



# City of Waukesha

City Hall,  
201 Delafield Street  
Waukesha, WI 53188

## Meeting Agenda - Final Finance Committee

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Tuesday, June 10, 2014

6:30 PM

Council Chambers, City Hall  
Use lower level glass door.

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1. Call To Order

2. Approval of Minutes

- A. **ID#14-0456** Minutes for May 13, 2014 meeting.

Attachments: [fnmn140513](#)

- B. **ID#14-0478** Minutes for April 22, 2014 meeting.

Attachments: [fnmn140422](#)

3. Business Items

- A. **ID#14-0382** Review and make a recommendation to the Common Council to accept Department of Justice Grant #17 to be provided to Waukesha County as agreed to in a signed Memo of Understanding.

Sponsors: Police Department

Attachments: [Police Grant 17](#)

- B. **ID#14-0482** Review and make a recommendation that the Common Council approve the intergovernmental Cooperation Agreement - Pistol Range Contract between the City of Waukesha and Waukesha County.

Sponsors: Police Department

- C. **ID#14-0497** Review and make a recommendation to the Common Council to borrow an additional \$300,000 in August for repairs to Oakdale Road from Sunset Dr. to Hwy 59. This should also amend the 2014 CIP budget for major streets (org 2004).

Sponsors: City Administrator

- D. **ID#14-0498** Review and make a recommendation to the Common Council on the appropriation from the General Fund Contingency of \$18,000 to support the Waukesha Museum.

Sponsors: Reiland

- E. ID#14-0499** Review and make a recommendation to the Common Council to include \$300,000 in the 2015 CIP for Sunset Drive improvements required in conjunction with the Meijer Development.

Sponsors: City Administrator

- F. ID#14-0474** Review and make a recommendation to the Common Council on 2013 General Fund budget carryover requests.

Sponsors: Finance

Attachments: 2013 Genl Fd Carryovers

- G. ID#14-0500** Matter of Report: Presentation by the City Administrator on the Long Term Financial Needs of the City.

Sponsors: City Administrator

Attachments: Big Picture Report

Financial powerpoint

4. Communications and Referrals:

5. Adjournment



# City of Waukesha

City Hall,  
201 Delafield Street  
Waukesha, WI 53188

## Meeting Minutes Finance Committee

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Tuesday, April 22, 2014

6:30 PM

Room 207, City Hall  
Use lower level glass door.

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### 1. Call To Order

**Present:** 4 - Andy Reiland, Pieper, Terry Thieme and Peter Bartels

### 2. Review and Recommend to the Common Council: the City's participation in the Joint Health Clinic with the School District and County.

**ID#14-0175** HR Committee: Review of the Intergovernmental Agreement between the City, County and School District for the Establishment of a Joint Employee Health Clinic.

**This Action Item was approved**

**Aye:** 3 - Francoeur, Thieme and Johnson

**Absent:** 2 - Skinner and C. Payne

**Abstain:** 4 - Perry, Reiland, E. Payne and Pieper

**ID#14-0176** HR Committee: Review of the of the Health Risk Management Agreement between the City, County, School District and Healthstat, Inc

**A motion was made by Johnson, seconded by Thieme, that this Business Items be approved. The motion carried by the following vote:**

**Aye:** 3 - Francoeur, Thieme and Johnson

**Absent:** 2 - Skinner and C. Payne

**Abstain:** 4 - Perry, Reiland, E. Payne and Pieper

**ID#14-0177** Approval of the Intergovernmental Agreement between the City, County and School District for the Establishment of a Joint Employee Health Clinic.

**A motion was made by Reiland, seconded by Perry, that this Business Items be approved. The motion carried by the following vote:**

**Aye:** 5 - Perry, Reiland, E. Payne, Pieper and Thieme

**Abstain:** 4 - Francoeur, Skinner, C. Payne and Johnson

**ID#14-0178** Approval of the of the Health Risk Management Agreement between the City, County, School District and Healthstat, Inc.

**A motion was made by Reiland that this Business Items be approved. The motion carried by the following vote:**

**Aye:** 4 - Perry, Reiland, E. Payne and Pieper

**Abstain:** 5 - Francoeur, Skinner, Thieme, C. Payne and Johnson

### 3. COMMUNICATIONS/REFERRALS

#### 4. Adjournment

**A motion was made by Thieme, seconded by Perry, that this be approved. The motion carried by the following vote:**

**Aye:** 7 - Perry, Reiland, E. Payne, Pieper, Francoeur, Thieme and Johnson

**Absent:** 2 - Skinner and C. Payne

NOTICE: Any person who has a qualifying disability under the Americans with Disabilities Act that requires that the meeting be accessible or that materials at the meeting be in an accessible format, please contact Fred Abadi, 48 hours prior to the meeting at 524-3600, FAX 524-3898, or by the Wisconsin Telecommunications Relay System so that arrangements may be made to accommodate the request.





# City of Waukesha

City Hall,  
201 Delafield Street  
Waukesha, WI 53188

## Meeting Minutes Finance Committee

---

Tuesday, May 13, 2014

6:30 PM

Council Chambers, City Hall  
Use lower level glass door.

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### 1. Call To Order

**Present:** 5 - Peter Bartels, Andy Reiland, Terry Thieme, Pieper and Daniel Manion

*Also in attendance: Ald. Patton, Ald. Cummings, Ald. Johnson, Attorney Running, City Administrator Henchel, and Fire Chief Howard.*

### 2. Approval of Minutes

#### A. ID#14-0301 April 15, 2014 Minutes

**A motion was made by Reiland, seconded by Manion, that the Minutes be approved. The motion carried by the following vote:**

**Aye:** 5 - Bartels, Reiland, Thieme, Pieper and Manion

### 3. Business Items

#### A. ID#14-0364 Review and act on a request to recommend to the Common Council the distribution of \$7,365 of funds to the Waukesha Bike Alliance held by BID to cover the cost of bike racks in the Central Business District.

*This item was put on hold for a future meeting.*

#### B. ID#14-0354 Review and act on a request to recommend to the Common Council the distribution of \$11,200 to the Waukesha Downtown Business Association (WDBA) in deferred revenue held by BID for the operation of the 2013 Farmers Market.

*This item was put on hold for a future meeting.*

- C. ID#14-0355 Review and act on a request to recommend to the Common Council the approval of the 2013 Business Improvement District (BID) Audit as presented. This will result in a Final Audit being issued and distributions to property holders made.

The audit will include 3 changes from what was previous presented.

- a) A correction of the Cash Flows on page 5.
- b) A correction of the year collected on page 8.
- c) A change in the amount of the to be allocated based on the WDBA and Bike Alliance distribution.

*This item was put on hold for a future meeting.*

- D. ID#14-0365 Review and act on a request to recommend to the Common Council the approval of a contract with Community Care, Inc. to act as a billing agent for certain qualified ambulance calls, subject to review by the City Attorney.

**A motion was made by Thieme, seconded by Bartels, that this item be recommended for Council Consent. The motion carried by the following vote:**

**Aye:** 5 - Bartels, Reiland, Thieme, Pieper and Manion

- E. ID#14-0357 Review and act on a request to recommend to the Common Council the authorization of potential funds for radio purchase for the County-wide Public Safety Radio Upgrade Project.

*This is a matter of report not needing action of the committee as it is within budget.*

- F. ID#14-0305 Review and act on a request to recommend to the Common Council the transfer of \$374,873 from Health Insurance Fund to cover capital funding shortfall for West Avenue Landfill.

**A motion was made by Pieper, seconded by Reiland, that this item be recommended for Council Consent. The motion carried by the following vote:**

**Aye:** 5 - Bartels, Reiland, Thieme, Pieper and Manion

- G. ID#14-0366 Review and act on a request to recommend to the Common Council the Amendment of the 2014 CIP to appropriate \$90,000 from the Parking Utility Equity Fund to upgrade the collection system consistant with the new fee structure.

**A motion was made by Thieme, seconded by Bartels, that this item be recommended for Council Consent. The motion carried by the following vote:**

**Aye:** 5 - Bartels, Reiland, Thieme, Pieper and Manion

- H. **ID#14-0373** Review and act on a request to recommend to the Common Council to approve the Safe Drinking Water Loan Fund in the Amount of \$450,000 Subject to Approval of Water Utility Commission.

**A motion was made by Thieme, seconded by Bartels, that this item be recommended for Council Consent. The motion carried by the following vote:**

**Aye:** 5 - Bartels, Reiland, Thieme, Pieper and Manion

- I. **ID#14-0376** Review and act on a request from the Fire Department to enter into an intergovernmental agreement with the City of New Berlin to provide fire and EMS services to an area adjacent to the City of Waukesha eastern border.

**A motion was made by Pieper, seconded by Reiland, that this Business Items be recommended for Council approval. The motion carried by the following vote:**

**Aye:** 4 - Bartels, Reiland, Pieper and Manion

**Nay:** 1 - Thieme

#### 4. Communications and Referrals:

- A. **ID#14-0304** Matter of Report: General Fund carryovers for funds 410, 420 and 430.

*Matter of report. No action required per City Finance Policy*

- B. **ID#14-0368** Matter of Report: Plan to have the City make a second borrowing in August 2014 to provide funds for the Oberlin TIF, Oakdale repairs and storm sewer improvements.

*Matter of report. No action taken*

- C. **ID#14-0369** Matter of Report: Update Finance Committee on the Clean Water Fund Loan for the Wastewater Treatment Plant upgrade.

#### 5. Adjournment

**A motion was made by Pieper, seconded by Manion, that this be approved. The motion carried by the following vote:**

**Aye:** 5 - Bartels, Reiland, Thieme, Pieper and Manion

**Staff Comments**

**Meeting**

**06/03/14**

**Date Prepared:** 05/13/14

**Item # on Agenda:** 3-A

**Item Description:** Department of Justice Grant #17

**Staff Recommendation:** Approve

**Committee(s) Recommendation(s) and Date of Recommendation:**

\_\_\_\_\_

\_\_\_\_\_

**Policy Issue:**

Is an exception to existing policy or a change in policy required?  
No

What is the Policy issue to be decided?  
n/a

**Motion: (Should you wish to make a motion to support this request the appropriate language would be as follows:)**

**Motion for the City of Waukesha to accept Department of Justice Grant #17 in the amount of \$11,873, with \$5,436.50 to be provided to Waukesha County as agreed to in a signed Memo of Understanding.**

**Background Information:**

This is an annual grant that the City has received. The police department administers the grant, and the grant funding is shared between the City of Waukesha and Waukesha County.

**Budget Impact:**

Is this item currently budgeted? If not, what source of revenue is being recommended? Consider short-term and long-term impacts.

There is no budget impact..

**Additional Information:**

None

**Attachments:**

- 1) Letter to Ald. Pieper, Chair of the Finance Committee
- 2) MOU between the City and County of Waukesha
- 3) Program information

**Prepared By:** Lieutenant Joe Hendricks, Waukesha Police Department

**Reviewed By:**

Attorney's Office  
City Administrator  
Finance  
Human Resources  
Information Technology  
Other Department(s) Impacted, If Applicable PD

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**City of Waukesha  
County of Waukesha**

**Edward Byrne 2014 Justice Assistance Grant**

**Budget and Budget Narrative**

The entire amount of the 2014 Byrne Grant will be spent on equipment and supplies. No money will be spent on Administration costs. The equipment and supplies targeted through this grant will increase our organizations ability to gather, organize, and disperse intelligence within our profession through analysis of current crime trends. These items may include surveillance equipment, radios, along with software that will help to analyze the intelligence that is collected.

With the assistance of the Edward Byrne Memorial Justice Assistance Grant, our intent is to allocate the award as follows:

Equipment:

Item: Software	Type: Crime Analysis	Cost: \$3000
Item: Surveillance	Type: Recorders and video	Cost: \$1436.50
Item: Technology	Type: Radios	Cost: \$2,000

City of Waukesha Subtotal:	\$6,436.50
County of Waukesha Share	\$5,436.5
	Total: \$11,873.00

**BYRNE MEMORIAL JUSTICE ASSISTANCE GRANT  
MEMORANDUM OF UNDERSTANDING**

**BETWEEN THE CITY OF WAUKESHA, WISCONSIN  
AND  
THE COUNTY OF WAUKESHA, WISCONSIN**

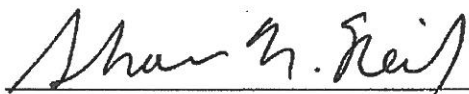
Consistent with the requirements of the Byrne Memorial Justice Assistance Grant, the City of Waukesha, Wisconsin and the County of Waukesha, Wisconsin hereby agree to the following provisions relative to the financial award received by the City of Waukesha through the Justice Assistance Program.

1. The City of Waukesha agrees to act as fiscal agent upon receiving **\$11,873.00** from the Edward Byrne Memorial Justice Assistance Grant.
2. The city of Waukesha will retain **\$6,436.50** and provide the County of Waukesha with funds in the amount of **\$5,436.50** as a condition of receiving an award under the Edward Byrne Memorial Justice Assistance Grant.
3. The County of Waukesha agrees to expend the funds in a manner that complies with the program and purpose requirements for the expenditure of Justice Assistance Grant Funds.
4. The City of Waukesha agrees to provide a one time disbursement in the total amount of **\$5,436.50** within sixty days of a written request for disbursement by the County of Waukesha.
5. The City of Waukesha and the County of Waukesha jointly agree to administer the Justice Assistance Grant program including the filing of all necessary reports required under the terms of the grant.
6. The County of Waukesha and City of Waukesha agree to share all documentation necessary to fulfill the financial reporting requirements relative to the expenditure of Justice Assistance Grant funds by the County of Waukesha.
7. The County of Waukesha agrees to indemnify the City of Waukesha and agrees to hold the City of Waukesha harmless for any action or causes of action that may result from the misuse of funds furnished by the City of Waukesha to the County of Waukesha under this

agreement. Each party to this agreement shall be responsible for its own actions in providing services under this agreement and shall not be liable for any civil liability that may arise from the furnishing of the services by the other party.

8. The signatories to this agreement may designate persons and delegate authority to act in their behalf to matters narrowly limited to the administration of the Justice Assistance Grant Program as detailed in this agreement.
9. This agreement is contingent upon the Waukesha County Board of Supervisors being granted and accepting the Byrne Memorial Justice Assistance grant monies in 2014.

Entered into and agreed upon by:



Date: 5/15/14

Shawn Reilly  
Mayor  
City of Waukesha, Wisconsin

Daniel P. Vrakas

Digitally signed by Daniel P. Vrakas  
DN: cn=Daniel P. Vrakas, o=Waukesha County,  
ou=Waukesha County Executive,  
email=countyexec@waukeshacounty.gov, c=US  
Date: 2014.05.08 14:01:17 -05'00'

Date: \_\_\_\_\_

Daniel Vrakas  
County Executive  
County of Waukesha, Wisconsin



# ***City of Waukesha County of Waukesha***

## ***Edward Byrne 2014 Justice Assistance Grant***

### ***Program Narrative***

Part A: City of Waukesha

The City of Waukesha (in cooperation with the County of Waukesha) is submitting a formal proposal for funding under the above titled program. The program will focus on intelligence gathering software, devices, and technology improvements to enhance policing in the City of Waukesha. The program will target the enhancement of crime analysis to rapidly piece together data, identify key people, events, connections, and criminal patterns. The program also aims to improve the technology necessary for police officers to perform their duties efficiently. By enhancing the intelligence database, analysis tools, and technology the program will capitalize on rapid deployment of resources and increase efficiency.

The primary focus is to establish and enhance intelligence gathering through crime analysis tools devices. The program will address technology based intelligence gathering and aims to incorporate link analysis software and tools. The identifying and analyzing of criminal associations will further be supported with increased technological surveillance devices and tools such as radios, cameras, and recording devices.

Intelligence gathering software, such as Link analysis software, is better able to represent a true depiction of relationships that exist within criminal organizations. Up until this point, this police department has not harnessed the increasing capabilities of this technology. Better use of this technology will allow the Police Department to deploy resources in a more appropriate manner.

We will continue to establish relationships with the community. Our officers will continue to gather information through meeting with, and interacting with the public in areas such as parks and on the street. Our surveillance equipment, radios, cameras, and recording devices will be upgraded to collect and analyze information that is observed while these suspects are in the community.

The City of Waukesha is experiencing a considerable growth in it's' population, however budgets and funding restrictions are not keeping pace at the same rate. Annual budget reductions limit our abilities to make purchases that would increase our effectiveness to purchase technology to assist with intelligence gathering. With the assistance of the Edward Byrne Memorial Justice Assistance Grant, our intent is to allocate the award as follows:

Equipment-General	\$2,000.00
Computer Software/Hardware	\$3,000.00
Surveillance	\$1,436.50
City of Waukesha Subtotal:	\$6,436.50
County of Waukesha Share	\$5,436.50
Total: \$11,873.00	

Part B: County of Waukesha Tentative Award Allocations:

The Waukesha County Sheriff's Department is a full service law enforcement agency. The Sheriff's Department provides traditional police services of approximately 90,000 residents. This represents approximately 23% of the total county population, which makes the Sheriff's Department the largest direct service law enforcement agency in Waukesha County.

The Sheriff's Department also provides service to a total population of approximately 391,000 residents through interstate highway patrol, the jail division, search and recovery, investigative services, computer forensics, court services, general assistance enforcement to other agencies, serving as back-up and primary service provider for part-time law enforcement agencies, and through the provision of other specialized technical support and assistance.

Through the funding that will be received from the City of Waukesha, the County has initially identified the following program areas to enhance service delivery:

Computer equipment for computer forensics unit:	\$4,536.50
Equipment for evidence gathering:	\$900.00

Total: \$5,436.50

**Staff Comments**

**Finance Committee Meeting**

**06/03/14**

**Date Prepared:** 05/19/2014

**Item # on Agenda:** 3-B

**Item Description:** Police Range Contract

**Staff Recommendation:** Approve

**Committee(s) Recommendation(s) and Date of Recommendation:**

\_\_\_\_\_

**Policy Issue:**

Is an exception to existing policy or a change in policy required?

No

What is the Policy issue to be decided?

n/a

**Motion: (Should you wish to make a motion to support this request the appropriate language would be as follows:)**

**Motion to approve the Intergovernmental Cooperation Agreement - Pistol Range Contract between the City of Waukesha and the County of Waukesha.**

**Background Information:**

This is an updated agreement between the City of Waukesha Police Department and Waukesha County Sheriffs Department for use of the Captain James A Lutz Training Complex. Previously we charged Waukesha County an annual fee of \$1,700. We believe this fee should not be charged based on the significant amount of Waukesha County Sheriff's Department personnel and equipment the City of Waukesha utilizes on a routine basis.

**Budget Impact:**

Is this item currently budgeted? If not, what source of revenue is being recommended?  
Consider short-term and long-term impacts.

The economic impact is we will not be charging for use of our range as we continue intergovernmental cooperation.

**Additional Information:**

None

**Attachments:**

1) INTERGOVERNMENTAL COOPERATION AGREEMENT - PISTOL RANGE CONTRACT

**Prepared By:** Chief Russell Jack - WKPD

**Reviewed By:**

- Attorney's Office
  - City Administrator
  - Finance
  - Human Resources
  - Information Technology
  - Other Department(s) Impacted, If Applicable PD
-

**2013 to 2014 Carryovers in Fund 0100 - General Fund**

<u>Org</u>	<u>Object</u>	<u>Program/Project Description</u>	<u>Amount</u>	<u>Funding Source</u>	<u>Frequency</u>	<u>Reason</u>
1722	52990	Master Plan (Rebranding)	5,794.00	Tax Levy	Periodic	To carryover remaining funds of the City Master Plan
2130	53460	Honor Guard	2,632.00	Donations	Annual Review	To carryover donated funds for a specific use
5141	53490	Children Services Grant	3,499.00	Grant/Tax Levy	Annual Review	To carryover funds related to a Library Grant
5132	53710	Waukeshu Reads Grant	2,483.00	Grant/Donations	Annual Review	To carryover funds related to a Library Grant
		<b>Total</b>	<b>14,408.00</b>			

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## **WAUKESHA POLICE MEMORANDUM**

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DATE: 02/12/2014  
TO: Rich Abbott, Finance Director  
FROM: Dan Baumann, Captain of Police  
SUBJECT: Honor Guard Donations/Expenditures

The Waukesha Police Honor Guard Unit receives donations for uniform and equipment. We do not want to open up a satellite banking account to place these funds in. Finance has designated 2130.48410 as the "Honor Guard – Donations" account. When a donation is received it will be tracked in 2130.48410. Account 2130.53460 has been dedicated to track "Honor Guard – expenditures". Furthermore, I request that any unspent donations be carried over from year to year. Lastly, I am in complete understanding that this is not a budgeted item, therefore nothing will be expensed if there are not funds in 2130.48410.

Respectfully Submitted,



Dan Baumann  
Captain of Police

Fund	Org	Object	Description	Actual	2011	2012	2013	
0100	2130	48410	Donations - Honor Guard	Actual	(8,629.50)	(50.00)	(225.00)	Where new money comes in.
0100	2130	49990	Appropriated Fund Balance	Actual	-	-	-	Where Previous funds would go.
0100	2130	53460	Honor Guard	Actual	-	6,273.21	-	Where new and old funds would be spent.
					<u>(8,629.50)</u>	<u>6,223.21</u>	<u>(225.00)</u>	
								(2,631.29)

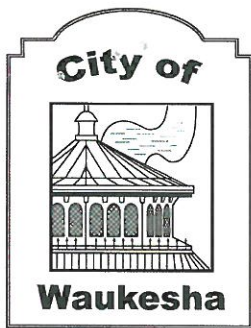
Don't budget these accounts with money in the normal budget process.

Carryover these funds for only the actual amounts collected.

Reminder: don't spend the funds until you have them.

Explanation of Program - (will help justify the carryover of funds within the Gen Fund)

Required BUA	Debit	Credit
	2130.53460	2,632
	2130.49990	2,632
To record available funds for Honor Guard		




## COMMUNITY DEVELOPMENT

201 DELAFIELD STREET  
WAUKESHA, WISCONSIN 53188-3633  
TELEPHONE 262/524-3750 FAX 262/524-3751

Steven P. Crandell, Director  
scrandel@ci.waukesha.wi.us

### Memo

To: Rich Abbott, Finance Director

From: Steven P. Crandell, Director of Community Development 

Date: January 13, 2014

Re: Community Development – Planning Division Non-lapsing Carryover Request

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As per the Finance Department's "Year End Procedures" memo, I am requesting the 2013 Redevelopment Authority (RDA) budget balance from account 170 1722 (Redevelopment Authority) be carried forward into 2014.

This request is what we discussed on Monday, January 13, 2014.

The dollars will be used for the "Rebranding" project approved by Council.

If you should have any questions, please call for my assistance.





Account	2012		2013		Total Plan to Date
	Budget	Actual	Budget	Actual	
1722.52190	-	14,638.32	-	-	14,638.32
1722.52990	44,733.00	-	44,733.00	24,301.64	24,301.64
					<u>38,939.96</u>
				Budget as of 2012	44,733.00
				Remaining for 2014	5,793.04

In 2012, an amount for the master plan was charged to a wrong account.  
I have adjusted the 2013 to 2014 carryover for that.

BUA	Debit	Credit
1722.52990 Contractual Services	5,794.00	
1722.49990 Appropriated Fund Balance		5,794.00
To record Budget for remaining City Master Plan		

M:\Rabbott\Carryovers\2014\Summary of Carryover for Fund 100.xlsx]Comm Dev - Master Plan



**WAUKESHA PUBLIC LIBRARY**

321 WISCONSIN AVENUE  
WAUKESHA, WISCONSIN 53186-4713  
TELEPHONE 262/524-3680 FAX 262/524-3677

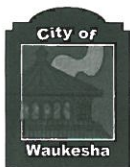
Grant C. Lynch, Executive Director  
glynch@waukesha.lib.wi.us

**MEMORANDUM**

**TO:** Rich Abbott, Finance Department  
**FROM:** Grant Lynch  
**DATE:** January 9, 2014  
**SUBJECT:** Carryover request of 2013 funds

The Library Board of Trustees has approved the request to carryover the following amounts from the Library's 2013 operating budget:

- Waukesha Reads Grant (5132): \$2,482.<sup>0</sup>/<sub>32</sub> *cash receipt correction*
- Children's Services Grant (5141): \$3,498.85



[www.waukesha.lib.wi.us](http://www.waukesha.lib.wi.us)



Childrens Services Grant

Org	Object	Description	Last Year		Available
			Revised Budget	Actuals	
5141	42910	Grants-Other	(6,212.00)	(1,301.50)	(4,910.50)
5141	53120	Office Supplies	0.00	0.00	0.00
5141	53130	Printing/Photocopying	0.00	0.00	0.00
5141	53490	Other Operating Supplies	8,448.00	38.65	8,409.35
5141	53710	Library Books/Materials	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>
			8,448.00	38.65	8,409.35
Amount Available To Carryover					<b>3,498.85</b>

BUA Req'd		DR	CR
5141	42910		4,910.50
5141	53490	8,409.35	
	Offset		3498.39

Library Memo requesting carryover was scanned in

M:\Vkrueger\VKRUEGER\EXCEL\CarryOvers\2013To2014\LibraryGenFund Carry Over Detail.xlsx]5141  
 Last Update: 5/8/14  
 Prepared by: VK

The screenshot shows an email client window with a message from Vicki Krueger. The message header includes the sender's name, the date and time (Thursday, May 08, 2014, 10:22 AM), and the subject line 'Children's Services Grant'. The body of the email contains a greeting, a statement about carryover requests, and a question about uncollected grant funds. The interface also shows standard email actions like 'Reply', 'Forward', and 'Delete'.

**From:** Vicki Krueger  
**Sent:** Thursday, May 08, 2014 10:22 AM  
**To:** Grant Lynch  
**Cc:** Cindy Braun  
**Subject:** Children's Services Grant

Hi,  
 I'm looking over your carry over requests.  
 In the Children's services grant, is the library still entitled/expected to receive the remaining Grant funds of \$4,910.50 remaining in the 2013 budget as uncollected?  
 Thanks

Waukesha Reads Grant

Org	Object	Description	Last Year Revised Budget	Last Year Actuals	Available
5132	42910	Grants-Other	-6,212	-16,000.00	9,788.00
5132	48410	Private Donations-Lighted Do	0	-9,500.00	9,500.00
			-6,212	-25,500.00	19,288.00
5132	52190	Other Professional Services	0	9,865.00	-9,865.00
5132	53110	Postage and Box Rent	0	0.00	0.00
5132	53120	Office Supplies	0	729.88	-729.88
5132	53130	Printing/Photocopying	0	1,967.00	-1,967.00
5132	53260	Advertising	0	364.40	-364.40
5132	53320	Employee Auto Allowance	0	0.00	0.00
5132	53710	Library Books/Materials	7,604	11,483.70	-3,879.70
			7,604	24,409.98	-16,805.98

Amount Available To Carryover

**2,482.02**

BUA Required		Dr	Cr
5132	53710 Library Books/Materials Offset		2,482.02

Library Memo requesting carryover was scanned in

M:\Vkrueger\VKRUEGER\EXCEL\CarryOvers\2013To2014\LibraryGenFund Carry Over Detail.xlsx]5132  
 Last Update: 5/8/14  
 Prepared by: VK

File Message

Ignore X Delete Reply Reply Forward More Meeting

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Quick Steps

Rules Actions Move

You replied to this message on 5/8/2014 10:58 AM.

From: Cindy Braun  
 To: Vicki Krueger, Grant Lynch  
 Cc: Karol Kennedy  
 Subject: RE: Waukesha Reads Grant

Yes, 5132.53710 is fine.

From: Vicki Krueger  
 Sent: Thursday, May 08, 2014 10:57 AM  
 To: Grant Lynch  
 Cc: Cindy Braun, Karol Kennedy  
 Subject: Waukesha Reads Grant

Hi,

You had indicated that you would like to carryover \$2,482.02 for the Waukesha Reads Grant.

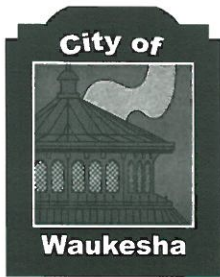
Can you tell me what account(s) you would like this to go to?

Account Inquiry

Org	Object	Description	Last Year Revised Budget	Last Year Actuals
5132	42910	Grants-Other	-6,212.00	-16,000.00
5132	48410	Private Donations-Lighted Do	0.00	-9,500.00
5132	52190	Other Professional Services	0.00	9,865.00
5132	53110	Postage and Box Rent	0.00	0.00
5132	53120	Office Supplies	0.00	729.88
5132	53130	Printing/Photocopying	0.00	1,967.00
5132	53260	Advertising	0.00	364.40
5132	53320	Employee Auto Allowance	0.00	0.00
5132	53710	Library Books/Materials	7,604.00	11,483.70

I assume that you would like this to go to 5132.53710 Library Books/Materials, but I just wanted to check with you first.

Can you please confirm?



**CITY ADMINISTRATOR**

Edmund M. Henschel

TELEPHONE 262/524-3701 FAX 262/524-3899  
ehenschel@ci.waukesha.wi.us

**MEMO**

**To: Finance Committee**  
**CC: Mayor, City Council,**  
**Department Directors**  
**From: City Administrator**  
**Subject: Waukesha's Financial Conundrum**  
**Date: June 2, 2014**

As we begin the planning process for the development of the 2015 Budget, the long range financial needs of the City have been reviewed. This is necessary because it is typical to look at the needs of the following year without taking future financial needs into consideration. This practice can result in spikes in tax rates, inability to meet financial needs or other financial disasters. Furthermore, one of the charges of my office is to provide long range planning to the City Council. This report is a "big picture" review of the long term needs of the City, with proposed broad solutions that have not been studied and analyzed, but inherent in this report is a recommendation to provide the necessary tools to refine proposed recommendations.

In an attempt to provide a concise picture of long term financial planning and financial needs, a PowerPoint report has been prepared called:

**"CITY OF WAUKESHA FINANCIAL CHALLENGES  
THE \$240 MILLION CONUNDRUM  
THE BIG PICTURE"**  
(copy of PowerPoint is attached.)

The number in the title of this report may shock some, but bear in mind that these are long term needs of the City, but regardless must be addressed at some point in time. To address this conundrum, the City must carefully and continually review revenues, expenditures and long term capital financing.

How does our tax rate compare to other municipalities?

The City of Waukesha has the highest per capita tax levy among similar sized municipalities by a wide margin as shown below:

Tax Levy Comparison-2013		
Municipality	Tax Levy (in thousands)	Tax Levy/Capita
Appleton	\$ 37,586,500	\$516.90
Eau Claire	\$ 35,051,300	\$530.60
Kenosha	\$ 57,168,600	\$574.85
Janesville	\$ 29,374,700	\$462.48
La Crosse	\$ 34,363,300	\$671.22
Oshkosh	\$ 30,120,600	\$455.82
Racine	\$ 47,188,800	\$599.60





West Allis	\$	38,728,700	\$641.58
Waukesha	\$	51,466,900	\$727.60

The City's per capita spending is a warning sign that indicates that revenues and expenses need to be carefully reviewed.

How do our user fees compare to other municipalities?

While the City's per capita tax levy is very high, at the same time, it has one of the lowest municipal fees and user charges as non-tax sources of revenue among the comparable municipalities (see below):

Municipality		Municipal Fee Collections	Per Capita Fee Collection
Appleton		\$ 12,458,951	\$172.66
Eau Claire		\$ 7,568,280	\$116.07
Janesville		\$ 11,908,867	\$189.87
Kenosha		\$ 12,170,880	\$127.40
La Crosse		\$ 4,224,050	\$81.89
Oshkosh		\$ 8,964,342	\$136.22
Racine		\$ 10,660,776	\$133.16
West Allis		\$ 6,895,617	\$114.15
Waukesha		\$ 7,438,700	\$109.59

Only the City of La Crosse has lower user charges than Waukesha.

The City has capital project needs that exceed \$200 million. These needs have been presented to the City Council in pieces, but not as a total package. To address these needs, the Council needs to consider them in total, rather than in a piecemeal fashion. These needs include:

<u>Projected Needs:</u>	
Major Streets	\$60m
Minor Streets	\$68m
Storm Sewers	\$70m
New City Hall	\$20m
South St. Parking Structure	\$14m
Veh. purchased before 2010	<u>\$12m</u>
<b>Total</b>	<b>\$240m*</b>

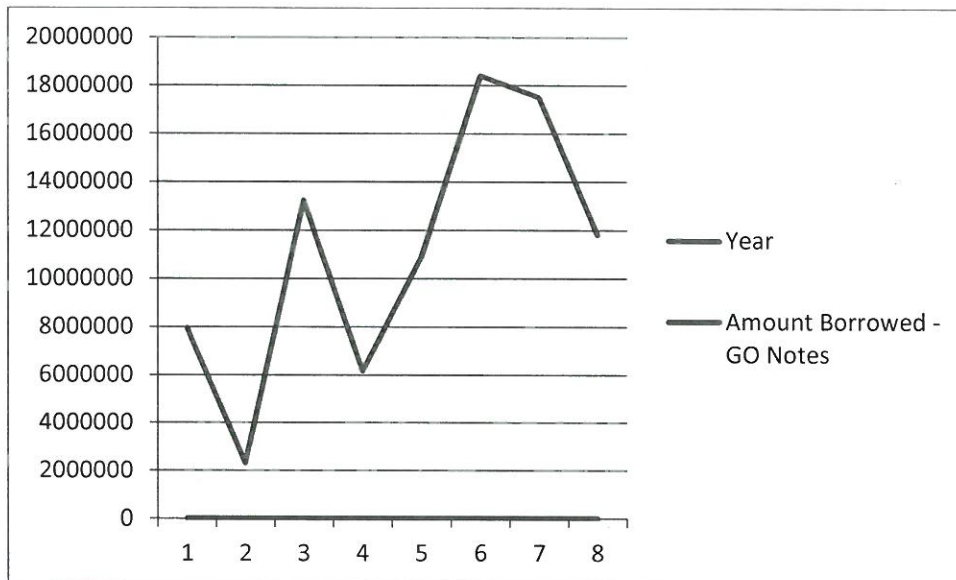
\*Excludes Water & Sewer Upgrades (\$250m +/- more)

The City has sound financial policies to address these needs, but the approach needs to be more comprehensive. Currently the City borrows funds to support the annual CIP. The approach to borrowing includes:

- Having future taxpayers paying for infrastructure they will use vs. current taxpayers paying for future infrastructure.
- Most debt (except buildings) is repaid in a 10 year period – a sound policy.

However, annual borrowing needs to be more level to avoid annual spikes in debt payments that translate into annual spikes in tax levies. As shown below, our borrowing history has been anything but level.

**Annual Borrowing 2007-2014**



To create a more consistent annual debt service schedule, it is recommended that the City Council consider an annual debt capacity in the range of \$10-\$12 million. When the annual amount borrowed is known, the department directors will be in a better position to identify CIP priorities to present during the budget process.

### **Solutions to the \$240m Conundrum**

With a very high per capita tax levy, low non-tax revenues and large capital needs facing the City, the current path of business as usual is not sustainable. Most departments have already had their staffs reduced and remaining employees are working at excessive stress levels. Therefore further staff reductions are not the answer. The recommendation is to increase non-tax revenues (user fees) and to reduce expenditures. The goal is a next reduction in the operating budget is \$2 million beginning in 2016. It is recommended that this be accomplished through the following three steps:

Step One:

The Finance Committee/City Council should focus on an annual debt ceiling for each year based on:

- ❖ Growth in tax base
- ❖ Seek opportunities for Intergovernmental Cooperation
- ❖ Changes in State Revenue Sources (Shared Revenues, Highway aids, etc.)
- ❖ Availability of Grants (State, Federal, Foundations, Private Sources)
- ❖ Other significant sources of revenue

Step Two:

Taxes on a per capita basis are already high need to be kept in check. However, non-tax revenues are low and should be adjusted in the following manner (there may be other increases recommended at a later date):

- ❖ Increase Revenues:
  - Increase Municipal Court fines by 25% \$250,000
  - Increase Court Costs (already implemented) \$ 60,000
  - Increase Parking Fees (already authorized) \$100,000
  - Joint Health Clinic (already authorized) \$180,000\*
  - **Total Increase in Revenues** **\$590,000**

\*Increases in years 4 and 5 of the program (Levy impact only).

Step 3:

Current levels of expenditures are not sustainable if we are to meet our other capital needs. Service reductions are always unpopular. However the following expenditure reductions could be made without severely impacting services:

- ❖ Decrease Expenses:
  - ❖ Eliminate Election Primaries (\$ 20,000)
  - ❖ Eliminate Tax support of Cemetery (\$ 150,000)
  - ❖ Join County Dispatch (\$1,000,000)
  - ❖ **Total Reduction in Expenses** **(\$1,170,000)**

Primary Elections: Per 8.11(1) Wis. Stats. primary elections are optional, they cost the City approximately \$20,000 plus staff time and the voter turnout is only 7%-9% for a typical primary:

**8.11 Spring primary.**



**(1) CITY.**

**(a)** *A primary **may** (emphasis added) be held in any city for the nomination of candidates for city office. When a majority of all the members of the governing body of a city decide upon a spring primary for any specific election, they shall so provide not later than 3 days after the deadline for filing nomination papers.*

Cemetery Costs: Earlier this year, a request was submitted to engage a consultant to identify opportunities to reduce costs and increase revenues with a goal of making the cemetery financially independent. That request was not approved, but the need to make the cemetery financially independent remains.

Dispatch Consolidation: In 2012 the City Council voted against a proposal to join the Waukesha County Dispatch Center. This decision should be revisited. The Dispatch Budget is approximately \$1.5 million per year. In addition, city taxpayers contribute just under \$576,000 toward the County dispatch center as a part of the County tax levy. Financially supporting two dispatch centers at a cost in excess of \$2 million is not a sustainable public policy, if a like level of service can be provided by the County. Of the \$1.5 million dispatch budget the City should be able to realize at least a \$1 million savings with the balance to pay for staff to perform non-dispatch functions for the police department.

By combining increased revenues and reducing costs, the net impact on the budget is a \$1.7 million reduction:

Increased Revenues	\$ 590,000
Decreased Expenses	(\$1,170,000)

**Net Impact on Budget-Reduction of: (\$1,760,000)**

While this falls short of the \$2m goal I desired as City Administrator, this analysis is still a work in progress and other revenue/expense opportunities may be identified in the coming months to achieve this goal.

### **Conclusion**

What does all of this mean?

- Per Capita taxes are high and not sustainable
- Other sources of revenue are low and need to be adjusted
- Expenses are high and need to be reduced
- Borrowing goals need to be created
- Directors need to focus on CIP needs based on what can be expected
- Council needs to pay closer attention to long term CIP budgets

Finally, assuming annual borrowing authorization of \$10 million, the \$240m Conundrum will take more than 25 years to solve. In the meantime additional needs will arise further extending the timeline. However without identifying the issues and beginning to create solutions the City will end up with a piecemeal approach that may or may not effectively meet priorities. Each \$1 million in borrowing on a 10 year note translates to

approximately \$115,000-\$120,000 in debt service payments (i.e. tax levy). The 2014 Debt Service Budget is \$10,095,357.

The City needs to focus on the following financial issues long term:

- Address high per capita tax levies
- Aggressively seek other sources of revenue
- Consider reductions in expenses while maintaining services
- Create borrowing goals that level out debt service
- Directors need to focus on CIP needs based on available funds
- Council needs to pay closer attention to long term CIP

CITY OF WAUKESHA FINANCIAL CHALLENGE:

**\$240 MILLION CONUNDRUM**

THE BIG PICTURE



# Tax Levy Comparison

	Tax Levy Comparison- 2013	
Municipality	Tax Levy (in thousands)	Tax Levy/Capita
Appleton	\$ 37,586,500	\$516.90
Eau Claire	\$ 35,051,300	\$530.60
Kenosha	\$ 57,168,600	\$574.85
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Racine	\$ 47,188,800	\$599.60
West Allis	\$ 38,728,700	\$641.58
Waukesha	\$ 51,466,900	\$727.60

**Business as usual is not sustainable!**

Source: Municipal Facts 2013 – Wisconsin Taxpayers Alliance.



# Non tax Revenues Compared

## Municipal Fee Collections 2007\*

Municipality	Municipal Fee Collections	Per Capita Fee Collection
Appleton	\$ 12,458,951	\$172.66
Eau Claire	\$ 7,568,280	\$116.07
Janesville	\$ 11,908,867	\$189.87
Kaukauna	\$ 1,213,379	\$82.37
Kenosha	\$ 12,170,880	\$127.40
La Crosse	\$ 4,224,050	\$81.89
Oshkosh	\$ 8,964,342	\$136.22
Racine	\$ 10,660,776	\$133.16
West Allis	\$ 6,895,617	\$114.15
Waukesha	\$ 7,438,700	\$109.59

\*The table above includes 2007 fee collections for selected municipalities.

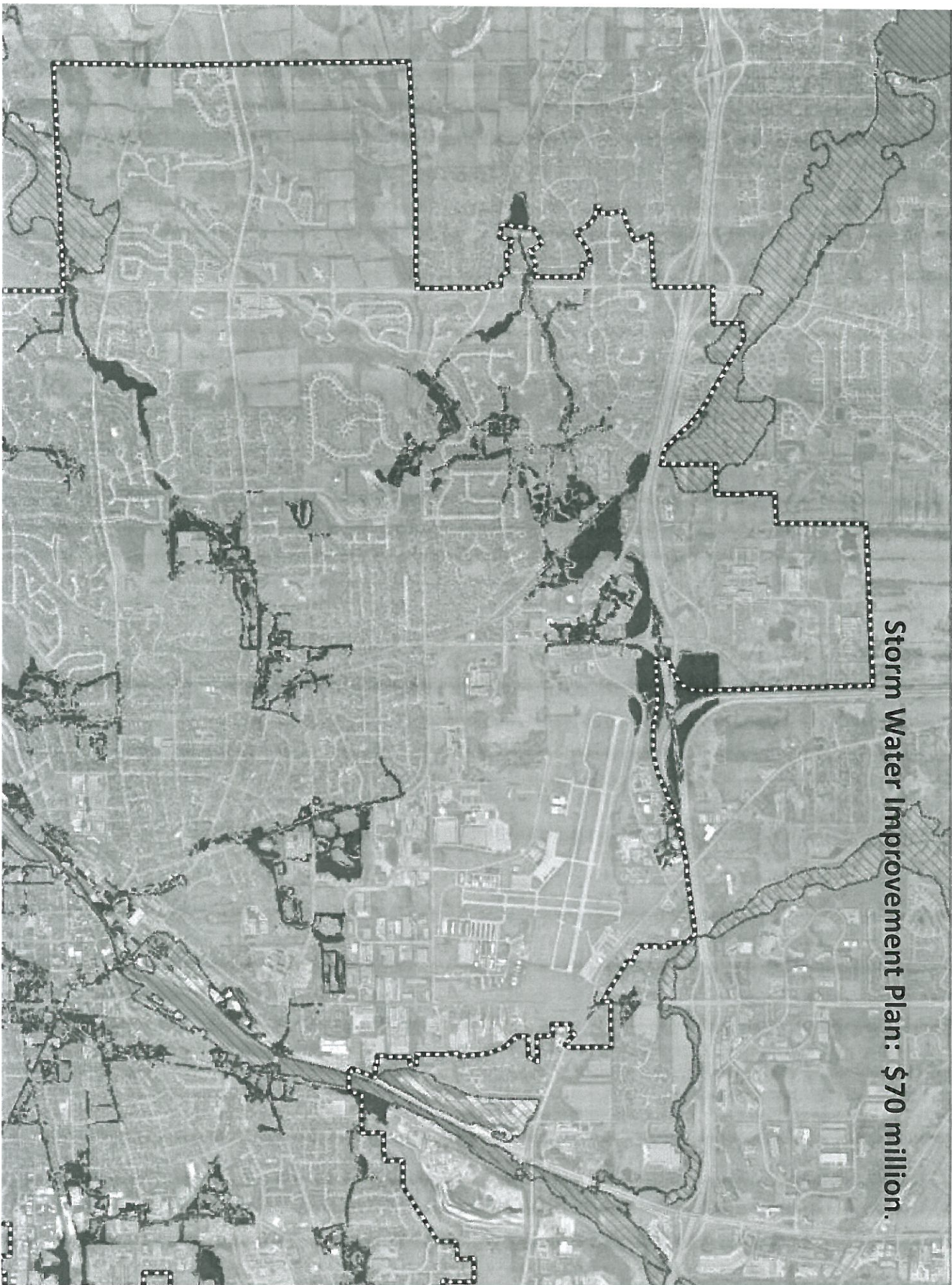
A total of 27 commonly assessed fees were selected for comparison and grouped into 13 categories. Fee groups include: business and occupation, building and inspection, general government, law enforcement, fire and ambulance/EMS, highway maintenance and construction, storm sewers, parking, mass transit fares, garbage/recycling, libraries, parks, and culture and recreation. Source: Wisconsin Taxpayers Alliance.

## Projected Needs:

Major Streets	\$60m
Minor Streets	\$68m
Storm Sewers	\$70m
New City Hall	\$20m
South St. Parking Structure	\$14m
Veh. purchased before 2010	<u>\$12m</u>
<b>Total</b>	<b>\$240m*</b>

\*Excludes Water & Sewer Upgrades (\$250m +/-)





**Storm Water Improvement Plan: \$70 million.**

# THE CITY BORROWS TO SUPPORT CIP

Borrowing results in:

- Future taxpayers paying for infrastructure they will use vs. current taxpayers paying for future infrastructure.
- Most debt (except buildings) is repaid in a 10 year period – a sound policy.





## Borrowing History

	Total GO Notes	New General CIP portion	Refinance NAN					
2007	7,950,000	7,225,000	-					
2008	2,310,000	2,260,000	-					
2009	13,240,000	3,375,000	6,260,000					
2010	6,165,000	3,615,000	-					
2011	10,915,000	4,365,000	-					
2012	18,400,000	4,874,777	4,465,000					
2013	17,505,000	9,567,425	-					
2014	11,795,000	11,795,000						
Notes:								

1) There are TIF & Enterprise fund borrowings in the Total GO notes.

2) In some years there were separate "Series" for different types of borrowings, so this may not be indicative of all debt issued, but shows the CIP portion.

\*\*GO notes include purchase of SLGS to refinance existing debt

# Borrowing Projections

WE ARE PROJECTING AN AFFORDABLE ANNUAL BORROWING  
LIMIT OF \$10-\$12M PER YEAR.

The Council will have to have an understanding that this level of borrowing will result in annual tax levy increases to support debt payments and/or changes in services.

Upon setting a borrowing cap, the City Administrator and Department Directors would be responsible for recommending priorities.

# WHAT'S ARE THE ALTERNATIVES AVAILABLE TO ADDRESS PROJECTED FINANCIAL NEEDS???

Step One:

The City Council should focus on an annual debt ceiling for each coming year based on:

- ❖ Growth in tax base
- ❖ Seek opportunities for Intergov. Coop.
- ❖ Changes in State Revenue Sources
- ❖ Availability of Grants
- ❖ Other significant sources of revenue



# WHAT'S THE SOLUTION???

## Increase Revenues

Step Two:

❖ Increase Revenues:	
➤ Increase Municipal Court fines by 25%	\$250,000
➤ Increase Court Costs (already implemented)	\$ 60,000
➤ Increase Parking Fees (already authorized)	\$100,000
➤ Joint Health Clinic (already authorized)	<u>\$180,000*</u>
➤ Total Increase in Revenues	<b>\$590,000</b>

\*Increases in years 4 and 5 of the program (Levy impact only).

# WHAT'S THE SOLUTION???

## Decrease Expenses

Step 3:

❖ Decrease Expenses:	
❖ Eliminate Election Primaries	(\$ 20,000)
❖ Eliminate Tax support of Cemetery	(\$ 150,000)
❖ Join County Dispatch	<u>(\$1,000,000)*</u>
❖ Total Reduction in Expenses	(\$1,170,000)

\*Does not include the cost of taxpayers paying for 2 dispatch centers.



# Net Impact of Recommendations:

Increased Revenues	\$ 590,000
Decreased Expenses	<u>(\$1,170,000)</u>
Net Impact on Budget-Reduction of:	(\$1,760,000)



# What does this mean?

- Per Capita taxes are high and not sustainable
- Other sources of revenue are low and need to be adjusted
- Expenses are high and need to be reduced
- Borrowing goals need to be created
- Directors need to focus on CIP needs
- Council needs to pay closer attention to long term CIP

# 2015 BUDGET GOALS

WHAT ARE THE FINANCE COMMITTEES GOALS/PARAMETERS  
FOR THE 2015 BUDGET???

