level summary of the report as a simplified way to present the key actions he feels we need to take to move forward. He spent time reviewing this information and confirmed the Committee's understanding that he is recommending an increase of three (3) FTE positions for IT. He explained in detail the three areas: (1) Create a second Public Safety IT support position (one now exists for Police) and cross train the individuals to support police and fire operations. (2) Create an IT support position for DPW to move from paper to IT resources. (3) Create a project manager position for the IT Dept. to manage and execute projects. He has seen that we've been building our own IT solutions rather than buying applications, and one of his concerns with this is that there are not many people left in IT that know all these programs. He suggests service rental first with vendor support rather than building our own. Additional discussion ensued on Cloud storage, automating more processes, etc. Ms. Grill stated that we are looking to reallocate positions in the 2018 budget. She also commented that we'd like to hire an outside project coordinator to get the DPW asset management and work order system projects going. Ald. May suggested that in addition to speaking with the Dept/Div Heads, it would be important to interview employees for their input/suggestions, etc. The Committee indicated its consensus in moving forward with the plan for IT services as outlined in the report. A motion was then made to place the matter on file.

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

Aye: 5 - Ald. Haass, Ald. Weigel, Ald. Czaplewski, Ald. May, and Ald. Roadt

No: 0

F. MATTERS FOR DISCUSSION/ACTION

1. [2017-0582](#) Discussion regarding the structure and operations of the Engineering and Public Works department.

Ms. Grill mentioned she sent a letter to the Council that the Director of Public Works/City Engineer is retiring. She suggests a discussion about separating the departments and wondered if a joint meeting with this Committee and the Board of Public Works would be appropriate. Ald. Czaplewski said the reason we combined the positions was to save money but he's not sure we did. He supports eliminating the current position and having separate departments, each with its own Dept. Head. Discussion ensued on management needs for both departments. Ald. Lajsic mentioned that we are required by State statute to have a Chief

Engineer, and there was discussion about whether both Engineering Dept. positions need to be filled (Director/Chief Engineer and Assistant City Engineer). Ald. Lajsic also suggested that if the departments are split apart, that the directors of each then report to the City Administrator. Discussion continued.

Chair Haass didn't feel a joint meeting was needed at this time. He asked Ms. Grill to report to the Board of Public Works that the Administration & Finance Committee recommends the elimination of the Director of DPW/City Engineer position. Then, if the Board wants to meet jointly, we can do so. Ms. Grill confirmed proceeding as directed.

This matter was Discussed

2. [2017-0595](#) Employee Recognition, Suggestion Award Program, and Employee Engagement Activities.

Ms. Grill commented that based on a survey conducted this past spring, changes are being suggested for the employee recognition and suggestion award programs. She reported that over 200 employees participated in the survey and 75% of respondents didn't want to be recognized in a city event and offered other ideas for recognition. As a result, she met with the HR and Communications Directors to discuss how to go forward; they decided to go with a department level of recognition for 2018 rather than a city event. Results for the suggestion award program show that employees feel there should be recognition only outside of a person's area of responsibilities. Ms. Grill said the new performance program addresses individual job innovation. Finally, a Q12 survey was conducted on employee engagement activities. A future report will be issued on how to address these results. Ald. May asked for a copy of the Q12 survey results, and Ms. Grill said she would provide such.

This matter was Discussed and Consensus Given

3. [2017-0596](#) Discussion regarding Policy and Procedure 1424 (Overtime, Compensatory Time, and Premium Pay) and Emergency Operations Overtime.

Ald. May explained that he asked for this matter to come back to the Committee based on input he received from a Police Lieutenant specifically related to SWAT operations and overtime paid at straight time rather than time and one-half for exempt employees when called back to duty. Police Chief Mitchell offered further details about how these SWAT operations work, and not always in conjunction with a normal shift, and that this impacts lieutenant and captain level positions. Basically, in these emergency services overtime situations, the Lieutenant ends up being the lowest paid person, and he offered additional comments on how this impacts the various employee levels. Ms. Grill said there has been push back because of earning overtime after 45 hours and not after 40. After further discussion, the Committee consensus was to explore this issue and get some solid numbers for the lieutenants and captains. Chief Mitchell said this can be looked into. Ald. Lajsic also suggested finding out what other communities do. The Committee concurred on both these steps and asked staff to proceed as directed.

This matter was Discussed

G. CLOSED SESSION

At 7:10 p.m., Chairperson Haass 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 Fire Fighters 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. Haass, seconded by Ald. May, that this matter was Approved. The motion carried by the following vote:

Aye: 5 - Ald. Haass, Ald. Weigel, Ald. Czaplewski, Ald. May, and Ald. Roadt

No: 0

HR Director Audrey Key and members of the Management Bargaining Team were present to begin discussions concerning negotiations with the Fire Fighters Union. Lengthy discussion ensued with staff providing background information, current status/situation, and responding to questions/comments from Alderpersons. It was the consensus of the Committee for staff to begin the bargaining process with the Fire Fighters Union, and direction was provided to staff on how to proceed.

Upon conclusion of the closed session at 7:57 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.

H. ADJOURNMENT

A motion was made by Ald. Roadt, seconded by Ald. Weigel, that the meeting be adjourned at 7:57 p.m. The motion carried unanimously.