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Office of the City Administrator

FINANCE-PERSONNEL COMMITTEE

Tuesday, December 12, 2023

6:00 PM

North Conference Room

Minutes

1) Call to Order, Roll Call

Present:

Mayor Andrew Nerbun
Alderman William Gebhardt
Alderman Brian Parrish
Alderman Robert Strzelczyk

Also present: William Jones, City Administrator, Justin Schoenemann, Assistant City Administrator, Jennifer Engroff, Finance Director, Marie Keyser, Assistant Finance Director, Caroline Fochs, City Clerk, Brian Sajdak, City Attorney, Rick Kalscheuer, R&R Insurance and Lester Ahrens.

2) Approve Meeting Minutes

a. November 14, 2023 Finance-Personnel Meeting Minutes

RESULT: **Approved by Voice Acclamation [Unanimous]**

MOVED BY: Alderman Strzelczyk

SECONDED BY: Alderman Gebhardt

AYES: Gebhardt, Parrish, Strzelczyk
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3) License Applications

a. December, 2023 Licenses

RESULT: **Approved by Voice Acclamation [Unanimous]**

MOVED BY: Alderman Strzelczyk

SECONDED BY: Alderman Gebhardt

AYES: Gebhardt, Parrish, Strzelczyk
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4) Vouchers Paid

a. November 2023 Vouchers Paid List

Committee members asked for an explanation regarding road salt purchases. Mr. Jones explained that Mequon obtains its salt from the WI State Salt Contract and there are a couple different parameters on when and how much salt the City can buy. Committee members were satisfied with his answer and did not need other follow up.

RESULT: **Approved by Voice Acclamation [Unanimous]**

MOVED BY: Alderman Parrish

SECONDED BY: Alderman Strzelczyk

AYES: Gebhardt, Parrish, Strzelczyk
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5) Resolutions

Action requested: review and recommend approval

- a. **RESOLUTION 4095** A Resolution Approving the City of Mequon's Insurance Program for Fiscal Year 2024 with the League of Wisconsin Municipalities Mutual Insurance, in the Estimated Amount of \$395,308

Director Engroff gave a brief explanation regarding the 2024 business insurance renewal with the League of Wisconsin Municipalities Mutual Insurance. Last year the City reviewed its business insurance and solicited three proposals from different providers. The City selected the League due to its premium savings as well as other notable benefits. The 2024 renewal premium is about \$30,000 more than 2023 (or about an 8% increase). This is largely due to an early-2023 appraisal of City property that was a requirement as part of the on-boarding process to the City's new insurer. That appraisal identified several of the City's lift stations and traffic signals were not being insured. This increased the property valuation by over \$14M. Most other lines of coverage remained flat in terms of premium or even slightly decreased. As a comparison, the private insurance market is currently experiencing rate increases between 10-20%.

Rick Kalscheuer from R&R Insurance was present at the meeting to answer any questions. He noted that property insurance increased substantially because of all the weather related events that happened in the Midwest in the last one to two years.

RESULT: **Approved by Voice Acclamation [Unanimous]**

MOVED BY: Alderman Gebhardt

SECONDED BY: Alderman Parrish

AYES: Gebhardt, Parrish, Strzelczyk
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- b. **RESOLUTION 4096** A Resolution Appointing Lester Ahrens as the Statutory City Assessor through December 31, 2025

Director Engroff explained to the Committee that in late 2022, the Common Council approved a 3-year contract for property assessment services during 2023-2025 with Assessment Technologies of Wisconsin, LLC. With that resolution, it also re-appointed Michael Grota as the City's Statutory Assessor. In February 2021, Grota Appraisals LLC was acquired by Government Brands or Assessment Technologies of Wisconsin (dba Catalis LLC). Since it has been a few years since the merger, Michael Grota has transitioned to a role where he provides support for special projects only.

With that, Lester Ahrens was promoted to Director of Valuation Services and it is recommended that he serve as the City's Statutory Assessor during the remainder of the contract's term. Mr. Ahrens has been assisting with the City's assessment services for 14 years.

A question was asked regarding the sale of manufacturing property. The Wisconsin Department of Revenue (DOR) assesses Manufacturing property within the City which is outside of the Statutory Assessor's scope of responsibility. However, moving forward the Statutory Assessor will coordinate with city staff to bring awareness to Manufacturing sales. Putting this process in place will create an opportunity for communication between the City and the DOR to ensure they are aware of the recent sales and to better understand the DOR's position regarding valuation changes.

RESULT: **Approved by Voice Acclamation [Unanimous]**

MOVED BY: Alderman Strzelczyk

SECONDED BY: Alderman Gebhardt

AYES: Gebhardt, Parrish, Strzelczyk
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- c. **RESOLUTION 4097** A Resolution Awarding a Contract for Long Term Disability Insurance and Employee Assistance Program Services to Sun Life Assurance Company of Canada for an Annual Estimated Premium of \$23,690

Mr. Schoenemann briefed the Committee on the history of Long Term Disability (LTD) in that it is offered to all full time employees. In 2020, the City transitioned from Anthem (who held the City's contract for 43 years prior) to MetLife. The Human Resources Division worked with Ansay & Associates to again rebid the City's LTD to ensure the organization is receiving the best value. MetLife held its rates flat again for 2024 however Sun Life's proposal provides the same level of benefits at a lesser cost.

The City will see a 27% savings of approximately \$8,600 annually by switching LTD providers. Annually Sun Life's premium will total \$23,690.84, which includes a commission of approximately \$3,000 to Ansay & Associates each year for the next two years. The contract provides a two year rate lock.

The question was posed at the meeting if a three year contract was possible. Mr. Schoenemann stated Sun Life was not interested in that.

RESULT: **Approved by Voice Acclamation [Unanimous]**

MOVED BY: Alderman Gebhardt

SECONDED BY: Alderman Parrish

AYES: Gebhardt, Parrish, Strzelczyk
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6) Information Items

- a. Finance & Personnel Work Plan

7) Adjourn

A motion to adjourn was made at 6:27 PM by Alderman Parrish, seconded by Alderman Gebhardt. All voted in favor "aye."

Respectfully Submitted,

Marie Keyser
Assistant Finance Director