



136 North Monroe Street
Waterloo, WI 53594
Phone: (920) 478-3025
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www.waterloowi.us

PUBLIC NOTICE OF A COMMITTEE MEETING OF THE CITY OF WATERLOO COMMON COUNCIL

Pursuant to Section 19.84 Wisconsin Statutes, notice is hereby given to the public and news media, that a public meeting will be held to consider the following:

COMMITTEE: FINANCE, INSURANCE & PERSONNEL COMMITTEE
DATE: February 20, 2020
TIME: 6:00 p.m.
LOCATION: Municipal Building Council Chamber, 136 N. Monroe Street

1. CALL TO ORDER AND ROLL CALL
2. MEETING MINUTES APPROVAL – January 14, 2020
3. PUBLIC COMMENT
4. UNFINISHED BUSINESS
 - a. Purchasing And Procurement Policy Review – Draft Amendment To Resolution #2009-33
 - b. Resolution #2020-01 2019 Carry-Overs
 - c. Converting To A Biennial Budget Process
5. NEW BUSINESS
 - a. Funding 2020 Summer Internship
 - b. Closure Of Tax Incremental District No. 4
 - c. Examining Means & Methods To Rebuild Fund Balance Per §53-11 (Fund Balance Policies)
 - d. Tax Incremental Finance Districts 1-4, Return On Investment By Project Report
 - e. January Financial Statements
 - i. General Disbursements - \$2,014,975.75 ***
 - ii. Payroll – being calculated - \$108,405.85 ***
 - iii. Treasurer's Report & Budget Reports ***
6. FUTURE AGENDA ITEMS AND ANNOUNCEMENTS
 - a. Committee Calendar
7. ADJOURNMENT

Mo Hansen

Mo Hansen
Clerk/Treasurer

***See Council Packet; Digital Version As Stand Alone Document On Webpage

Committee Members: Thomas, Griffin and Kuhl

Posted, Emailed & Distributed: 02/12/2020

PLEASE NOTE: It is possible that members of and possibly a quorum of members of other governmental bodies of the municipality may be in attendance at the above meeting(s) to gather information. No action will be taken by any governmental body other than that specifically noticed. Also, upon reasonable notice, efforts will be made to accommodate the needs of disabled individuals through appropriate aids and services. For additional information or to request such services please contact the clerk's office at the above location.



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To: Finance, Insurance & Personnel Committee
From: Mo Hansen, Clerk/Treasurer
Date: February 18, 2020
Re: Draft Text Revising Purchasing & Procurement Policy & Recommendation

Draft Revision

Beginning with the third paragraph of Policy 1.

BUDGETARY DISCRETION FOR HEADS OF DEPARTMENTS:

Upon written notice submitted to the Clerk/Treasurer within the current budget year, heads of municipal departments shall have the authority to revise budgeted expenditure line items within a range of defined categories in his/her department budget, or the Capital Fund.

~~The~~ A departmental budget revision meeting all the conditions stated below shall not require Council approval.

- Have no net increase or decrease in the ~~departmental budgeted total budget year~~ expenditure amount.
- Be limited to ~~departmental line items other than capital purchases, outlays and personnel~~ non-personnel line items and Capital Fund line items of less than \$2,500.
- ~~Not require Council approval.~~

The following are defined as heads of departments: the Mayor, Clerk/Treasurer, Police Chief, Emergency Government Director, Public Works Director, Library Director, ~~Youth Center~~ Parks Director, CATV/WLOO Director, Fire Chief and Utility Superintendent with the understanding that the municipal code speaks to separate budgetary responsibilities for the Utility Superintendent.

Policy Ramifications

The draft revision allows for the both scenarios. Current policy allows for scenario #1.

1. The Mayor and City Council forfeit it's ability to define department expenditures.
 - a. Scenario – Department Head X proposes purchasing \$10,000 worth of yo-yo's as part of a \$200,000 budget submittal with a personnel budget of \$100,000. The Council votes to remove the yo-yo request, substituting \$10,000 in paper airplanes instead. On the first day of the budget year, X submits a written notice and purchases \$10,000 worth of yo-yo's.
2. Fund balances may be affected by department head adjustments to Capital Fund spending.
 - a. Scenario – A municipal policy objective may be to make sure the General Fund, or another fund, has sufficient fund balance. If a department head, reduces capital expenditures by \$2,500 by not purchasing an approved item and instead makes a \$2,500 expenditure in the General Fund or another fund – said fund would have expenditures greater than revenue in the amount of \$2,500. Department Heads have no authority to shift or move revenue.

Policy Recommendation

Budgetary discipline and a focus on executing outcome driven plans over time requires the governing body to adopt certain policies and for Departments to implement those adopted policies. Both existing and revised go in the opposite direction. I recommend rescinding current policy and adopting policies which in-still greater budgetary discipline and a focus on outcome driven departmental planning.

Both the current and revised policy are too flexible. It fosters ease of spending in the moment rather than focusing on executing a longer-term outcome driven plan within budgetary limitations.

I. POLICY OBJECTIVES

Legislative approval for all municipal budgets is required by state statutes.

The state does allow for flexibility as to the level of budget control in place for a municipal legislative body over a municipal budget. Prior to the adoption of Ordinance #2009-07 the City of Waterloo ordinances were silent on the matter and therefore each individual budgeted line item became the level to which laws pertained.

The initial policy objective is to call for overall budgetary control to rise to the department level with some added control put in place. That is the only objective which this document addresses. As stated in Ordinance #2009-07, this document can be revised from time to time by resolution of the Common Council.

II. GENERAL POLICY PROVISIONS

POLICY 1. The departmental budgetary level shall be the overall level of control for budget approvals. Heads of departments shall have a limited amount of discretion within the budget of the department.

SUBMITTING BUDGET FOR LEGISLATIVE APPROVAL:

Heads of Department shall submit budgets for legislative consideration on a line item basis using forms provided by the Clerk/Treasurer's office.

BUDGETARY DISCRETION FOR HEADS OF DEPARTMENTS:

Upon written notice submitted to the Clerk/Treasurer within the current budget year, heads of municipal departments shall have the authority to revise budgeted expenditure line items within a range of defined categories in his/her departmental budget.

The departmental budget revision meeting all the conditions stated shall:

- have no net increase or decrease in the departmental budgeted expenditure amount
- be limited to departmental line items other than capital purchases, outlays and personnel
- not require Council approval.

The following are defined as heads of departments: the Mayor, City Assessor, Clerk/Treasurer, Police Chief, Emergency Government Director, Public Works Director, Library Director, Youth Center Director, CATV/WLOO Director, Fire Chief and Utility Superintendent with the understanding that the municipal code speaks to separate budgetary responsibilities for the Utility Superintendent.

Mo Hansen

From: Jeni Quimby
Sent: Monday, February 17, 2020 5:04 PM
To: thomastr2000@yahoo.com; h20looalder@gmail.com; Ron Griffin (griffinrepair@gmail.com)
Cc: Mo Hansen
Subject: Purchasing policy - plus
Attachments: Purchasing Policy 672 WHS.pdf; Material Resources MGT 740 WHS.pdf; Support Groups 883.1 WHS.pdf; C-Beaver Dam Procurement Policy - Example.pdf

Hello, attached are a couple files I obtained from the school website and one I found from Beaver Dam. The policies can all be tweaked to our needs, so we can use these as a starting point for Thursday.

If anyone has other policies they've seen, please feel free to share them. I don't expect to have all this answers right away, but something we can work on. I'd like the bid process to be a part of this as well.

Thanks, see you Thursday.

Jenifer Quimby / Mayor 2019 City of Waterloo, WI
920-478-3025 / 608-516-3363 cell
mayer@waterloowi.us

CITY OF BEAVER DAM, WISCONSIN PROCUREMENT POLICY

POLICY OBJECTIVE

The City of Beaver Dam has adopted this procurement policy in order to provide City employees with uniform guidance in the procurement of professional services. The controls and procedures set forth are intended to provide reasonable assurance that the most cost effective service that serves the best interests of the City of Beaver Dam is obtained, while balancing the need for flexibility and efficiency in departmental operations.

COVERAGE

This policy applies to the procurement of professional services by all departments and divisions of the City of Beaver Dam. More restrictive procurement procedures required by grants, aids, statutes or other external requirements or funding sources will take precedence. Nothing in this policy shall limit the statutory authority granted to the Police and Fire Commission or the Library Board.

GOALS

1. To encourage open and free competition to the greatest extent possible.
2. To receive maximum value and benefits for each public dollar spent.
3. To ensure that all purchase contracts are made in compliance with federal, state and local laws.
4. To prevent potential waste, fraud, abuse and conflicts of interest in the procurement process.
5. To assure proper approvals are secured prior to the purchase, award of contract and disbursement of public funds.

ETHICAL STANDARDS

All procurement shall comply with applicable federal, state and local laws, regulations, policies and procedures. The City's Personnel Policies and Procedures Handbook provides general ethical standards and conduct expectations.

In general, employees are not to engage in any procurement related activities that would actually or potentially create a conflict of interest, or which might reasonably be expected to contribute to the appearance of such a conflict.

1. No employee shall participate in the selection, award or administration of a contract if a conflict of interest would be involved. Such a conflict would arise when the employee, any member of his immediate family, business partner or any organization that employs, or is about to employ, any of the above, has a financial interest or other interest in the firm selected for award.
2. To promote free and open competition, technical specifications shall be prepared to meet the

minimum legitimate need of the City and to the extent possible, will not exclude or discriminate against any qualified contractors or vendors.

3. No employee shall solicit or accept favors, gratuities, or gifts of monetary value from actual or potential contractors, subcontractors or vendors.
4. Employees must maintain strict confidentiality in the procurement process and shall not impart privileged information to any contractors or vendors that would give them advantage over other potential contractors or vendors.
5. Personal purchases for employees by the City are prohibited. City employees are also prohibited from using the City's name or the employee's position to obtain special consideration in personal purchases.

GENERAL GUIDELINES

These general guidelines shall be adhered to as closely as possible by all departments in the procurement of professional services.

1. Purchase of Services is classified into the categories of professional services, contractor services, construction services and combined goods and service contracts.
2. Buy Local - It is the desire of the City to purchase locally when possible. This can be accomplished by ensuring that local vendors are included in the competitive solicitation process that will precede major purchases. It is also the desire of the City to purchase from disadvantaged enterprise businesses whenever possible as defined by Wisconsin Statute 84.06(1).
3. Cooperative Procurement Programs – Departments are encouraged to use cooperative purchasing programs sponsored by the State of Wisconsin or other jurisdictions. Purchases secured through these programs are considered to have met the requirements of competitive procurement outlined in this policy. Additionally, if identical services can be obtained at a lower price than current cooperative purchasing contracts, no additional quotes are required.
4. Purchasing Oversight – Department heads have the responsibility for procurement issues in their individual departments. A department head is defined as the City employee having responsibility for the department on behalf of which moneys were appropriated in the City budget for purchases.
5. Emergencies –When an emergency situation does not permit the use of the competitive process outlined in the policy, the applicable department head, Director of Administration and Mayor may determine the procurement methodology most appropriate to the situation. Appropriate documentation of the basis for the emergency should be maintained and filed with the City Clerk. All emergency purchases exceeding \$25,000 shall require the Department Head to provide written notice to the Common Council. An emergency is defined as flooding, tornado, dam breach, earthquake, FEMA qualified disasters, criminal or terrorist attacks on the City's infrastructure or other threat to employee and/or public health and safety.

6. Identical Quotes or Bids – If two or more qualified bids/quotes are for the same total amount, and quality or service is considered equal the contract shall be awarded to the local bidder. Where this is not practical the contract will be awarded by drawing lots in public.
7. Serial Contracting – No contract or purchase shall be subdivided to avoid the requirements of this policy. Serial contracting is the practice of issuing multiple purchase order to the same vendor for the same good or service in any 90 day period in order to avoid the requirements of the procurement policy.
8. Policy Review – This policy may be periodically reviewed by the Administrative Committee.
9. Protest Procedures – Any interested party who wishes to protest at any point in the procurement process, evaluation, award, or post-award, may do so. An “interested party” must, however, be an actual or prospective bidder or offeror whose direct economic interest would be affected by the award of the contract or by failure to award the contract. Protests must be submitted timely, in writing to the City Clerk, 205 S. Lincoln Ave, Beaver Dam WI 53916 but no later than five (5) working days following final Common Council action on the procurement decision. The protest must contain a detailed statement of the grounds for the protest and any supporting documentation. Upon the receipt of the written protest, the City Clerk will notify the City Attorney, Mayor and Director of Administration who will work to resolve the matter within five (5) working days. If the protester is not satisfied and indicates the intention to appeal to the next step the award will be temporarily suspended unless it is determined that: 1)the service to be procured is urgently required; 2) delivery or performance will be unduly delayed by failure to make the award promptly; 3) Failure to make the prompt award will otherwise cause harm to the City; or 4) The protest has no merit. If the protester wishes to appeal the decision of the City Attorney, Mayor and Director of Administration the matter will be forwarded to the committee, commission or board of jurisdiction and the Common Council for the ultimate local disposition.

COMPETITIVE PROCUREMENT POLICY

1. Purchase of professional services under \$5,000 – The cost of the purchase which has been included within the approved department budget may be made based on the best judgment of the department head. However, it is recommended that competitive quotes be obtained. Specific procurement documentation is not required.
2. Purchase of professional services between \$5,000 to \$25,000 –The cost of the purchase must have been included within the approved department budget. The department **MUST** obtain (3) three written quotations, if possible.
3. Purchase of professional services in excess of \$25,000 – a formal bid process is required.
 - a. Requests for such bids shall be formally noticed. All notices and solicitations of bids shall state the time and place of the bid opening.
 - b. All bids shall be submitted in accordance with instructions supplied by the City.
 - c. All sealed bids shall be opened and recorded by the committee, commission or board of jurisdiction. The department head shall be responsible for the preparation of all plans, bid specifications, notices and advertising. Prequalification of bidders may be

done at the discretion of the department head. A tabulation of bids received shall be available for public inspection. The committee, commission or board of jurisdiction shall recommend award of contract to the Common Council.

- d. In general, the contract shall be awarded to the lowest priced responsible bid. Written documentation or explanation shall be required if the contract is awarded to other than the lowest responsible bidder. This documentation will include a justification as to why it was in the City's best interest to award the contract to other than the lowest responsible bidder.
4. The department head shall administer the purchase.

PURCHASE OF SERVICES

Whenever practical the purchase of services should be conducted based upon a competitive process unless approved otherwise by the committee, commission or board of jurisdiction or the Common Council:

- Contractor services is defined as the furnishing of labor, time or effort by a contractor, usually not involving the delivery of specific goods or products other than those that are the end result of and incidental to the required performance. Examples of contractor service will include but are not limited to: refuse and recycling collection, snow removal, EMS billing services, janitorial, elevator maintenance, mailing, or delivery services. Contractor services shall follow the competitive procurement policy outlined above. The cost shall be determined by considering the maximum total expenditure over the term of the contract.
- Construction services are defined as substantial repair, remodeling, enhancement construction or other changes to any City owned land, building or infrastructure. Procedures found with in State of Wisconsin Statute 62.15 shall take precedence. In absence of guidance in these areas, construction services shall follow the competitive procurement policy outlined above.
- Combined Goods and Services in situations where the purchase combines goods and services (exclusive of construction and contractor services), such as many technology projects, the purchase shall be treated as a purchase of professional services.
- Professional services is defined as consulting and expert services provided by a company, organization or individual. Examples of professional services include: attorneys, certified public accountants, appraiser, financial and economic advisors, engineers, architect, planning and design. Professional services are generally measured by the professional competence and expertise of the provider rather than cost alone.
 1. If it is estimated that the service being solicited has a total cost of over \$25,000 a formal Request for Proposal (RFP) shall be used to solicit vendor responses. The department head shall be responsible for the preparation of all Requests for Proposal specifications, notices and advertising. Prequalification of proposers may be done at the discretion of the department head.
 - a) The Purpose of an RFP is to solicit proposals with specific information on the proposer and the service offered which will allow the City to select the best proposal. The best proposal is not necessarily the proposal with the lowest cost.

- b) Based upon the services or project and the magnitude of the outcome a selection committee may be advisable.
 - c) Requests for proposals shall be formally noticed. All notices and solicitations of proposals shall state the time and place of the proposal opening.
 - d) Information to be requested of the proposer should include : Number of years the proposing company has been in business, company's experience in the area of desired services, financial strength of the company, examples of similar services/projects completed, resumes of staff that will be associated with the project/service, list of references, insurance information. In addition the proposal should provide information about the City, scope of services requested and any outcomes. The proposal should also identify evaluation factors and relative importance.
 - e) Establish selection criteria and include this information with the RFP. It is generally advisable to establish a numeric ranking matrix. This reduces the subjective nature of the rating process.
 - f) Proposals should be solicited from an adequate number of qualified sources. Requests for proposal should be formally noticed. All notices and solicitations should provide the issue date, response due date, date and time of opening responses and a contact person.
 - g) Proposals shall be opened and recorded by the committee of jurisdiction. A tabulation of proposals received shall be available for public inspection. The Department Head and selection committee (if applicable) will then review the proposals and make a selection.
- Service contracts or agreements should be reviewed by the City Attorney.

SOLE SOURCE

Purchase of services under \$25,000 may be made without competition when it is agreed in advance between the Department Head, Director of Administration and the Mayor. Sole source purchasing should be avoided unless it is clearly necessary and justifiable. The justification must withstand public and legislative scrutiny. The Department Head is responsible for providing written documentation justifying the valid reason to purchase from one source or that only one source is available. Sole source purchasing criteria include: urgency due to public safety, serious injury, financial or other unusual and compelling reasons, service is available from only one source and no other service will satisfy the City's requirements, legal services provided by an attorney, lack of acceptable bids or quotes, an alternate product or manufacturer would not be compatible with current products resulting in additional operating or maintenance costs, standardization of a specific product or manufacturer will result in a more efficient or economical operation, aesthetic purposes or compatibility is an overriding consideration, the purchase is from another governmental body, continuity achieved in a phased project, the supplier or service demonstrates a unique capability not found elsewhere, economical to the city on the basis of time and money of proposal development.

1. Sole source purchase under \$5,000 shall be evaluated and determined by the Department Head.
2. Prior to a sole source purchase of \$5,000 to \$25,000 a formal written justification shall be forwarded to the Director of Administration who must concur and sign off with his or her

approval the sole source or assist in locating additional competitive sources.

3. Sole source purchase exceeding \$25,000 must be approved by the Common Council based upon a recommendation from the committee of jurisdiction.

BUDGET

All purchases shall be made in accordance with the budget approved by the Common Council. The department head has the responsibility for managing departmental spending to ensure the departmental budget is not overspent and for initiating Transfer of Funds Requests when appropriate.

Contracts shall be signed by the Mayor and counter-signed by the City Clerk, City Director of Administration and City Attorney. The City Director of Administration shall certify that funds have been provided by the Council to pay the liability that may be incurred under the contract. The City Attorney shall approve the contract as to form and the City Clerk shall attest to the Mayor's signature.

740 – MATERIAL RESOURCES MANAGEMENT

The Business Manager shall have overall responsibility for asset management in the district, including the receipt, warehousing, inventory and disposal of all district supplies and equipment.

Supplies and equipment shall be received at the district, school or maintenance offices and delivered in accordance with established administrative procedures.

Inventories of district property shall be maintained. All items purchased with a value of \$500 or greater and a life of three years or more shall receive a tag containing a bar code symbol and the identifying words "Waterloo School District."

All fixed assets as identified below and their estimated useful life must be entered into the district's fixed asset accounting system. Donated items will be reported at fair market value. For depreciation purposes only, the salvage value of assets is estimated to be immaterial. Therefore, assets will be depreciated at 100% of cost. The "half-year" convention will be utilized whereby one-half year's depreciation is recorded in both the year of acquisition and the year of disposition.

<u>Fixed Asset</u>	<u>Capitalization Threshold</u>	<u>Estimated Useful Life</u>
Buildings	\$25,000	50 years
Building Improvements	\$10,000	20 years
Site Improvements	\$10,000	10 – 20 years
Licensed Vehicles	\$10,000	10 years
Furniture and Equipment*	\$2,000/\$7,500	5 - 10 years
Computer & related technology*	\$2,000/\$7,500	5 years
Library and/or textbooks*	\$2,000/\$7,500	7 years

*The capitalization threshold for these items is \$2,000 or more for an individual item or \$7,500 for grouped items (all like items valued at less than \$2,000 and purchased in a year).

LEGAL REFERENCE: Governmental Accounting Standards Board Statement #34

CROSS REFERENCE: Policy 672 Purchasing Policy
 Policy 690 Disposal of Assets
 Policy 830 Facility Utilization

APPROVED: January 2004

REAFFIRMED: January 2005



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RESOLUTION #2020-01
2019 Financial Carry-Over Approvals

Whereas, the following chart defines the line item categories proposed for 2019-2020 carry over designation by the Clerk/Treasurer's office, with minor residual debit modifications expected to account for remaining 2019 invoices received in 2020.

CITY OF WATERLOO CARRYOVER WORKPAPER FOR THE YEAR ENDED 12/31/2019		1/1/2019				12/31/2019
ACCOUNT #	DESCRIPTION	BEGINNING YEAR BALANCE	TRANSFER (LOSS)	CURRENT YEAR EXPENSES	CURRENT YEAR REVENUE/ALLOWANCE	YEAR END BALANCE
FUND 100						
100-32610	POLICE DONATION DEFIBULATOR	1,107.60		(540.59)	-	567.01
100-32631	POLICE DONATION SPEED LIMIT ALERT SIGN	240.15		-	-	240.15
100-32635	POLICE PATROL UNIFORM ALLOWANCE	1,837.93		(7,547.62)	5,824.55	114.86
100-32640	DPW UNIFORM ALLOWANCE	403.39		(374.53)	1,000.00	1,028.86
100-32650	RETIRED HEALTH INSURANCE	61,879.10		(32,502.24)	9,447.59	38,824.45
	FUND 100 TOTAL	65,468.17	-	(40,964.98)	16,272.14	40,775.33
FUND 220						
220-32635	FIRE DEPT UNIFORM ALLOWANCE	-		(1,000.00)	1,000.00	-
220-34100	FUND BALANCE CAPITAL PROJECT	711,308.86		-	115,256.04	826,564.90
	FUND 220 TOTAL	711,308.86	-	(1,000.00)	116,256.04	826,564.90
FUND 225						
225-32601	TRAILHEAD-WRT	-				-
225-32602	FIREMEN'S PARK (specified donation balance yr end \$0.00)	2,750.00		(2,831.54)		-
225-32605	JULY 4TH CELEBRATION	-				-
225-32629	MAUNESHA RIVER DOG PARK	-				-
225-34105	FUND BALANCE SHOE FACTORY	17,280.39		(9,000.00)	-	8,280.39
225-39999	CAROUSEL	28,164.23		(1,072.88)	3,587.63	30,678.98
	FUND 225 TOTAL	48,194.62	-	(12,904.42)	3,587.63	38,959.37
FUND 400						
400-32601	ROAD VEHICLE ACCOUNT	133,043.76		(130,000.00)	-	3,043.76
400-32602	SQUAD CAR FUND	72,504.47		(1,825.00)	30,000.00	100,679.47
400-32606	EMERGENCY GOVT SIRENS FUND	7,000.00		-	-	7,000.00
	FUND 400 TOTAL	212,548.23	-	(131,825.00)	30,000.00	110,723.23
FUND 600						
600-34310	PROFESSIONAL SERVICES CARRYOVER	-	-		25,000.00	25,000.00
	FUND 600 TOTAL	-	-	-	25,000.00	25,000.00
FUND 812						
812-34105	LIBRARY CARRYOVER COUNTY	106,353.79	-	(78,749.86)	80,606.00	108,209.93
812-34106	LIBRARY CARRYOVER CLARK	58,879.64	-	(31,285.19)	36,591.68	64,186.13
	FUND 812 TOTAL	165,233.43	-	(110,035.05)		172,396.06
K:\Mike\AB Audit\2019 AUDIT\2019 WP\CARRYOVERS 2019.xlsx\2019						2/3/2020

Therefore Be It Resolved, by the Common Council of the City of Waterloo, Wisconsin, that it hereby authorizes the 2019-2020 carry over amounts as stated with final amounts to include any residential debits for accounts listed which have may have remaining 2019 invoices, received in 2020, after resolution adoption.

PASSED AND ADOPTED this _____, 2020.

City of Waterloo
 Signed:

 Mayor Jenifer Quimby

Attest:

 Mo Hansen, City Clerk/Treasurer

CHAPTER 65

MUNICIPAL BUDGET SYSTEMS

65.01	Application of this chapter.	65.06	Funds, how expended.
65.02	Definitions.	65.07	Power of council to levy taxes.
65.025	Biennial budget procedures.	65.10	City officers to pay receipts monthly.
65.03	Departmental estimates.	65.20	Executive budget procedures in cities of the 1st class.
65.04	Meetings of board of estimates.	65.90	Municipal budgets.
65.05	Adoption of budget; changes, how made.		

65.01 Application of this chapter. The common council of any city of the 2nd, 3rd, or 4th class may by ordinance adopted by three-fourths of all its members accept the provisions of ss. 65.02, 65.025, 65.03 and 65.04 which when so accepted shall be in full force and effect as to any such city. Except as above provided ss. 65.01 to 65.20 shall apply only to cities of the 1st class.

History: 1977 c. 109; 2019 a. 42.

65.02 Definitions. (1) **DEPARTMENT.** In this chapter “department” or “departments” means any department, board, commission or other body under the control of the common council which expends city funds or incurs obligations for the city, and unless otherwise expressed refers to the head of such department.

(2) **ESTIMATE.** The term “estimate” as used in this chapter shall include any written report of or the request of any department setting forth in detail the various sums and purposes it deems reasonably necessary to perform its functions.

(3) **BOARD OF ESTIMATES.** The board of estimates shall be the mayor, the president of the common council, comptroller, treasurer, city attorney, commissioner of public works and the members of the finance committee of the common council.

(4) **PRESIDENT AND SECRETARY.** The mayor shall be president of the board and the comptroller shall be the secretary. The secretary shall keep a record of the proceedings of the board and perform such other duties as may be required by the board.

(5) **BUDGET.** The budget shall provide a complete financial plan for the ensuing budget period. It shall contain in tabular form, for each fiscal year:

- A general summary;
- Detailed estimates of all anticipated revenues applicable to proposed expenditures;
- All proposed expenditures;
- A compensation schedule to provide uniform rates of pay for offices and positions in the city service. The total of such proposed expenditures shall not exceed the total of such anticipated revenues.

(5m) **BUDGET PERIOD.** In ss. 65.01 to 65.20, “budget period” means 2 consecutive fiscal years covered by a biennial budget adopted by a city that has acted under s. 62.025 [s. 65.025], or an annual budget for any other city that has not acted to adopt a biennial budget under s. 65.025.

NOTE: The correct cross-reference is shown in brackets. Corrective legislation is pending.

(6) **BUDGET SUMMARY.** (a) For a budget period, the budget summary shall itemize the principal sources of anticipated revenues and shall state separately the amount to be raised by property tax, and the proposed expenditures of each department, bureau, board and commission in such manner as to present to the public a simple and clear summary of the detailed estimates of the budget.

(b) For a budget period, the budget summary shall also include all of the following:

- The total amount of budgeted expenditures for the current year.

2. The proposed amount of total expenditures and the percentage change compared to the amount in subd. 1.

3. The property tax levy for the current year.

4. The proposed property tax levy and the percentage change compared to the amount in subd. 3.

(7) **ANTICIPATED REVENUES.** Anticipated revenues shall be classified as “surplus”, “miscellaneous revenues” and “amount to be raised by property tax”; miscellaneous revenues shall be listed by the sources from which such revenues are to be derived.

(8) **PROPOSED EXPENDITURES.** For a budget period, separate provisions shall be included in the proposed budget for at least:

(a) The administration, operation and maintenance of each department, bureau, board, commission and division thereof, itemized by kind and nature of expenditure as required by the board of estimates.

(b) The number, title and compensation range of each officer, and of each position and the proposed appropriation for the same shall be itemized according to the divisions in each department, bureau, board and commission and shall be incorporated in and published with the rest of the proposed budget.

(c) Expenditures proposed for improvements.

(9) **UNIFORM COMPENSATION SCHEDULE.** The compensation schedule shall provide for and establish uniform rates of pay for offices and positions in the city service to be in effect for the ensuing fiscal year.

(10) **PROPOSED EXPENDITURES; COMPARISON WITH OTHER YEARS.** The board of estimates shall direct that there be placed opposite the several items of proposed expenditures for the ensuing budget period, adequate comparisons with the budgets and expenditures of other years.

(11) **ANTICIPATED REVENUES; COMPARISON WITH OTHER YEARS.** The board of estimates shall direct that there be placed opposite the several items of anticipated revenues for the ensuing budget period, adequate comparisons with the anticipated revenues and receipts of other years.

History: 1971 c. 154; 1989 a. 31; 1991 a. 316; 2019 a. 42.

65.025 Biennial budget procedures. (1) A city may adopt a biennial budget by implementing the procedures under this section and using the procedures under ss. 65.02 to 65.20. If a city chooses to adopt a biennial budget, it shall adopt such a budget in an odd-numbered year for the next 2 fiscal years that follow immediately the year in which the budget is adopted.

(2) For a city to proceed under this section, the common council shall adopt a resolution or enact an ordinance stating its intent to adopt a biennial budget. Once a resolution is adopted or an ordinance is enacted, such an action takes effect and may not be reconsidered or repealed, except as provided in sub. (3).

(3) A common council that has adopted a biennial budget procedure as provided in this section may return to the use of an annual budget procedure if the common council, by a two-thirds majority vote, adopts a resolution or enacts an ordinance stating its intent to adopt an annual budget.

(4) A common council or a committee authorized by the common council may, at any time, decrease appropriation amounts in a biennial budget.

(5) In October or November of an even-numbered year, the common council may change any appropriation or revenue amount in relation to the 2nd year of the biennial budget by a simple majority vote of the members—elect, as defined in s. 59.001 (2m).

History: 2019 a. 42; s. 35.17 correction in (2), (5).

65.03 Departmental estimates. (1) It shall be the duty of each department to file with the secretary of the board of estimates not later than August 1 of each year on forms approved by the board of estimates an estimate in detail of the department's needs for the ensuing fiscal year, including a statement of any permanent improvements to be made and an estimate of expenditures therefor, and including such information supplied in such form as the board of estimates may direct. If the city is using biennial budgeting, the forms described in this subsection shall also detail the changes between the first and 2nd year of the biennium.

(2) Any department whose funds are not subject to the control of the common council may include in its estimate such sum as it may deem reasonably necessary for a contingent fund for emergency purposes or other purposes which may arise during the year requiring the expenditure of money in addition to the sums provided for the several purposes or for purposes for which no express provision is made in the budget.

History: 2019 a. 42.

65.04 Meetings of board of estimates. (1) MEETING; REPORT OF ESTIMATES. The board of estimates shall meet not later than September 10 of each year. The secretary shall place before the board the reports of estimates filed with the secretary by the departments together with the comptroller's statement of anticipated revenues for the ensuing budget period, or the 2nd year of a biennium in an even-numbered year, and the adequate comparisons with other years as provided in s. 65.02 (5) to (11). The budget summary shall be published forthwith in at least one and not more than 2 daily newspapers having the largest circulation in the city as a class 1 notice, under ch. 985, and in the proceedings of the common council; and a copy of the entire proposed budget shall be available for public inspection in the office of the city comptroller.

(2) PROPOSED BUDGET; PUBLICATION OF SUMMARY. From the estimates before it the board shall make and submit to the common council, on or before October 25 each budget period, a proposed budget setting forth in detail the amounts proposed to be spent by each department and the various purposes therefor and the amounts of money for each purpose it is proposed shall be appropriated by the council. The proposed budget shall comply with s. 65.02 (5) to (11). The budget summary shall be published forthwith in at least one and not more than 2 daily newspapers having the largest circulation in the city as a class 1 notice, under ch. 985, and the proposed budget summary shall be printed forthwith in the proceedings of the common council. If any department fails to file its estimates as herein provided the board shall make a proposed budget for such department specifying the purposes for which and the amount of funds such department may expend.

(3) CHANGES BY BOARD. The board shall not change any sum or purpose of any department which by law is authorized to determine the purposes of its expenditures and the tax to be levied therefor, unless such department by formal resolution shall so determine by an affirmative vote of a majority of its members, when the board shall then make the change and include a certified copy of such resolution with its estimates to be filed with the common council.

(4) CONTINGENT FUND. In addition to the purposes required to be set forth in detail the board may provide a contingent fund for such sum as they may deem reasonably necessary for emergency and other purposes that may arise during the budget period requiring the expenditure of money in addition to the sums provided for

the several purposes, and for purposes for which no express provision is made in the budget.

(5) BONDS; MORTGAGE CERTIFICATES. The board shall also include in its budget the amount of bonds, the purposes therefor, and the required mortgage certificates to be issued during the budget period, except such bonds as are authorized to be omitted by express provision of law.

(6) MEETINGS PUBLIC. All meetings of the board shall be public.

(7) PUBLICATION OF NOTICE OF PUBLIC HEARINGS. At the meeting of the common council at which the proposed budget is submitted by the board of estimates, the common council shall determine the place and time of a public hearing on the budget which shall be held jointly by the common council and by the board of estimates not less than 10 days after the publication provided in s. 65.04 (2), nor later than November 10. The common council shall cause a notice of the place and time of said hearing to be published as a class 1 notice, under ch. 985, which hearing shall be not less than 7 days after the date of the last publication of said notice in at least one and not more than 2 daily newspapers having the largest circulation in the city.

(8) DUTIES OF THE FINANCE COMMITTEE. The finance committee of the common council shall submit to the common council as soon after October 25 as may be practicable, but not later than November 20, a report or reports showing the number, title, compensation range of each officer and each position in the city service:

(a) The number, title and compensation range of each officer and each position in the city service and the proposed appropriation for the same recommended for the ensuing year; and

(b) A recommended compensation schedule of uniform rates of pay for offices and positions in the city service.

(9) DUTIES OF BUDGET SUPERVISOR. The budget supervisor or the head of the department having responsibility for the preparation or the analyzing of the budget, may be secretary of the board of estimates, if so directed by common council ordinance; that person shall not however be entitled to a vote on such board.

History: 1971 c. 267; 1991 a. 316; 2019 a. 42.

65.05 Adoption of budget; changes, how made.

(1) The common council, by vote of the majority of all the alderpersons, may make such changes in the proposed budget submitted by the board of estimates, and by the finance committee, either as to purposes or amounts for which money may be expended and as to purposes or amounts for which bonds or mortgage certificates may be issued as it may deem best.

(2) The common council shall not change the purposes or amounts provided in the proposed budget as submitted to it for the departments which by law are authorized to determine their expenditures and the taxes to be levied therefor, unless such department by formal resolution adopted by a majority of all its members shall authorize such change, nor shall the common council change the purposes or amounts of the bond or mortgage certificate issues which are required to be issued by law.

(3) When any department, authorized to determine its expenditures and the taxes to be levied therefor, shall authorize a change in its budget by the common council, the department shall file its resolution authorizing the change with the city clerk at least 2 days prior to the time fixed by law for the adoption of the budget, and the council shall then make the change in accordance with the resolution.

(4) For each budget period, the common council, on or before November 14, shall adopt the proposed budget by a majority vote of all the alderpersons either as submitted or as changed by the council. It shall not be necessary to refer the budget to a committee of the common council.

(5) The budget submitted by the board to the council as changed by the council within the time therein provided shall constitute the budget of the city for the following budget period



136 North Monroe Street
Waterloo, WI 53594
Phone: (920) 478-3025
Fax: (920) 478-2021
www.waterloowi.us

To: Finance, Insurance & Personnel Committee
From: Mo Hansen, Clerk/Treasurer
Date: February 18, 2020
Re: Requesting the allocation for Contingency Funds to fund a 2020 summer internship

Request for Contingency Funds To Fund Compensation For A Summer Intern

- **Purpose:** To fund A 2020 summer internship
- **Funding Request Amount:** Not to exceed \$2,000
- **Internship Details**
 - \$12 per hour for 166 hours beginning May 11, 2020
 - Activity - Project Treyburn
 - Outcomes And Work Products
 - Add to and maintain a regional contact list of builders.
 - Weekly communication to builders, real estate agents and others using MailChimp and municipal website.
 - Organize one on-site builder event.
 - Upon completion, a presentation to the City Council with Mayoral letter of recommendation.



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To: Report to City Council
From: Mo Hansen, Clerk/Treasurer
Date: February 18, 2020
Re: Examining Means & Methods To Rebuild Fund Balance

Examining Means & Methods To Rebuild Fund Balance Per §53-11 (Fund Balance Policies)

Recommendations:

- (1) Refinance TID #3 debt, restructuring it and bringing more cash in to relieve pressure on the General Fund.
- (2) Ensure that all funds, including TID #3 and Parks are cash positive on 12/31/2020.
- (3) Transfer unallocated fund balance from Capital Fund to General Fund as necessary to move towards the minimum 25% level.
- (4) Adopt a multi-year budgeting perspective. Plan to reach the 25% General Fund balance level by 12/31/2021.
- (5) Annually address all structural deficits (e.g. funds having negative cash).

§ 53-11 Fund balance policies.

- A. Objective. A formally adopted policy will help eliminate ambiguity regarding maintaining appropriate fund balances.
- B. Definition. The general fund is the general operating fund of the City of Waterloo. It is used to account for all financial resources except those required to be accounted for in other funds. Undesignated/Unreserved general fund balance is the portion of the general fund not assigned to a defined purpose.
- C. Policy. To preserve working capital and to adequately prepare for unforeseen events, which will require ready access to funds, the City of Waterloo requires that the undesignated fund balance shall be between 25% and 33% of the general fund budget. Amounts exceeding 33% shall be transferred to a contingency fund. Any expenditure from a contingency fund must be for one-time, nonrecurring costs and requires Council action. **[Amended 10-4-2007 by Ord. No. 2007-19]**
- D. Procedure. The City of Waterloo Clerk-Treasurer or designee shall annually review the levels of undesignated fund balance to ensure that appropriate levels are maintained and issue a report to the Council.
- E. Formula. [Current Year Undesignated Fund Balance divided by Current Year General Fund Budget = % of Fund Balance]

Projected and Prior Years

PROJECTED Non- Audited Date	GENERAL FUND EXPENDITURE	Nonspendable	Restricted or Committed	Assigned	Unassigned	TOTAL FUND BALANCE	53-11 Policy %	Policy Minimum (25%)	Policy Adjustment Dollar Value	Notes
12/31/2020	1,982,051	0	0	2	0	0	0.0%	495,513	(495,513)	need to refinance TID #3 debt and account for Parks negative cash
12/31/2019	1,890,456	700,000	0	2	45,000	745,002	2.4%	472,614	(427,614)	
Audit Date	GENERAL FUND EXPENDITURE	Nonspendable	Restricted or Committed	Assigned	Unassigned	TOTAL FUND BALANCE	53-11 Policy %	Policy Minimum (25%)	Policy Adjustment Dollar Value	Notes
12/31/2018	1,847,725	590,731	0	328,753	69,571	989,055	3.8%	461,931	(392,360)	Increase in nonspendable from prior year: sum of Parks and TID #3 negative cash
12/31/2017	1,924,669	51,969	0	320,038	819,619	1,191,626	42.6%	481,167	338,452	
12/31/2016	2,297,812	47,618	0	486,887	735,478	1,269,983	32.0%	574,453	161,025	

City of Waterloo Finance, Insurance & Personnel Committee

Annual Calendar

(last revised: 6/19/2019)

Meeting night: 3rd Thursday of month at 6:00 pm

Monthly recurring: review of disbursements, payroll and treasurer's reports available online: at the municipal [Budget & Financials webpage](#)

JANUARY
FEBRUARY
MARCH
APRIL <input type="checkbox"/> § 53-12 Review of debt schedules & debt refunding opportunities.
MAY <input type="checkbox"/> Addressing items raised in financial audit.
JUNE <input type="checkbox"/> Mayor's 2020 Budget start date. <input type="checkbox"/> Tax Incremental Finance Districts, review <input type="checkbox"/> Impact Fees, review
JULY <input type="checkbox"/> Traditional beginning of budget consideration with budget memo to department heads. <input type="checkbox"/> Addressing items raised in worker compensation audit.
AUGUST <input type="checkbox"/> Budget deliberation.
SEPTEMBER <input type="checkbox"/> Traditional department submittals received. <input type="checkbox"/> § 53-14 Updating capital improvement plan. <input type="checkbox"/> Budget deliberation.
OCTOBER <input type="checkbox"/> § 53-4 Budget - Departmental budget submittals each year, on or before October 1. <input type="checkbox"/> Initial review of calendar year insurance renewal policies. <input type="checkbox"/> Final Committee budget recommendation to full City Council.
NOVEMBER <input type="checkbox"/> Final review of calendar year insurance renewal policies.
DECEMBER <input type="checkbox"/> WPPA Contract