



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

**PUBLIC NOTICE OF A COMMITTEE MEETING OF THE
CITY OF WATERLOO COMMON COUNCIL**
Special Meeting

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: September 29, 2022
TIME: 6:00 p.m.
LOCATION: Municipal Building Council Chamber, 136 N. Monroe Street
via remote conference or in-person for participants and public

Join Zoom Meeting <https://us02web.zoom.us/j/82851554593?pwd=dWpVTEU5MUtlcEEzcGFBa3pTSWVjZz09>
Meeting ID: 828 5155 4593 Passcode: 999490
Dial by phone +1 312 626 6799 US (Chicago)

- 1) CALL TO ORDER AND ROLL CALL
- 2) PUBLIC COMMENT
- 3) OLD BUSINESS
 - a) Waterloo Fire Department – Bids for Ambulance Purchase
- 4) NEW BUSINESS
 - a) Ehlers – Levy limit and Expenditure Restraint Discussion
- 5) FUTURE AGENDA ITEMS AND ANNOUNCEMENTS
 - a) Committee Calendar (for reference)
 - b) 2023 Budget Calendar (attached)
- 6) ADJOURNMENT

Jeanne Ritter
Clerk/ Deputy Treasurer

Committee Members: Thomas, Weihert and Kuhl

Posted, Emailed & Distributed: 09/26/2022

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.



City of Waterloo
Levy Limits & Expenditure Restraint Presentation

September 29, 2022

Objectives

- Levy Limits
 - ✓ Description
 - ✓ Levy Limits Calculation
 - Historical Calculation Problem
 - DOR Corrected Calculation
- Expenditure Restraint Program
 - ✓ Description
 - ✓ Calculation
- Questions

Levy Limits “At-a-Glance”

- Current limit (Sec. 66.0602, Wis. Stats.):

The prior year’s actual levy may be increased by a percentage equal to net new construction in the preceding year (or zero, if none)

- ✓ Subject to numerous adjustments that may reduce or increase allowable levy. Most common is Adjustment E which allows the addition of General Obligation principal and interest payments.
- ✓ Other adjustments exist, but mostly not applicable to the City
- ✓ Provides no flexibility for inflation

Current levy limit parameters

2019 Net New Construction 1.296%

- Allowable levy increase \$24,262

This year also included a TID closure adjustment which added \$40,962 on top of NNC

2020 Net New Construction 1.224%

- Allowable levy increase \$23,713

First year that City submittal penalized the City

2021 Net New Construction 1.048%

- Allowable levy increase \$17,574

This year also penalized the City, but the City took an Adjust A. This precluded us from correcting the 2021 worksheet

2022 Net new construction 6.719%

- Allowable levy increase \$115,875

Correction also added \$30,141 to the base for the calculation.

Historical Calculation Problem

		2021 PROJECTED	2022 PROJECTED	2023 PROJECTED
FUNDS				
General Fund (Fund 100)		\$ 1,087,276	\$ 1,079,787	\$ 1,828,532
Fire & EMS		279,464	284,663	-
Parks		91,400	105,010	-
Library		208,254	210,500	-
Community Development		4,650	4,650	-
Debt Service - Existing		338,385	334,425	438,123
TOTAL LEVY		\$ 2,009,429	\$ 2,019,035	\$ 2,266,655
Form		2020 Tax /	2021 Tax /	2022 Tax /
SL-202m	Municipal Levy Limit Worksheet	2021 Budget	2022 Budget	2023 Budget
Section A: Determination Of Allowable Levy Limit				
1	Actual levy (not including tax increment)	\$ 1,985,716	\$ 2,009,429	\$ 2,019,035
	Prior Year Personal Prop aid	6,643	5,813	6,643
2	Exclude prior year levy for unreimbursed expenses related to an emergency	-	-	-
3	Exclude levy for new general obligation debt authorized after July 1, 2005	55,013	338,385	334,425
4	Adjusted actual levy	1,937,346	1,676,857	1,691,253
6	Net new construction % + terminated TID % applied to adjusted actual levy	1.224%	1.048%	6.719%
	Net New Const	1.224%	1.048%	6.719%
	Terminated TID	0.000%	0.000%	0.000%
7	Greater of Line 5 or Line 6	1,961,059	1,694,431	1,804,889
	Personal Prop aid	5,813	6,643	6,643
8	Levy limit before adjustments less personal property aid	1,955,246	1,687,788	1,798,246
9	Total adjustments from Sec D, Line S	338,385	364,566	468,409
10	Allowable Levy	2,293,631	2,052,354	2,266,655
	Actual Levy	2,009,429	2,019,035	2,266,655
SECTION B: ADJUSTMENT FOR PREVIOUS YEAR'S UNUSED LEVY				
1	Previous year's allowable levy	1,985,716	2,293,631	2,052,354
2	Previous year's actual levy	1,985,716	2,009,429	2,019,035
3	Previous year's unused levy. Line 1 minus Line 2	-	284,202	33,319
4	Previous year's actual levy (or maximum) x 0.015	29,786	30,141	30,286
5	Allowable increase. Lesser of Line 3 or Line 4.	-	30,141	30,286
Section D: Adjustments To Levy Limit				
		Amount	Amount	Amount
A	Increase for unused levy from previous year (Sec B. line 5)	No	Yes	Yes
	Accept carryover?	-	30,141	30,286
E	Debt service for general obligation debt authorized after July 1, 2005.	338,385	334,425	438,123
T	Total adjustments (Sum of Lines A through R)	338,385	364,566	468,409

DOR Corrected Calculation

		2021	2022	2023	
		PROJECTED	PROJECTED	PROJECTED	
FUNDS					
General Fund (Fund 100)		\$ 1,087,276	\$ 1,079,787	\$ 1,828,532	
Fire & EMS		279,464	284,663	-	
Parks		91,400	105,010	-	
Library		208,254	210,500	-	
Community Development		4,650	4,650	-	
Debt Service - Existing		338,385	334,425	438,123	
TOTAL LEVY		\$ 2,009,429	\$ 2,019,035	\$ 2,266,655	
Form SL-202m	Municipal Levy Limit Worksheet	2020 Tax / 2021 Budget	2021 Tax / 2022 Budget	2022 Tax / 2023 Budget	
Section A: Determination Of Allowable Levy Limit					
1	Actual levy (not including tax increment)	\$ 1,985,716	\$ 2,009,429	\$ 2,019,035	
	Prior Year Personal Prop aid	6,643	5,813	6,643	
2	Exclude prior year levy for unreimbursed expenses related to an emergency	-	-	-	
3	Exclude levy for new general obligation debt authorized after July 1, 2005	55,013	338,385	301,106	
4	Adjusted actual levy	1,937,346	1,676,857	1,724,572	
6	Net new construction % + terminated TID % applied to adjusted actual levy	Net New Const	1.224%	1.048%	6.719%
		Terminated TID	0.000%	0.000%	0.000%
		1,961,059	1,694,431	1,840,447	
7	Greater of Line 5 or Line 6	1,961,059	1,694,431	1,840,447	
8	Levy limit before adjustments less personal property aid	5,813	6,643	6,643	
		1,955,246	1,687,788	1,833,804	
9	Total adjustments from Sec D, Line S	338,385	331,247	438,123	
10	Allowable Levy	2,293,631	2,019,035	2,271,927	
	Actual Levy	2,009,429	2,019,035	2,266,655	
	Maximum levy limit	2,293,631	2,022,213	2,271,927	
SECTION B: ADJUSTMENT FOR PREVIOUS YEAR'S UNUSED LEVY					
1	Previous year's allowable levy	1,985,716	2,293,631	2,019,035	
2	Previous year's actual levy	1,985,716	2,009,429	2,019,035	
3	Previous year's unused levy. Line 1 minus Line 2	-	284,202	-	
4	Previous year's actual levy (or maximum) x 0.015	29,786	30,141	30,286	
5	Allowable increase. Lesser of Line 3 or Line 4.	-	30,141	-	
Section D: Adjustments To Levy Limit					
		Amount	Amount	Amount	
A	Increase for unused levy from previous year (Sec B. line 5)	Accept carryover?	No	Yes	No
		-	30,141	-	
E	Debt service for general obligation debt authorized after July 1, 2005.	338,385	301,106	438,123	
T	Total adjustments (Sum of Lines A through R)	338,385	331,247	438,123	

Expenditure Restraint “At-a-Glance”

- Current limit (Sec. 79.05, Wis. Stats.):

General Fund expenditures may be increased by a percentage which includes a combination of the Consumer’s Price Index (CPI) plus 60% of the City’s Net New Construction (NNC)

- ✓ Expenditures include the General Fund expenditures plus transfers out to other funds (includes levy’s shown in other City funds)
- ✓ Some adjustments are available but are mostly not applicable to the City

Expenditure Restraint Program (ERP) Calculation

General Fund expenditures
Levy (transfer out)
Fire & EMS
Parks
Debt Service (Fund 300)
Community Development
Library

Total Levy

	2021	2022	2023
Maximum			2,963,850
Increase			261,925
General Fund expenditures	2,328,781	2,097,102	-
Fire & EMS	280,746	284,663	-
Parks	91,400	105,010	-
Debt Service (Fund 300)	338,385	334,425	-
Community Development	4,650	4,650	-
Library	208,254	210,500	-
	-	-	-
Total Levy	3,252,216	3,036,350	-

CPI allowable amount per DOR		3.000%	7.700%	
Net new construction factor		0.600%	2.000%	
Adjustment factor		-0.006%	-0.006%	
Total (Rounded down)		3.594%	9.694%	
General Fund Expenditure Budget		Budget Year		
		2021	2022	2023
Budget Comparison				
1	Total general fund budget expenditures (s. 65.90)(include general fund transfers out to other funds)	3,252,216	3,036,350	-
2	Subtract long-term debt principal and interest payments in general fund budget (include general fund transfers out to debt service fund)	(338,385)	(334,425)	-
3	Subtract recycling fee payments in general fund budget (s. 289.645)	-	-	-
4	Subtract required revenue sharing payments to other municipalities (s. 66.0305)	-	-	-
5	Subtract unreimbursed expenses related to an emergency declared under s. 323.10	-	-	-
6	Subtract general fund expenditures for contracted services provided to another local government	-	-	-
7	Subtract general fund expenditures of grant payments issued under s. 16.297(1m)	-	-	-
8	Net general fund operating budget expenditures	\$2,913,831	\$2,701,925	\$0
Budget Adjustments for Transfer of Services				
1	Subtract general fund expenditures for services transferred to another local government for first time	-	-	-
2	Add general fund expenditures for services assumed from another local government for first time	-	-	-
3	Adjusted general fund budget expenditures	\$2,913,831	\$2,701,925	\$0
Budget Change Calculation				
1	Adjusted general fund budget expenditures current year		2,701,925	-
2	Adjusted general fund budget expenditures prior year		2,913,831	2,701,925
3	General fund budget dollar change		(211,906)	(2,701,925)
4	General fund budget percentage change		-7.3%	-100.0%
The general fund budget percentage change must be less than this percent to qualify for a payment		3.594%	9.694%	

Questions?

City of Waterloo Finance, Insurance & Personnel Committee -- Annual Calendar

revised: 3/27/2021 -- by Committee Chair

- Meeting night: 3rd Thursday of month at 6:00 pm
- Monthly recurring: review of disbursements, payroll and treasurer's reports

JANUARY <input type="checkbox"/> Review of Department Heads as needed
FEBRUARY <input type="checkbox"/>
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 Budget start date; build Council consensus for budget policy objectives; practice two-year budgeting. <input type="checkbox"/> Tax Incremental Finance Districts, review. <input type="checkbox"/> Impact Fees, review.
JULY <input type="checkbox"/> Addressing items raised in worker compensation audit. <input type="checkbox"/> Review and recommend Current Year Budget Amendment #1 (Jan. – June)
AUGUST <input type="checkbox"/> Budget deliberation.
SEPTEMBER <input type="checkbox"/> § 53-14 Updating capital improvement plan. <input type="checkbox"/> Budget deliberation.
OCTOBER <input type="checkbox"/> Initial review of calendar year insurance renewal policies. <input type="checkbox"/> Final Committee budget recommendation to full City Council. <input type="checkbox"/> 2020 Clerk/Treasurer Evaluation, review.
NOVEMBER <input type="checkbox"/> Final review of calendar year insurance renewal policies.
DECEMBER <input type="checkbox"/> WPPA Contract multi-year contract, renewal (when applicable) <input type="checkbox"/> Review and recommend Current Budget Amendment #2 (July – Dec.)

July 2022

Highlights for July

Mayor's Parameters	
Capital submittals	

MON	TUE	WED	THU	FRI	SAT	SUN
				1	2	3
4	5	6	7	8	9	10
	Mayor's Parameters emailed out to all City Dept Head	Start-Capital Plan 2023-2027 Emailed to All Dept Heads				
11	12	13	14	15	16	17
		DUE-Capital Plan 2023-2027 to Clerk's Office				
18	19	20	21	22	23	24
			Finance Committee Mtg-Budget	START-Dept Head emailed 2023 Budget Report Set		
25	26	27	28	29	30	31

August 2022

Highlights for August

1 st Round	Budget Review	

MON	TUE	WED	THU	FRI	SAT	SUN
1	2	3	4	5	6	7
			DUE -Dept Head Budget Reports to Clerk's Office			
8	9	10	11	12	13	14
		DUE : CT reports to Finance Committee Members				
15	16	17	18	19	20	21
			Finance Committee Mtg-Budget REV 1			
22	23	24	25	26	27	28
	Dept Mtg A Dept Mtg B		Dept Mtg D Dept Mtg E			
29	30	31				
	Dept Mtg E Dept Mtg F					

September 2022

Highlights for September

2 nd Round	Budget Reviews	

MON	TUE	WED	THU	FRI	SAT	SUN
		1	2	3	4	
5	6	7	8	9	10	11
12	13	14	15	16	17	18
			Finance Committee Mtg-Budget REV 2			
19	20	21	22	23	24	25
26	27	28	29	30		

October 2022

Highlights for October

Final	Budget Revisions	

MON	TUE	WED	THU	FRI	SAT	SUN
					1	2
3	4	5	6	7	8	9
10	11	12	13	14	15	16
17	18	19	20	21	22	23
			Finance Committee Mtg-Budget REV 3			
24	25	26	27	28	29	30
31						

November 2022

Highlights for November

Budget Complete	

MON	TUE	WED	THU	FRI	SAT	SUN
	1	2	3	4	5	6
	DUE: Budget Final to Paper					
7	8	9	10	11	12	13
14	15	16	17	18	19	20
			Finance Committee Mtg-Budget FINAL			
21	22	23	24	25	26	27
28	29	30				