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Office of Administration  
Taped and Televised

**APPROPRIATIONS COMMITTEE**  
**Wednesday, August 28, 2024**  
**6:00 PM**  
**Christine Nuernberg Hall**

**Agenda**

- 1) Call to Order
- 2) Pledge of Allegiance
- 3) Roll Call
- 4) Overview of Fiscal Year 2025 Budget Development Process
  - a. Cover Memorandum
  - b. Financial Update - Fiscal Year 2024 (through July 31)
  - c. Fund Balance Update - General, Other, Special Revenue & Capital Funds
- 5) Revenue Outlook
  - a. Net New Construction/State Levy Limits
  - b. City-wide Revaluation - 2025
- 6) Expenditure Considerations
  - a. Compulsory Adjustments for 2025
- 7) Capital Financing Update
  - a. Proposed 5-Year Capital Plan: Fiscal Years 2025-2029
  - b. Proposed 2025 Debt Issue
  - c. Alternative Revenue Sources
- 8) Component Unit Funding
  - a. Weyenberg Library
  - b. Southern Ozaukee Fire & EMS Department
- 9) Supplemental Funding Update
  - a. American Recovery Plan Act (ARPA) Allocation Update

10) 2025 Budget Schedule

11) Adjourn

*Dated: August 28, 2024*

*/s/ Andrew Nerbun, Chair*

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Notice is hereby given that a quorum of other governmental bodies may be present at this meeting to present, discuss and/or gather information about a subject over which they have decision-making responsibility, although they will not take formal action thereto at this meeting.

Persons with disabilities requiring accommodations for attendance at this meeting should contact the City Clerk's Office at 262-236-2914, twenty-four (24) hours in advance of the meeting.

Any questions regarding this agenda may be directed to the City Administrator's Office at 262-236-2941, Monday through Friday, 8:00 AM – 4:30 PM.

**MEMORANDUM**

**Date:** August 23, 2024

**To:** Appropriations Committee

**From:** William Jones, City Administrator

**Subject:** FY2025 Budget Development Workshop - August 28, 2024

**INTRODUCTION**

Each year, the Common Council convenes a budget workshop meeting to review and discuss some of the key factors and considerations that are likely to impact development of the organization's next budget for the fiscal year that starts on January 1.

This year, such efforts will be impacted by a planned debt issuance in 2025 for road and sewer system upgrades, as well as ongoing efforts to implement recommendations from a Compensation & Classification Study completed in late 2022. Accordingly, City staff have been working diligently over the last few months to formulate the basis for next year's spending plan, which will be distributed to Common Council members in late September.

In order to ensure that the Council is well-positioned to understand and evaluate the information that will be included in the proposed 2025 budget, this year's workshop meeting will be held next week on Wednesday, August 28, starting at 6:00 p.m. As outlined in the accompanying meeting agenda, City staff will provide an overview of several key elements that will factor into the Council's consideration of the budget, when it meets again as the Appropriations Committee in October. Accordingly, a number of documents that will be referenced at next week's workshop are enclosed for review, as listed below:

- A Financial Update for Fiscal Year 2024 (through July 31)
- An Update on Balances in the City's General, Capital and Other/Special Revenue Funds
- City of Mequon Financial Policy Statement No. 3 - Reserve Requirements
- GFOA Best Practice - Fund Balance Guidelines for the General Fund
- An August 19, 2024, Article of Interest Published by the *Milwaukee Journal-Sentinel*
- A Chart Depicting Increases in the CPI-U & Net New Construction from 2015-2024
- Four (4) Proposals from Catalis Tax & CAMA for a Real Property Revaluation in 2025
- A Listing of Compulsory Expenditure Increases Identified for 2025
- A Summary Document Outlining Taser, Squad & Body Camera Contract Proposals
- 2025 Capital Budget Requests and the 5-Year Capital Improvement Plan for 2025-29
- A Chart Depicting the City's Current General Obligation Debt Structure
- An Updated American Recovery Plan Act Expenditure Plan Approved by Council in 2023
- An Update on the Expenditure of Funds Received from the American Recovery Plan Act
- A 2025 Budget Schedule

Each of the preceding items are outlined further throughout the course of this memorandum.

**FINANCIAL UPDATE: FISCAL YEAR 2024**

Attached is a report comparing General Fund budget-to-actual during the first seven months of 2024. The values shown are unaudited. With just over half (58.3%) of the year's collections recorded, there are several revenue lines tracking below budget, including: Taxes, State Shared Revenue, Building Permits, Public Safety Fees, Internal Service Fees and Other Revenue, among others. Many of these shortfalls are attributable to the timing of when such revenues are received, typically during the latter stages of the calendar year. Year-to-date, general revenues are 44.7% of budget through seven months, vs. 50.3% in 2023. Areas where collections are tracking ahead of budget include: Intergovernmental Revenues, Licenses, Other Permits, General Fees, Pool & Park Fees and Investment Revenue. Of note, the City's single largest revenue source - Property Taxes - was settled with Ozaukee County earlier this week. Accordingly, it is anticipated that overall revenues should well exceed the 66.7% threshold by August 31, which marks the completion point for 2/3 of the fiscal year.

On the expenditure side, some departmental or division budgets are tracking more than 5% over the 58% benchmark (shaded red) through seven months of this year. These include budgets for the Common Council, Information Services, Fire/EMS and the Library. As noted, the Council's budget is trending over due to festival costs that have not yet been reimbursed, while the IT, Fire & Library budgets all reflect more recent "balloon payments" recorded in July. For the year, total expenditures across the City's General Fund are nearly 56.2% of budget through 7 months, vs. 57.1% of budget during the same period in 2023.

Staff will continue to monitor budget conditions for other material variances as 2024 progresses, and provide a 3<sup>rd</sup> Quarter Update to the Common Council in mid-October, prior to adoption of the 2025 budget.

**FUND BALANCE UPDATE: GENERAL, CAPITAL & OTHER/SPECIAL REVENUE FUNDS**

The City has numerous funds to capture and track activities for dedicated purposes. Enclosed is a Schedule of Fund Balances listing these funds, excluding the Capital Fund and Utility Funds for Sewer and Water. The schedule presents individual balances for each fund as of December 31, 2023, as well as their projected balances as of December 31, 2024.

Following is a short description of each fund:

**General Fund (0110):** The General Fund is the operating fund of the City. It is used to account for all financial resources, except those required to be accounted for in another fund. Appropriations in the General Fund lapse at year end to the fund balance, unless specifically authorized for transfer to another fund by the Common Council. As indicated in the table, the fund balance in the General Fund is forecasted to remain relatively stable at 11.3%. As the Council will recall, the City's Fund Balance was previously reduced by an "advance" of nearly \$340,000 that was made to the Southern Ozaukee Fire & EMS Department in late 2022. This action was taken to provide the Department with operating funds in advance of its formal inception beginning on January 1, 2023.

Attachment: 2025 BUDGET WORKSHOP COVER MEMO - 8.23.24 (9627 : Memo)

As affirmed with the adoption of updates to the City's Financial Policies on August 14, the City's Reserve Requirements (attached) stipulate that the City will strive to maintain a fund balance within a range of 10-12% of the City's current operating budget. In connection with these updates, the Finance-Personnel Committee requested that time be allotted at the August 28 Budget Workshop Meeting to further discuss an appropriate Fund Balance range for the City. Previously, City staff had recommended broadening the range to between 10-15%, to more closely align with a best practice published by the Government Finance Officers Association (see attached). Summarily, this guidance recommends that all general-purpose governments - regardless of size - strive to maintain a minimum, unassigned fund balance equivalent to two months (or 16.7%) of an entity's annual operating revenues or expenditures. To put these numbers into further context, a 10% general fund balance would provide the City with enough cash on hand to maintain continued operations for a period of about 37 days (or 5-6 weeks), in the event of a major disruption or catastrophic event.

In previous discussions regarding the City's fund balance levels, staff has also shared feedback that it has received from the City's various ratings agencies (i.e., Moody's, S&P) regarding the connection between a healthy fund balance and improved credit ratings. Currently, the City's bond ratings with both S&P & Moody's are AA and Aa2, respectively. Each of these ratings is considered 'High Grade' from an investor standpoint, and each sit two notches below the highest ratings assigned by each agency, which are AAA and Aaa (aka Triple-A), respectively.

In consultation this week with the City's financial advisor, Ehlers, current bond rating criteria would require the City to maintain a fund balance of approximately 35% of its annual budget to qualify for the highest bond rating (Triple-A) available. While it is unlikely that the City is in a position to effectuate such a change either now or in the near future, Ehlers did provide a recent example of what such a difference would mean for the City's borrowing costs, based on recent bond sales for issues of approximately \$10 million. Over a 20-year term, data indicates that Triple-A communities achieve a lower interest rate on these sales equivalent to 20 basis points, when compared to Double-A communities. In turn, this results in overall savings of approximately \$200,000 during the term of the bonds. With an expected decrease in interest rates starting later this year, such cost savings (or spreads) are likely to narrow.

Given the unlikelihood that the City will accrue the level of unassigned fund balance that is otherwise necessary to achieve a higher bond rating than what it currently has, it is probably prudent for staff and the Council to continue focusing on other factors that can also result in lower borrowing costs, such as timing issuances when municipal bond supplies are typically lower (at the very beginning of the calendar year). Nevertheless, the Council may wish to entertain additional discussion regarding further adjustment to the existing fund balance range, in order to better reflect industry practice (i.e., GFOA). Alternatively, the Finance-Personnel Committee may also wish to examine the issue further in consultation with Ehlers, prior to the City's expected issuance of additional debt in early 2025.

**Special Revenue Funds (0210, 0220, 0230):** Special Revenue Funds are used to account for and report the proceeds of specific revenue sources that are restricted or committed to

expenditures for stated purposes other than debt service or capital projects. The City has created Special Revenue funds for its Police Auxiliary (formerly Reserves), Special Events (e.g., Taste of Mequon), Police Asset Forfeitures, Park Impact Fees, the Mequon Nature Preserve, the City's Revolving Loan Program, and Environmental Remediation (via proceeds previously received from a class action lawsuit settlement with Monsanto). Notably, the balance in Park Impact Fees, which continues to grow with the addition of new residential housing/units throughout the City, can only be utilized for park improvements, land acquisition or other "new" enhancements. These proceeds are thus restricted, in that they cannot be used to fix, repair or replace "existing" park amenities.

**Debt Service Funds (0310, 0320, 0330):** The Debt Service Fund is used to account for the accumulation of resources for, and the payments of, the City's general obligation long-term debt, which includes principal and interest. The City has dedicated debt service funds for the City's general obligation debt and two of the City's active tax increment districts (TIDs). The debt service fund for TID #2 previously had a negative fund balance but is now positive as it retires this year, pending a final audit. As indicated, TID #3 will likely see another increase of approximately \$1.5 million in its fund balance by the end of 2024. In turn, this will allow for both the retirement of debt that was incurred in 2022 to finance various Town Center public improvements that are now underway, as well as the future repayment of a receivable that is owed to the City's Capital Projects Fund.

**Capital Projects Fund:** Though not listed on the enclosed Fund Balance Schedule, this fund is used to account for the expenditure of funds designated for infrastructure improvements, vehicle replacement and the maintenance of other long-term assets. As evidenced in the draft document entitled 'CAPITAL BUDGET 2025' that depicts both the status of the City's various capital accounts and departmental requests for 2025, the City's Capital Projects Fund currently has a balance of nearly \$3.95 million (which excludes an aggregate deficit of \$3.2 million shown for the City's four TIF Districts listed under the 'Community Development' header). At present, the \$3.95 million figure is partly attributable to the receipt of funds associated with a \$9.6 million debt issue initiated in early 2022, to pay the cost of various road improvement projects between 2022-2024.

#### **REVENUE OUTLOOK & BUDGET DEVELOPMENT CONSIDERATIONS**

During Wednesday evening's workshop, City staff will also provide an update on the current status of the budget that is being prepared for 2025, and some of the key factors that will impact this document's development over the next several weeks.

This year, the City's operating departments were again tasked with commencing the annual budget preparation process in mid-July. Initially, departments were instructed to roll their respective 2024 expenditure budgets forward into 2025, as a starting point from which contractual (e.g., retirement contributions, insurance premium adjustments, etc.) and recognized adjustments (e.g., single vs. family health coverage, actual vs. budget salary savings, etc.) will be applied, and to set the baseline from where expenditure reductions can be generated, as necessary. In addition, all individual revenue sources that combine to support the City's annual spending levels are now in the process of being examined and will

be adjusted accordingly, based on both multi-year trend analysis as well as more near-term forecasting that considers factors such as inflation.

Again, this year, staff will be attempting to prepare a General Fund budget for 2025 that does not substantially increase the City’s current tax rate of \$3.12 per \$1,000 of assessed property. This effort will be aided by an increase of roughly \$200,000 in newly available property tax revenue, resulting from a 0.98% increase in net new construction for 2024. As the Council will recall, the City continues to be subject to state-imposed levy limits, which restrict the amount a municipality may levy in taxes, absent any annual increase in net new construction. Per state law, municipalities may only exceed the allowable levy limit in one of two ways:

1. The first involves the issuance of new debt, albeit for large-scale capital projects or spending (recommended), or smaller scale capital expenditures or operating expenses (not recommended). Historically, the City has judiciously utilized debt to finance larger capital initiatives, such as road reconstruction, the public works facility consolidation, and the East Trunk sewer extension, to name a few. Nevertheless, issuing debt on an ongoing basis does not come without costs, as the principal and interest that is due on the repayment of outstanding issues directly impacts the City’s overall tax rate. As such, unfettered borrowing can adversely impact an entity’s ability to pay for general operating expenses, if there is an unwillingness to adjust the tax rate when new (and higher than existing) debt is issued.
2. Secondly, municipalities may also raise the tax levy for non-debt related expenses via referendum, which requires voter approval. Historically, this has not been an approach that has been considered or utilized in Mequon, yet notably, a number of other municipalities are beginning to utilize such measures, especially in relation to financing full-time staffing needs related to fire and emergency medical services.

In fact, and as depicted below, six (6) municipalities across Ozaukee County have passed referenda this year that on a combined basis, will generate more than \$5.2 million in new, recurring property tax revenue starting in 2025. In each of these cases, the referenda were held to raise additional funds for the hiring of full-time personnel in Fire & EMS.

<b>Municipality</b>	<b>Referendum Amount</b>	<b>Increase from Levy Limit</b>
City of Cedarburg	\$1,292,302	11%
Town of Cedarburg	\$723,356	30%
Town of Grafton	\$372,435	24%
Village of Grafton	\$1,478,072	16%
City of Port Washington	\$1,175,000	14%
Town of Saukville	\$205,090	44%
<b>TOTAL:</b>	<b>\$5,246,255</b>	-

Conversely, the City of Mequon, and now the Southern Ozaukee Fire & EMS Department (via partnership with the Village of Thiensville), have added twelve new full-time staff (e.g., Deputy Chief, Battalion Chiefs, Firefighter/Paramedics) to the ranks since 2017. Remarkably,

Attachment: 2025 BUDGET WORKSHOP COVER MEMO - 8.23.24 (9627 : Memo)

this has been accomplished without the aid of funding via referendum or any other means. Additionally, voters residing in Mequon’s immediate neighbor to the west - the Village of Germantown - approved a referendum earlier this year to raise yearly property taxes by \$1.75 million, so as to fund additional full-time staff within both its police and fire departments.

Unfortunately, the amount of money available through net new construction, which this year is below 1%, is not keeping pace with inflationary cost pressures the City is otherwise experiencing relative to wages, insurance, energy, etc. What’s more, and as depicted in the attached chart labeled *CPI vs. NNC: 2015-2024*, over the last ten years, net new construction has increased by an aggregate amount (15%) that is one-half the amount that the Consumer Price Index has increased by (30%) over the same span. Combined with the other cost-saving efforts that have been undertaken in recent years, such as consolidating Fire & EMS with Thiensville as well as emergency dispatch with Ozaukee County, there are limited sources of additional revenue for the organization to draw upon in order to meet the needs of both its employees, as well as the growing community we serve.

Consideration of the current tax levy limitation is especially relevant for the City, given that a majority of the City’s current revenue mix (almost 69%) is derived from local real estate taxes. Accordingly, identifying revenues beyond the property tax (e.g., shared revenue, user rates, etc.) to address necessary and anticipated cost increases within the General Fund have taken on more of an added importance in recent years, given these existing limitations. For reference, enclosed is an article published this week in the *Milwaukee Journal-Sentinel*, detailing ongoing efforts in Waukesha County towards creation of a county-wide sales tax. As noted in the story, there is some discussion about sharing a portion of any proposed proceeds with local municipalities throughout the county, in order to assist them in raising additional revenue.

As the Council will also recall, approximately \$67,000 in available ARPA funds were included in the 2024 budget to help restore funding that was either cut or reduced during the COVID-19 pandemic. In 2025, it is anticipated that the budget will include no further use of ARPA funds to supplement ongoing operations. Nevertheless, there are a number of inflationary considerations and other mandatory expenditure increases that the City will need to consider in developing the 2025 budget. These have been identified by each City department and are itemized by operating division in the enclosed matrix entitled ‘*Compulsory Expenditure Increases - 2025 Budget*’.

One noteworthy, non-recurring expense recommended for inclusion in the 2025 budget is a City-wide revaluation of all assessed property within Mequon. The City’s last property revaluation took place in 2021, when former assessor Michael Grota performed a Market Update Revaluation for a cost of \$218,550. The assessment value increase after this market update revaluation was \$626,016,400, which brought the assessment ratio to 100%. Since the 2021 revaluation, the ratio has dropped each year, as indicated in the following table.

Activity	FY2019	FY2020	FY2021	FY2022	FY2023	FY 2024**
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Attachment: 2025 BUDGET WORKSHOP COVER MEMO - 8.23.24 (9627 : Memo)

<b>Assessment Value Change (\$)</b>	\$57.4M	\$60.2M	\$626.0M	\$119.4M	(\$7.5M)*	\$48.4M
<b>Assessment Ratio %</b>	94.13	90.89	100.08	91.91	83.98	79.00
<b>Board of Review Hearings</b>	0	0	3	0	1	N/A
<b>Real Estate Parcels</b>	10,388	10,398	10,372	10,447	10,446	10,489

\*Newcastle applied and was granted a property tax exemption per WI Statutes 70.11, thus removing its assessment value from the assessment roll

\*\*Values will be finalized after the Open Book and Board of Review Process in early Fall

Per Wisconsin State Statute Section 70.05(5), the assessment ratio must be between 90-110%, and a municipality has four years to comply. Interestingly, 2024 will already be the third year the City is not in compliance with the statute.

In July, Les Ahrens, City Assessor and Director of Valuation Services for Catalis Tax & Cama, met with the Finance-Personnel Committee to discuss this development, and to review four options for another assessment revaluation, as outlined in the attached proposals. Following discussion, the Committee reached consensus on pursuing a Market Update Revaluation in 2025, similar to the process completed in 2021. The one-time cost for completing a Market Revaluation next year is \$225,000, which represents a slight increase (3%) from the amount paid by the City four years ago. Pending the Council’s concurrence to include this expense in the 2025 budget, it is recommended that interest proceeds on the City’s allocation from the American Recovery Plan Act, which equal just over \$156,000, be used to satisfy this obligation. Previously, available fund balance from the City’s General Fund was used to pay this non-recurring expense in 2021. Also enclosed for the Council’s review is a one-page summary document outlining expected budgetary increases beginning in 2025/26, related to upgrading the Police Department’s squad car and body-worn camera systems.

Lastly, there are still a number of considerations being worked through as additional information becomes available regarding employee health insurance rates, state transportation aid, and the like. Understandably, this stage of the budget development process remains highly fluid and will require continued monitoring as staff works to finalize the proposed 2025 budget over the next five weeks. To the extent that any material developments (either positive or negative) warrant further consideration by the Committee, staff will provide such as additional information becomes available.

**CAPITAL FINANCING UPDATE**

In accordance with the City’s newly updated financial policies, and in advance of likely issuing new debt in 2025, time has also been set aside at Wednesday evening’s meeting to review the City’s long-term capital needs, along with associated financing.

**Proposed 5-Year Capital Plan: Fiscal Years 2025-2029:** Each year in July, City departments are required to review and update five-year capital improvement plans relating

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to their individual accounts or projects. After receiving the updated capital plans at the beginning of August, the Finance Department reviews and consolidates these updates and any new requests into the City’s 5-Year Capital Improvement Plan (CIP). The attached documents include a Draft 2025 Capital Budget, a two-page consolidated list of Projects by Department, and individual descriptions for each Project included in the City’s 5-Year CIP for 2025-29. As is evident from the materials, a majority of proposed expenditures within these documents originate from the City’s two largest departments - Police and Public Works/Engineering.

For 2025, capital project funding requests from department heads total \$5,872,115, an increase of \$852,115 from the \$5,020,000 requested in 2024. The largest single request for 2025, \$2.15 million for City Right-of-Way assets (e.g., roads, parking lots, sidewalks, etc.), will likely be funded with proceeds realized from a planned bond issue to be undertaken by the City in early 2025.

To provide additional context, a recent history of previous capital requests received from City departments, and the corresponding amounts that were eventually allocated and approved within the budget, is provided below. As indicated, there have been a number of projects or proposed expenditures over the last five years that have either been underfunded, or not funded at all. On a positive note, the City has continued to support an upward trend in allocating additional funds towards its operating (pay-as-you-go) capital budget since 2015.

Year	Departmental Capital Requests	Actual Funding Amount
2024	\$5,020,000	\$1,353,000
2023	\$5,622,300	\$1,328,000
2022	\$5,941,900	\$1,328,000
2021	\$3,678,400	\$1,190,000
2020	\$3,040,000	\$1,343,500
2019	\$2,953,500	\$1,155,000
2018	\$2,127,300	\$1,376,819
2017	\$2,343,750	\$967,374
2016	\$2,188,750	\$920,739
2015	\$2,507,500	\$868,047

For 2025, it is preliminarily estimated that capital requests will again be funded at nearly the same level as 2024. Notably, and as indicated in the table appearing above, this figure represents a 53% increase in pay-as-you-go capital spending since 2015. For reference, the funding allocations approved for 2024 can be found in the “2024 Approved Funding” column of the Capital Budget 2025 spreadsheet included in this packet.

**Proposed 2025 Debt Issue:** In addition to reviewing the City’s near-term capital needs, it is anticipated that a preview of the City’s proposed debt issuance in 2025 will also be shared. Attached is a table prepared by the City’s financial advisor that was utilized at the Strategic Planning Workshop in May. As indicated, the chart depicts the City’s debt position heading

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into 2025, resulting in a debt service obligation in the General Fund of approximately \$2,760,190. By comparison, the debt service requirement for 2024 is \$2,763,053.

As presently conceived, an early 2025 debt issue will raise funds that are necessary for continuing the City's local road improvement program beyond 2024 and for completion of a new Lift Station E. Though detailed figures are not yet available relative to the amount that will need to be borrowed for the lift station project, staff is at this point assuming that the overall amount of the pending debt issue will be commensurate with the amount borrowed in 2022 - \$9.6 million. This borrowing funded three years' worth of road work, the City's share for completion of the Highland Road overpass, and nearly \$2.7 million for public improvements within the Town Center Tax Increment that are nearing completion.

As efforts commence on developing the proposed Mequon Sewer Utility Budget for 2025, more precise figures should become available for debt-panning purposes. Notably, and whenever possible, the City strives to keep debt issues at or below the \$10 million threshold. This preserves an issue's bank-qualified (or small issuer exemption) status, which provides a lower interest rate, and thereby reduced borrowing costs. Should other projects or expenditures be identified for inclusion in the 2025 bond issue, the City may exceed the \$10 million threshold, albeit at a higher interest rate. Efforts to raise this cap, which has been in place since 1986 and requires congressional action, have heretofore been unsuccessful. Alternatively, splitting project costs over two or more years is another way to avoid higher interest expenses, yet such an approach comes with additional bond issuance costs.

**Alternative Revenue Sources:** At the Council's Strategic Planning Workshop in May, the City's financial advisor provided a presentation on alternative revenue sources that some Wisconsin municipalities are utilizing to address funding shortfalls and/or identified needs. These included a hotel/motel tax, vehicle registration fee, stormwater utility fee, impact fees, a streetlight utility fee and a transportation utility fee, among others. Given the current funding shortfall between the City's identified capital needs and the present level of funding that is available annually to address these requests, the Council may wish to consider future enactment of one or more of the alternatives highlighted in May.

To this end, City staff has conducted some preliminary research on vehicle registration fees, the revenue from which can be used to fund continued upkeep and improvement of the City's existing 210-mile road network. As has been the case over the last decade, the City typically borrows between \$5 - \$5.5 million dollars every three years to fund the majority of this work. On an annual basis, these funds are supplemented by another \$350,000 that is included in the City's Pay-As-You-Go Capital Budget for road maintenance, which includes crack-sealing, pavement sealing and road patching. As asphalt and labor prices have continued to increase, the City is now at a point where additional funding is needed, so as not to fall behind on addressing roads from either a maintenance or rehabilitation standpoint. And while borrowing additional money to fund these increased costs is certainly one way to address the issue, creation of an alternative, non-tax supported revenue source may represent another option worthy of further discussion. Accordingly, staff will provide some preliminary data at the workshop meeting next Wednesday.

Additionally, and as was discussed extensively at the May Workshop meeting, the City has a number of public facilities that need modernization and/or reconstruction within the next few years. As outlined, these include the Mequon Community Pool, the Public Safety Headquarters Building and the East Side Fire Station. Consequently, enactment of various impact fees, which are derived from new dwelling units constructed in the City, may be appropriate to consider, as part of an offset to some of additional space and/or capacity requirements that will be needed within these facilities in future years. Additionally, some communities within Wisconsin also assess impact fees for libraries, in order to account for future growth. Currently, the City's lone impact fee is for parks, and this fee is in the process of being reassessed in connection with an update of the Park & Open Space Master Plan. Should there be concurrence from the Council to examine other impact fees for potential adoption, such will be added to the list of organizational objectives to be pursued in 2025.

### COMPONENT UNIT FUNDING

A portion of Wednesday evening's workshop meeting will be devoted to providing the Committee with an update on key factors related to the development of 2025 operating budgets for two entities that are funded jointly with the Village of Thiensville - the Weyenberg Library and the Southern Ozaukee Fire & EMS Department.

**Weyenberg Library:** Over the last two budgeting cycles, the City has allocated nearly \$71,000 in new, recurring funding for the Library, as well as \$150,000 in funding received via the American Recovery Plan Act (ARPA). Additionally, City staff worked with the Library in 2023 to perform a detailed analysis of the Library's budget, which identified a number of potential cost-saving opportunities (e.g., accounting, payroll, financial reporting, insurance, investments, document imaging and postage). Additionally, the Common Council has expressed support for revisiting the current agreement between the City and the Village of Thiensville that includes a formula by which the Library is to be annually funded.

Through mid-2024, the Library has expended \$68,377 of the City's \$150,000 allotment in ARPA funding on two of the three projects that were identified in late 2022, as well as \$37,216 to reimburse expenses incurred during the COVID-19 pandemic. Collectively, the two projects include installation of new, larger Book-Drop Bins (\$13,283) that patrons can utilize on a drive-thru basis near the Library's main entrance, as well as new Radio Frequency Identification Gates (\$17,877) that help to prevent the loss and/or theft of materials from the Library's collection. As such, \$81,623 remains available for other capital improvement projects, including a planned replacement of the Library's boiler system, likely in 2025. To the extent that actual costs for this third project are less than estimated, such proceeds could potentially be available to address other identified capital needs within the facility, prior to the ARPA expenditure deadline of December 31, 2026.

To date, discussions on consolidating audit services under one combined contract between the City, the Village, the Library and the Southern Ozaukee Fire & EMS Department continue, and the Library has reviewed insurance deductibles as part of an effort to lower its insurance premiums. Of further note, there has been no progress to date on renegotiating the Joint

Library Funding Agreement, due to the press of other business involving both municipalities, as well other time-sensitive priorities that have arisen this year. In discussions with the Village of Thiensville, it is anticipated that negotiation of a new funding agreement will be pursued beginning early next year, in advance of developing the Fiscal Year 2026 budget.

**Southern Ozaukee Fire & EMS Department:** Work has also commenced on developing the Southern Ozaukee Fire & EMS Department's (SOFD) third annual budget for Fiscal Year 2025. To date, staff from the City, the Village and SOFD have largely completed work on a draft operating budget, which will be presented to the SOFD Board at its next meeting on September 11. Thereafter, it is anticipated that a final budget will be recommended by the SOFD Board to the Common Council and Thiensville Village Board for approval, prior to the consideration of annual operating budgets by the two respective municipalities in October.

In its present form, the draft budget contemplates no new full-time positions for 2025, and an anticipated transfer of surplus proceeds at the end of 2024 to the Department's nascent Capital Projects Fund. Additionally, the proposed budget includes the elimination of nearly \$300,000 in grant funding from Ozaukee County that was made available for use by area departments in 2023 and 2024 and a tax levy adjustment for both Mequon and Thiensville equivalent to what is otherwise allowed annually for joint fire departments (equal to the Consumer Price Index + 2%). SOFD Fire Chief David Bialk will attend Wednesday evening's meeting to provide further details regarding the development of SOFD's next budget, and to answer questions from the Committee.

#### **SUPPLEMENTAL FUNDING UPDATE**

Lastly, a portion of Wednesday evening's meeting will also be devoted to providing Council members with an update on expenditures made under the American Recovery Plan Act (ARPA). Under terms of the guidance provided in 2022 by the Treasury Department, units of government must approve any allocation of ARPA dollars by no later than December 31, 2024, and expend all such earmarked proceeds by December 31, 2026.

Enclosed for the Committee's reference is an updated ARPA Spending Plan allocating \$2.55 million across most of the Key Focus Areas identified within the City's Strategic Plan. Also enclosed for the Committee's review is a matrix developed by the Finance Department designed to track the expenditure of these funds, based upon the approved allocations. To date, nearly 62% of the available funds have either been spent or appropriated. Two remaining projects totaling another \$650,000 - selection of a new Land Management System and upgrades to the City Brush Site - are currently in process and anticipated for contract award prior to year's end.

As has also been the case over the last several budgeting cycles, the City budget team is anticipating the receipt of supplemental funding requests for items that are not able to otherwise be included in the recommended budget submitted for Council consideration. In past years, these have included requests from most of the City's operating departments, as well as various other entities such as the Weyenberg Library, the Park & Open Space Board and the M-T Bikeway & Pedestrian Commission. Once again, any requests that are received

prior to distribution of the proposed City budget later next month will be itemized and included in a matrix entitled ‘Supplemental Expenditures Proposed for Consideration in 2025 Budget’ for the Committee’s review. While staff is confident that the ARPA Spending Plan approved by the Council addresses many of the more immediate needs that have been enumerated during previous budgeting cycles, the Common Council, in its roles as the Appropriations Committee, may wish to consider additional spending requests as funding may otherwise permit, when it meets to consider the proposed 2025 budget in early October.

**NEXT STEPS**

As indicated in the 2025 budget development schedule, a copy of which is enclosed, the above-discussed documents are being distributed ahead of a series of meetings that will commence with next week’s workshop meeting, as outlined below:

- Wednesday, August 28: Appropriations Committee Budget Workshop
- Tuesday, September 10: Regular Common Council Meeting
- Wednesday, September 11: Southern Ozaukee Fire & EMS Board of Directors
- Tuesday, October 8: Regular Common Council Meeting
- Wednesday, October 9: Appropriations Committee Meeting
- October 16-17, 21: Appropriations Committee Meeting #2 (if Necessary)
- October 16-November 5: Sewer & Water Utility Budget Meeting

**CONCLUSION**

As noted in the attached schedule, it is anticipated that staff will be distributing the Proposed 2025 Budget to members of the Common Council by Monday, September 30. Consistent with past practice, this document will also be posted online on the City’s website and be available for public inspection at City Hall during the remainder of the budget development process.

In the meantime, staff again looks forward to the opportunity over the next several weeks to engage with members of the Common Council, as we work collaboratively to finalize a 2025 budget that is responsive to the needs and priorities of the organization and the community.

Attachment: 2025 BUDGET WORKSHOP COVER MEMO - 8.23.24 (9627 : Memo)



**FY 2024 - Through July 31 (58% of the year)**

**PRIOR YRS COMPARISON**

REVENUES	FY 2024 - Through July 31 (58% of the year)				PRIOR YRS COMPARISON		
	Original Budget	Actual	YTD %	% of Total	FY 23 ACTUALS	FY 22 ACTUALS	FY 21 ACTUALS
Taxes	12,364,689	5,073,430	41.03%	63.0%	6,138,529	5,948,983	5,824,465
State Shared Revenue	954,047	143,107	15.00%	1.8%	55,069	244,831	242,079
Intergovernmental	1,579,773	1,176,667	74.48%	14.6%	1,226,397	1,256,000	1,269,940
Licenses	61,300	53,068	86.57%	0.7%	48,499	56,069	55,355
Permits - Inspection	792,872	418,353	52.76%	5.2%	354,254	499,529	583,871
Permits - Other	54,000	47,147	87.31%	0.6%	46,595	51,140	53,525
General Fees	127,500	94,126	73.82%	1.2%	85,397	93,662	107,778
Public Safety Fees	161,000	85,162	52.90%	1.1%	34,034	350,447	260,438
DPW Fees	110,750	20,730	18.72%	0.3%	57,546	17,365	62,282
Pool & Park Fees	175,000	165,749	94.71%	2.1%	154,721	156,785	111,380
Development Fees	73,200	32,222	44.02%	0.4%	42,556	49,114	45,092
Special Assessments	3,000	1,576	52.52%	0.0%	1,280	660	2,309
Internal Service Fees	482,000	-	0.00%	0.0%	-	-	-
Other Revenue	861,221	416,408	48.35%	5.2%	286,118	186,043	277,349
Investment Revenue	215,500	327,866	152.14%	4.1%	239,372	(59,219)	18,652
<b>Total General Fund Revenue</b>	<b>18,015,853</b>	<b>8,055,610</b>	<b>44.71%</b>	<b>100.0%</b>	<b>8,770,367</b>	<b>8,851,409</b>	<b>8,914,517</b>

Key:

- Postive variance vs. year-to-date budget, or timing difference not anticipated to result in a year-end variance
- Negative variance of .01% to 4.99% vs. year-to-date budget
- Negative variance ≥ 5% vs. year-to-date budget

**Over Budget**

- INTERGOVERNMENTAL: Three of Four Quarters aid payments received
- LICENSES: Liquor, Tavern, Business, Cigarette and Amusement all tracking over 60%
- PERMITS - OTHER: Brush permits (majority of this category) tracking at 89%
- GENERAL FEES: Dog licensing, copier fees, culvert fees & treasury fees tracking over 66%
- POOL & PARK FEES: Pool fees are over 100% and park fees are over 78%
- INVESTMENT REVENUE: Investments are recorded at fair market value and has seen a significant increase since FY 2022

**Under Budget**

- TAXES: Taxes will be settled in August with Ozaukee County
- STATE SHARED REVENUE: Revenue is recognized unevenly throughout the year
- PERMITS - INSPECTION: Building, Electrical, Final & Temp Occupancy tracking at budget, Plumbing & HVAC tracking below budget
- PUBLIC SAFETY FEES: Police fees lag due to timing and permits issued in the Fall season
- DPW FEES: Many are pass through (if revenue is low, so is expense, therefore net zero impact)
- DEVELOPMENT FEES: Zoning fees (majority of this category) tracking at 46%
- SPECIAL ASSESSMENTS: Delinquent Personal Property Tax bill interest
- INTERNAL SERVICE FEES: Recognized as part of year-end process
- OTHER REVENUE: Cell Leasing, Cable TV, Insurance Divided and PILOT revenue all recognized unevenly throughout the year

Attachment: FY24 Q2 BUDGET REPORT - 8.19.24 (9627 : Memo)



**FY 2024 - Through July 31 (58% of the year)**

**PRIOR YRS COMPARISON**

EXPENDITURES	FY 2024 - Through July 31 (58% of the year)				PRIOR YRS COMPARISON		
	Original Budget	Actual	YTD %	% of Total	FY 23 ACTUALS	FY 22 ACTUALS	FY 21 ACTUALS
Common Council	105,745	74,912	70.84%	0.7%	72,224	73,173	46,904
City Administrator	398,616	199,105	49.95%	2.0%	178,674	171,586	158,851
City Clerk	284,812	166,633	58.51%	1.6%	161,702	158,821	178,391
Elections	94,476	38,490	40.74%	0.4%	48,037	44,758	27,263
Information Services	489,887	317,865	64.89%	3.1%	211,308	234,850	212,704
Finance	576,107	324,088	56.25%	3.2%	333,098	249,714	320,691
Assessor	253,287	121,132	47.82%	1.2%	124,567	173,235	194,667
Human Resources	265,206	144,496	54.48%	1.4%	136,163	144,662	124,500
Legal Counsel	136,800	37,853	27.67%	0.4%	(38,220)	(41,048)	(62,944)
Police	6,415,995	3,218,841	50.17%	31.8%	3,121,476	3,090,479	2,945,251
Fire/EMS	1,409,925	1,060,527	75.22%	10.5%	1,363,180	1,192,321	1,100,460
Communications	350,212	163,555	46.70%	1.6%	152,463	308,807	342,189
Inspections	527,852	285,766	54.14%	2.8%	309,420	272,282	275,628
Building Maintenance	742,903	424,771	57.18%	4.2%	402,263	398,722	422,608
Fleet Services	541,356	315,333	58.25%	3.1%	352,994	378,551	295,234
Engineering	660,239	387,655	58.71%	3.8%	360,953	293,485	263,504
Highway	2,130,985	1,202,749	56.44%	11.9%	1,074,842	1,008,984	1,013,666
Forestry	210,186	106,481	50.66%	1.1%	94,554	90,068	75,380
Library Grant	1,131,716	848,787	75.00%	8.4%	830,037	795,750	793,500
Swimming Pool	141,266	81,908	57.98%	0.8%	82,475	79,969	68,906
Parks	645,226	335,134	51.94%	3.3%	328,134	289,964	321,921
Planning	503,053	274,667	54.60%	2.7%	262,508	238,890	295,881
<b>Total General Fund Exp</b>	<b>18,015,853</b>	<b>10,130,748</b>	<b>56.23%</b>	<b>100.0%</b>	<b>9,962,851</b>	<b>9,648,021</b>	<b>9,415,155</b>
Net Surplus (Loss)	-	(2,075,138)			(1,192,484)	(796,612)	(500,639)
Fund Balance - Begin of Year	2,278,789	2,278,789					
Fund Balance - End of Year	2,278,789	203,651					

**Over Budget**

COMMON COUNCIL: Largely overbudget due to the League annual membership fee and Festivals Sponsorships \$7.5k (timing)

INFORMATION SERVICES: Annual Financial System payment paid in July

FIRE/EMS: Third quarterly support payment was sent to SOFD in July

LIBRARY: Three of four quarterly support payments have been paid

**Under Budget**

ELECTIONS: Two elections in second half of year (one of which is Presidential)

LEGAL COUNSEL: Timing between receiving and processing invoices

COMMUNICATIONS: Salaries/benefits tracking below budget

Attachment: FY24 Q2 BUDGET REPORT - 8.19.24 (9627 : Memo)

# CITY OF MEQUON FUND BALANCES

## As of August 19, 2024

### (Excludes Utility and Capital Funds)

Fund #	Fund Name	Balance @ 12/31/21	Balance @ 12/31/22	Balance @ 12/31/23	Estimated Balance @ 12/31/24
110	General (Unassigned)	\$2,318,914 (13.0% of 2022 GF Budget)	\$1,642,961 (9.0% of 2023 GF Budget)	\$2,029,498 (11.3% of 2024 GF Budget)	\$2,052,140 (11.3% of 2025 GF Budget)
210	Special Revenue:				
	Police Reserves	\$13,545	\$13,545	\$13,545	\$17,763
	Special Events	\$2,297	\$6,199	\$796	\$11,293
	Police Asset Forfeiture	\$16,565	\$16,565	\$31,076	\$57,152
220	Park & Open Space:				
	Impact Fees	\$283,160	\$396,077	\$442,342	\$47,800
	Nature Preserve	\$697	\$697	\$697	\$697
230	Revolving Loan	\$404,095	\$383,717	\$469,305	\$515,114
270	Environmental Rehab			\$905,738	\$936,632
310	Debt Service (GO)	(\$4,923)	\$122,208	\$68,450	\$142,220
320	Debt Service TID2 Business Park	(\$183,112)	(\$176,256)	(\$130,787)	\$271,584
330	Debt Service TID3 Town Center	\$1,679,635	\$2,901,471	\$4,246,206	\$5,849,769

Attachment: CITY FUND BALANCES - 8.19.24 (9627 : Memo)

### **POLICY STATEMENT 3 RESERVE REQUIREMENTS**

In order for the organization to be able to respond to unforeseen situations, as well as to positively impact the investment credit rating of the City, the City and the Sewer Utility will strive to maintain an undesignated General Fund Balance or Undesignated Cash Reserve of between ten (10) and twelve (12) percent of the current year's General Fund or Sewer Utility Operating Budget. Funds in excess of ten percent may, at the Common Council's discretion, be appropriated as follows:

- One-time capital improvements/projects;
- Debt abatement or defeasance;
- Other investments/programs that enhance efficiencies or reduce operating costs;
- Property tax reduction.

#### **Process Overview:**

Changes in fund balances occur primarily in one of two ways, either through net surpluses or deficits in the annual operating budgets, or through planned use of the fund balance as part of the annual budgeting process.

To provide the Common Council with the information necessary to be able to determine if the General Fund Balance or Undesignated Cash Reserve will be at the targeted level, the City Administrator will present information to the Common Council on current fund balances as a part of the annual budgeting process. Included in this presentation will also be staff's projections on any current year budget surpluses or deficits, and a five-year history of General Fund and other Undesignated Cash Reserve Balances.



## BEST PRACTICES

# Fund Balance Guidelines for the General Fund

Governments should establish a formal policy on the level of unrestricted fund balance that should be maintained in the general fund for GAAP and budgetary purposes.

In the context of financial reporting, the term *fund balance* is used to describe the net position of governmental funds calculated in accordance with generally accepted accounting principles (GAAP). Budget professionals commonly use this same term to describe the net position of governmental funds calculated on a government's budgetary basis. While in both cases *fund balance* is intended to serve as a measure of the financial resources available in a governmental fund; it is essential that differences between GAAP *fund balance* and budgetary *fund balance* be fully appreciated.

1. GAAP financial statements report up to five separate categories of fund balance based on the type and source of constraints placed on how resources can be spent (presented in descending order from most constraining to least constraining) : *nonspendable fund balance*, *restricted fund balance*, *committed fund balance*, *assigned fund balance*, and *unassigned fund balance*.<sup>2</sup> The total of the amounts in these last three categories (where the only constraint on spending, if any, is imposed by the government itself) is termed *unrestricted fund balance*. In contrast, budgetary fund balance, while it is subject to the same constraints on spending as GAAP fund balance, typically represents simply the total amount accumulated from prior years at a point in time.
2. The calculation of GAAP fund balance and budgetary fund balance sometimes is complicated by the use of sub-funds within the general fund. In such cases, GAAP fund balance includes amounts from all of the subfunds, whereas budgetary fund balance typically does not.
3. Often the timing of the recognition of revenues and expenditures is different for purposes of GAAP financial reporting and budgeting. For example, encumbrances arising from purchase orders often are recognized as expenditures for budgetary purposes, but never for the preparation of GAAP financial statements.

The effect of these and other differences on the amounts reported as *GAAP fund balance* and *budgetary fund balance* in the general fund should be clarified, understood, and documented.

It is essential that governments maintain adequate levels of fund balance to mitigate current and future risks (e.g., revenue shortfalls and unanticipated expenditures) and to ensure stable tax rates. In most cases, discussions of fund balance will properly focus on a government's general fund. Nonetheless, financial resources available in other funds should also be considered in assessing the adequacy of unrestricted fund balance in the general fund.

GFOA recommends that governments establish a formal policy on the level of unrestricted fund balance that should be maintained in the general fund for GAAP and budgetary purposes.<sup>3</sup> Such a guideline should be set by the appropriate policy body and articulate a framework and process for how the government would increase or decrease the level of unrestricted fund balance over a specific time period.<sup>4</sup> In particular, governments should provide broad guidance in the policy for how resources will be directed to replenish fund balance should the balance fall below the level prescribed.

*Appropriate Level.* The adequacy of unrestricted fund balance in the general fund should take into account each government's own unique circumstances. For example, governments that may be vulnerable to natural disasters, more dependent on a volatile revenue source, or potentially subject to cuts in state aid and/or federal grants may need to maintain a higher level in the unrestricted fund balance. Articulating these risks in a fund balance policy makes it easier to explain to stakeholders the rationale for a seemingly higher than normal level of fund balance that protects taxpayers and employees from unexpected changes in financial condition. Nevertheless, GFOA recommends, at a minimum, that general-purpose governments, regardless of size, maintain unrestricted budgetary fund balance in their general fund of no less than two months of regular general fund operating revenues or regular general fund operating expenditures.<sup>5</sup> The choice of revenues or expenditures as a basis of comparison may be dictated by what is more predictable in a government's particular circumstances.<sup>6</sup> Furthermore, a government's particular situation often may require a level of unrestricted fund balance in the general fund significantly in excess of this recommended minimum level. In any case, such measures should be applied within the context of long-term forecasting, thereby avoiding the risk of placing too much emphasis upon the level of unrestricted fund balance in the general fund at any one time. In establishing a policy governing the level of unrestricted fund balance in the general fund, a government should consider a variety of factors, including:

1. The predictability of its revenues and the volatility of its expenditures (i.e., higher levels of unrestricted fund balance may be needed if significant revenue sources are subject to unpredictable fluctuations or if operating expenditures are highly volatile);
2. Its perceived exposure to significant one-time outlays (e.g., disasters, immediate capital needs, state budget cuts);
3. The potential drain upon general fund resources from other funds, as well as, the availability of resources in other funds;
4. The potential impact on the entity's bond ratings and the corresponding increased cost of borrowed funds;
5. Commitments and assignments (i.e., governments may wish to maintain higher levels of unrestricted fund balance to compensate for any portion of unrestricted fund balance already committed or assigned by the government for a specific purpose). Governments may deem it appropriate to exclude from consideration resources that have been committed or assigned to some other purpose and focus on unassigned fund balance, rather than on unrestricted fund balance.

*Use and Replenishment.*

The fund balance policy should define conditions warranting its use, and if a fund balance falls below the government's policy level, a solid plan to replenish it. In that context, the fund balance policy should:

1. Define the time period within which and contingencies for which fund balances will be used;
2. Describe how the government's expenditure and/or revenue levels will be adjusted to match any new economic realities that are behind the use of fund balance as a financing bridge;
3. Describe the time period over which the components of fund balance will be replenished and the means by which they will be replenished.

Generally, governments should seek to replenish their fund balances within one to three years of use. Specifically, factors influencing the replenishment time horizon include:

1. The budgetary reasons behind the fund balance targets;
2. Recovering from an extreme event;
3. Political continuity;
4. Financial planning time horizons;
5. Long-term forecasts and economic conditions;

## 6. External financing expectations.

Revenue sources that would typically be looked to for replenishment of a fund balance include nonrecurring revenues, budget surpluses, and excess resources in other funds (if legally permissible and there is a defensible rationale). Year-end surpluses are an appropriate source for replenishing fund balance.

*Unrestricted Fund Balance Above Formal Policy Requirement.* In some cases, governments can find themselves in a position with an amount of unrestricted fund balance in the general fund over their formal policy reserve requirement even after taking into account potential financial risks in the foreseeable future. Amounts over the formal policy may reflect a structural trend, in which case governments should consider a policy as to how this would be addressed. Additionally, an education or communication strategy, or at a minimum, explanation of large changes in fund balance is encouraged. In all cases, use of those funds should be prohibited as a funding source for ongoing recurring expenditures.

### Notes:

1. For the sake of clarity, this recommended practice uses the terms GAAP fund balance and budgetary fund balance to distinguish these two different uses of the same term.
2. These categories are set forth in Governmental Accounting Standards Board (GASB) Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*.
3. Sometimes restricted fund balance includes resources available to finance items that typically would require the use of unrestricted fund balance (e.g., a contingency reserve). In that case, such amounts should be included as part of unrestricted fund balance for purposes of analysis.
4. See Recommended Practice 4.1 of the National Advisory Council on State and Local Budgeting governments on the need to "maintain a prudent level of financial resources to protect against reducing service levels or raising taxes and fees because of temporary revenue shortfalls or unpredicted one-time expenditures" (Recommended Practice 4.1).
5. In practice, a level of unrestricted fund balance significantly lower than the recommended minimum may be appropriate for states and America's largest governments (e.g., cities, counties, and school districts) because they often are in a better position to predict contingencies (for the same reason that an insurance company can more readily predict the number of accidents for a pool of 500,000 drivers than for a pool of fifty), and because their revenues and expenditures often are more diversified and thus potentially less subject to volatility.

6. In either case, unusual items that would distort trends (e.g., one-time revenues and expenditures) should be excluded, whereas recurring transfers should be included. Once the decision has been made to compare unrestricted fund balance to either revenues and/or expenditures, that decision should be followed consistently from period to period.

*This best practice was previously titled Appropriate Level of Unrestricted Fund Balance in the General Fund.*

**Board approval date: Wednesday, September 30, 2015**

# milwaukee journal sentinel

## WEST SUBURBS

# Waukesha County is considering a sales tax. Is it about time, or too much to ask?



**Jim Riccioli**

Milwaukee Journal Sentinel

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Waukesha County, and its governmental body, has long avoided something all but three Wisconsin counties have approved: a sales tax.

But a budget crunch has opened the possibility that the county may step away from its nearly exclusive status in that regard, or else enact other revenue-boosting measures to maintain services that no one wants to lose. That doesn't mean everyone wants a sales tax, however.

The County Board is expected to begin considering its options as early as late August as part of the annual budget process that includes five-year projections. Since spring, county officials have sought the help of a 35-member task force, consisting of government and organizational officials of different stripes, to help them consider those options.

To be clear, for the moment, the board has not adopted a sales tax. But the future beyond 2025 is another question.

"I think it'll be sooner rather than later," Waukesha County Executive Paul Farrow said in a phone interview in mid-August. "I think within the next calendar year, it's going to have to be decided. Right now, our goal is to work with the county supervisors, inform them about what we're looking at doing and get their feedback, and then talk to community people to get their feedback."

## Why the county is concerned about budget revenue

Farrow doesn't hedge when he discusses why the county has taken an interest in a sales tax decades after other counties started collecting such taxes from cash registers. In short, it's part of a reality that began four years before he became county executive in 2015.

Attachment: WAUKESHA COUNTY SALES TAX ARTICLE - 8.19.24 (9627 : Memo)

At that time, the Wisconsin State Legislature changed the property tax levy formula limits, eliminating the 2% ceiling that local municipalities could draw from taxpayers in places where new construction couldn't justify a larger levy increase. Municipalities could no longer raise their levies without new construction.

"Back in 2011, it was kind of the straw that set this all in motion," Farrow said.

For instance, the county's property valuation currently stands at about \$86 billion. To be able to levy an additional \$1 million from property taxpayers, the county would need to add \$1 billion in new property value annually. Over the cost of a decade, that revenue reality drove county officials, already conservative, to watch Waukesha County's budget even more closely as levy hikes were limited to an average of 1.4%, Farrow said.

Then COVID-19 hit. Inflation followed, hitting the county's coffers, as well. The budget crunch didn't end with the pandemic.

For the current 2025 budget cycle, Farrow said that for the county to maintain its existing services, it would cost about \$6.5 million more than 2024. The tax levy, under the existing formula, would be limited to only a \$1.4 million increase. That means a \$5 million gap the county has to make up, either through added revenue or extensive cuts.

"We have been doing this, closing gaps, year after year. But \$5 million is the biggest we've had, and we think inflation is going to continue," he said.

## **Waukesha County takes pride in its fiscal conservatism**

Farrow laughs at the question as to why the county hasn't already joined the other 69 Wisconsin counties that have approved a sales tax since state legislation made it possible in the 1990s. (In addition to Waukesha, only Racine and Winnebago counties don't have sales taxes, and Racine is also reportedly considering one.)

"Traditionally, I think Waukesha County has a phenomenal job (in budgeting)," he said.

"When I look back at the last nine budgets that I've introduced, we have done a great job of balancing and leveraging every tax dollar that we get, so we haven't needed the sales tax."

Recent decisions, like the Waukesha County Sheriff Department's decision to close the Huber Center prison in favor of electronic monitoring of nonviolent inmates, is one example of a never-ending push to cut county costs, he added.

That conservatism put the county at the bottom of the list on dollars spent per person — about \$650 annually, compared to a \$1,000 average for all counties, Farrow noted. "That goes to how we do our job, and how we do it so well," he said.

## Task force formed to study options, including sales tax

But Farrow said he and other county officials recognize that the county's only revenue stream, the property tax levy, "doesn't cover our cost of operations anymore." Officials asked aloud if the state might step in to help with additional shared revenue for state-related operations, given that undeniable reality in a conservative county.

The answer the county got from legislative leaders was that Waukesha County might have to rethink its approach. "We were told, 'you've got other revenue options to look at, and you should consider looking at those,' which was kind of interesting," Farrow said.

So efforts began to put together "a team" — the 35-member budget task force, a diverse crowd that includes mayors, business association representatives, nonprofit organizations and residents at large — to review all budget data, vet new revenue sources and generally add to county government officials' knowledge of the options. Including a potential sales tax.

Besides a sales tax, revenue options include an override levy referendum, in which the county could ask voters to allow more taxes to be collected than is otherwise allowed under state limits, and a wheel tax, a fee applied to vehicle owners (but a funding mechanism that must directly relate to transportation costs).

Task force members concur that the county's traditionally tight budgets are a factor in how they weighed data and discussed options to help the county balance its budgets in the years ahead.

"With a decade plus of levy caps impacting not only the counties, but all local cities and villages, we have come to a crossroads: either cut services such as police, fire and public works along with quality-of-life services like parks or find a new stream of revenue," Rick Petfalski, Muskego's mayor and task force member, said in an email interview. "There must be a better way to fund local governments besides the property tax."

Petfalski praised Farrow and county officials for putting together a task force to address the topic thoroughly and intelligently, all while acknowledging the need to remain fiscally responsible.

"From my viewpoint, almost all took the task seriously, trying to find the best combination of finding efficiencies, service reductions and possible new revenue sources. No one wants to see the tax burden increase for our residents if it can be avoided," he said.

## County sales tax could raise \$50 million or more in key ways

One factor that's not intended to be hidden in the discussion is the extent of new revenue that would likely be raised by a county sales tax, based on current data. In short, it would total \$50 million to \$60 million, Farrow said.

That figure comes in part from the efforts of Raftelis Financial Consultants, which the county retained to facilitate task force discussions. Raftelis has also helped gather data that will play an important role in county supervisors' decisions on how the county will proceed, Farrow said. The county will also rely on more precise Wisconsin Department of Revenue numbers before using any projections for budgeting purposes, he added.

Because the projected sales tax revenue could essentially be more than 10 times the 2025 budget deficit, the revenue, strictly speaking, would not be used to merely balance the budget but to provide fiscal relief in other ways to county taxpayers.

"Being the fiscal stewards we were, we would want to ensure ... is to reduce our property tax levy with a sales tax," Farrow said. "So the residents of Waukesha County would see a property tax reduction on their tax bills."

For Petfalski, a sales tax could reach even further.

"I believe a county sales tax that shares 40% of the revenue with local governments would be a way to provide property tax relief, not only at a county level, but at the local municipal level as well," he said. "It is an opportunity for us to fund some of our local services with revenue from people living outside of our county, like many of our residents who work and play in Milwaukee, Washington and Jefferson do in those counties."

Given Waukesha County's drawing power, including lakes and parks, that means cities would likewise benefit from tourist dollars in a manner that results in tax relief, Petfalski said. Plus, based on data that suggests more than a quarter of the workforce in the county live elsewhere, the nonresident workers themselves who spend money within the county would, in effect, be contributing to tax relief, he added.

## Sales tax is not universally favored, especially by businesses

Despite such possibilities and tourism-generated benefits, a county sales tax isn't a political walk in the park for everyone. Businesses, especially, might throw some shade on the idea.

For one, there's a flip side to not being among the 69 counties that have a sales tax, said Amanda Payne, president and CEO of the Waukesha County Business Alliance and also one of the 35 task force members.

"Being one of only three remaining counties in the state to not impose a sales tax is an advantage for business attraction and retention," Payne said in an email interview, acknowledging that she has heard that businesses are paying attention to the discussion.

Payne is glad that the county, for now at least, hasn't committed to a sales tax and will instead rely on fiscal management as it has in the past for the 2025 budget.

Even Petfalski, a conservative in a lake community where conservatism is prized as an effort to keep property tax dollars manageable, admitted to not being wholly happy with the prospect. "All tax increases concern me," he said.

County residents at large, who themselves would pay a new tax, won't automatically cheer a sales tax, he added. "No one wants to see costs increase, there isn't an endless supply of money, so I know there is a concern with such a proposal," Petfalski said.

Farrow agreed the lure of county taxes won't be universal. Asked who might be the most resistant, he said, with a laugh: "Every taxpayer that pays taxes."

Farrow said a final task force report on revenue and cost reduction options will be presented to the County Board on Aug. 27. Details, or perhaps the full report itself, will likely be posted on the county's website after that date.

*Contact reporter Jim Riccioli at [james.riccioli@jrn.com](mailto:james.riccioli@jrn.com).*



## CITY OF MEQUON, WISCONSIN CPI VS. NNC: 2015 - 2024

YEAR	CPI	ASSESSED VALUE	NET NEW CONSTRUCTION (NNC)	
			AMOUNT	PERCENTAGE
2024*	2.9%	Pending	\$64,244,100	0.98%
2023	3.4%	5,997,009,400	\$70,699,700	1.18%
2022	6.5%	5,403,150,300	\$119,490,400	2.21%
2021	7.0%	5,232,431,000	\$83,368,900	1.59%
2020	1.4%	5,048,795,100	\$74,637,900	1.48%
2019	2.3%	4,797,857,000	\$104,098,300	2.17%
2018	1.9%	4,610,493,300	\$69,729,900	1.51%
2017	2.1%	4,478,909,700	\$65,179,900	1.46%
2016	2.1%	4,361,728,700	\$75,211,800	1.72%
2015	0.7%	4,126,761,500	\$26,887,900	0.65%
<b>TOTAL:</b>	<b>30.3%</b>	<b>1,870,247,900</b>	<b>\$753,548,800</b>	<b>14.95%</b>
<b>ANNUALIZED:</b>	<b>3.03%</b>			<b>1.50%</b>

\*Thru July

Attachment: CPI VS. NNC 2015-2024 (9627 : Memo)



## PROPOSAL FOR THE STATISTICAL MARKET UPDATE REVALUATION CITY OF MEQUON 2025

### Scope of Work

- Catalis Tax & CAMA, Inc will perform a Statistical Market Update Revaluation for all Real Property within the City of Mequon effective for the 2025 assessment year. All real estate parcels will be revalued to or near 100% of Market Value in accordance with Chapter 70 of the Wisconsin State Statutes and the Wisconsin Property Assessment Manual.

### Project Tasks

- Provide information for two public relation communications
- Produce and analyze initial statistical reports
- Identify the valid arms -length sales that will be used in the revaluation process
- Perform analysis to formulate time adjustments for sales comparisons
- Perform sales analysis to update land and improvement valuation models throughout the City
- Update land valuation models for Agricultural, Swamp, Forest & Ag use Forest lands
- Run and review various quality control reports
- Enter and review current for sale listings into Market Drive database
- Verify final assessed values are aligned with Department of Revenue's preliminary economics
- Produce new assessment notices and mail to property owners
- Field phone calls, emails and respond to taxpayer questions
- Provide an Open Book period long enough to meet with owners that have concerns and questions regarding new assessment figures
- Mail owners follow up letters informing them of outcome of reviews due to Open Book conferences
- Prepare for Board of Review cases
- Attend Board of Review meeting (s) and defend new assessments

### Project Timeline

- Initial public relation communication regarding revaluation in October of 2024
- Preparatory work for revaluation performed in November 2024 – December 2024
- In-house revaluation work performed in January 2025 – June 2025
- Final Public relation communication April 2025
- New assessment notices mailed to owners in July 2025



- Open Book held in August 2025
- Board of Review held in September 2025

### Project Cost

- \$150,000 (all-inclusive cost, includes defense of assessments appealed further than the Board of Review)

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Les Ahrens", is written over a horizontal line.

Les Ahrens  
Director of Valuation Services  
Catalis Tax & CAMA, Inc

Attachment: Revaluation Proposals (9627 : Memo)



## PROPOSAL FOR THE MARKET UPDATE REVALUATION CITY OF MEQUON 2025

### Scope of Work

- Catalis Tax & CAMA, Inc will perform a Market Update Revaluation for all Real Property within the City of Mequon effective for the 2025 assessment year. All real estate parcels will be revalued to or near 100% of Market Value in accordance with Chapter 70 of the Wisconsin State Statutes and the Wisconsin Property Assessment Manual.

### Project Tasks

- Provide information for two public relation communications
- Produce and analyze initial statistical reports
- Identify the valid arms -length sales that will be used in the revaluation process
- Review neighborhood and neighborhood groups, re-delineate if necessary
- Initial re-calibration of the improvement valuation model used to set values
- Perform analysis to formulate time adjustments for sales comparisons
- Perform sales analysis to recalibrate land valuation models throughout the City
- Update land valuation models for Agricultural, Swamp, Forest & Ag use Forest lands
- Detailed individual review of all valid arms-length sale properties used for the revaluation
- Further refinement of the improvement valuation model
- Detailed individual review of all properties throughout the City of Mequon, this includes a review for record card accuracy and uniformity compared to other similar properties as well as a final review of the new assessed values
- Final statistical review
- Final adjustments to valuation models
- Run and review various quality control reports
- Enter and review current for sale listings into Market Drive database
- Verify final assessed values are aligned with Department of Revenue's preliminary economics
- Produce new assessment notices and mail to property owners
- Field phone calls, emails and respond to taxpayer questions
- Provide an Open Book period long enough to meet with owners that have concerns and questions regarding new assessment figures
- Mail owners follow up letters informing them of outcome of reviews due to Open Book conferences
- Prepare for Board of Review cases
- Attend Board of Review meeting (s) and defend new assessments

Attachment: Revaluation Proposals (9627 : Memo)



### Project Timeline

- Initial public relation communication regarding revaluation in October of 2024
- Preparatory work for revaluation performed in October 2024 – December 2024
- In-house revaluation work performed in January 2025 – July 2025
- Final Public relation communication May 2025
- New assessment notices mailed to owners in July 2025
- Open Book held in August 2025
- Board of Review held in September / October 2025

### Project Cost

- \$225,000 (all-inclusive cost, includes defense of assessments appealed further than the Board of Review)

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Les Ahrens", is written over a horizontal line.

Les Ahrens  
Director of Valuation Services  
Catalis Tax & CAMA, Inc



## PROPOSAL FOR THE EXTERIOR WALK AROUND REVALUATION CITY OF MEQUON 2026

### Scope of Work

- Catalis Tax & CAMA, Inc will perform an Exterior Revaluation for all Real Property within the City of Mequon effective for the 2026 assessment year. All real estate parcels will be revalued to or near 100% of Market Value in accordance with Chapter 70 of the Wisconsin State Statutes and the Wisconsin Property Assessment Manual.

### Project Tasks

- Provide information for two public relation communications
- Mail owners a letter informing them of the exterior revaluation and the timeline an Assessor will visit their property
- Physical inspections of all real property including measurements and digital photos
- Data entry of all field collected data into Market Drive CAMA software
- Produce and analyze initial statistical reports
- Identify the valid arms -length sales that will be used in the revaluation process
- Review neighborhood and neighborhood groups, re-delineate if necessary
- Initial re-calibration of the improvement valuation model used to set values
- Perform analysis to formulate time adjustments for sales comparisons
- Perform sales analysis to recalibrate land valuation models throughout the City
- Update land valuation models for Agricultural, Swamp, Forest & Ag use Forest lands
- Detailed individual review of all valid arms-length sale properties used for the revaluation
- Further refinement of the improvement valuation model
- Detailed individual review of all properties throughout the City of Mequon, this includes a review for record card accuracy and uniformity compared to other similar properties as well as a final review of the new assessed values
- Final statistical review
- Final adjustments to valuation models
- Run and review various quality control reports
- Enter and review current for sale listings into Market Drive database
- Verify final assessed values are aligned with Department of Revenue's preliminary economics
- Produce new assessment notices and mail to property owners
- Field phone calls, emails and respond to taxpayer questions
- Provide an Open Book period long enough to meet with owners that have concerns and questions regarding new assessment figures



- Mail owners follow up letters informing them of outcome of reviews due to Open Book conferences
- Prepare for Board of Review cases
- Attend Board of Review meeting (s) and defend new assessments

### Project Timeline

- Initial public relation communication regarding revaluation in March of 2025
- Mail owner's inspection letter in April of 2025
- Physical inspections May 2025 through October 2025
- Data entry May 2025 through December 2025
- Preparatory work for revaluation performed in October 2025 – December 2025
- In-house revaluation work performed in January 2026 – July 2026
- Final Public relation communication May 2026
- New assessment notices mailed to owners in July 2026
- Open Book held in August 2026
- Board of Review held in September / October 2026

### Project Cost

- \$445,000 (all-inclusive cost, includes defense of assessments appealed further than the Board of Review)

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Les Ahrens", is written over a horizontal line.

Les Ahrens  
 Director of Valuation Services  
 Catalis Tax & CAMA, Inc

Attachment: Revaluation Proposals (9627 : Memo)



## PROPOSAL FOR THE FULL INTERIOR INSPECTION REVALUATION CITY OF MEQUON 2027

### Scope of Work

- Catalis Tax & CAMA, Inc will perform a Full interior and exterior Revaluation for all Real Property within the City of Mequon effective for the 2027 assessment year. All real estate parcels will be revalued to or near 100% of Market Value in accordance with Chapter 70 of the Wisconsin State Statutes and the Wisconsin Property Assessment Manual.

### Project Tasks

- Provide information for two public relation communications
- Mail owners a letter informing them of full interior and exterior revaluation and the timeline an Assessor will visit their property
- Physical interior and exterior inspections of all real estate parcels located in the City
- Data entry of all field collected data into Market Drive CAMA software
- Produce and analyze initial statistical reports
- Identify the valid arms -length sales that will be used in the revaluation process
- Review neighborhood and neighborhood groups, re-delineate if necessary
- Initial re-calibration of the improvement valuation model used to set values
- Perform analysis to formulate time adjustments for sales comparisons
- Perform sales analysis to recalibrate land valuation models throughout the City
- Update land valuation models for Agricultural, Swamp, Forest & Ag use Forest lands
- Detailed individual review of all valid arms-length sale properties used for the revaluation
- Further refinement of the improvement valuation model
- Detailed individual review of all properties throughout the City of Mequon, this includes a review for record card accuracy and uniformity compared to other similar properties as well as a final review of the new assessed values
- Final statistical review
- Final adjustments to valuation models
- Run and review various quality control reports
- Enter and review current for sale listings into Market Drive database
- Verify final assessed values are aligned with Department of Revenue's preliminary economics
- Produce new assessment notices and mail to property owners
- Field phone calls, emails and respond to taxpayer questions



- Provide an Open Book period long enough to meet with owners that have concerns and questions regarding new assessment figures
- Mail owners follow up letters informing them of outcome of reviews due to Open Book conferences
- Prepare for Board of Review cases
- Attend Board of Review meeting (s) and defend new assessments

### Project Timeline

- Initial public relation communication regarding revaluation in March of 2025
- Mail owner's inspection letter in April of 2025
- Physical inspections May 2025 through October 2026
- Data entry May 2025 through December 2026
- Preparatory work for revaluation performed in October 2026 – December 2026
- In-house revaluation work performed in January 2027 – July 2027
- Final Public relation communication May 2027
- New assessment notices mailed to owners in July 2027
- Open Book held in August 2027
- Board of Review held in September / October 2027

### Project Cost

- \$790,000 (all-inclusive cost, includes defense of assessments appealed further than the Board of Review)

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Les Ahrens", written over a horizontal line.

Les Ahrens  
 Director of Valuation Services  
 Catalis Tax & CAMA, Inc

Attachment: Revaluation Proposals (9627 : Memo)

Compulsory Expenditure Increases - 2025 Budget	
DESCRIPTION	AMOUNT
<b>GENERAL GOVERNMENT</b>	
<b>City Clerk</b>	
Weights & Measures	\$1,200
Civic Plus: Annual Online Code Fee & Codification	\$600
<b>Sub-Total:</b>	<b>\$1,800</b>
<b>Information Services</b>	
40 Adobe Acrobat Licenses (15 Pro & 25 Standard)	\$8,000
Microsoft 365 Licensing Increase	\$2,100
MUNIS Licensing Increase	\$2,000
<b>Sub-Total:</b>	<b>\$12,100</b>
<b>Finance</b>	
CPA Organization Membership	-\$350
Postage: Increase of 7.8%	\$1,000
OPEB Consultants: Full Valuation Report	\$5,425
<b>Sub-Total:</b>	<b>\$6,075</b>
<b>Assessment</b>	
Postage: Increase of 7.8%	\$256
<b>Sub-Total:</b>	<b>\$256</b>
<b>Human Resources</b>	
ICMA Certification	\$535
Employee Benefits Corporation FSA	-\$600
Phone	-\$50
<b>Sub-Total:</b>	<b>-\$116</b>
<b>PUBLIC SAFETY</b>	
<b>Police</b>	
Postage: Increase of 7.8%	\$100
Contracted Services: Cell Hawk	\$250

Attachment: COMPULSORY EXPENDITURE INCREASES - 2025 (9627 : Memo)

Contracted Services: Cell Bright/Magnet Forensics	\$386
Contracted Services: Power DMS (Schedule & Accreditation)	\$198
Contracted Services: Clear Software Access	\$120
Contracted Services: Lexipol Department Policy Management	\$500
Miscelaaneous Services: Towing Fee Increase	\$400
Rental Fee Increase	\$108
<b>Sub-Total:</b>	<b>\$2,062</b>
<b>Communications</b>	
Compensatory Time	\$4,000
<b>Sub-Total:</b>	<b>\$4,000</b>
<b>PUBLIC WORKS</b>	
<b>Building Maintenance</b>	
Janitorial Supplies - City Buildings: Increase in Material Costs, Cleaning & Usage	\$1,000
Work Supplies - DPW: Preventative Mainetnace - HVAC, Garage Doors, Roof, Etc.	\$1,000
Contracted Services - General: HVAC Preventative Maintenance Contract	\$3,397
Contracted Services - General: Packerland Mat Contract	\$600
Contracted Services - General: Fire Protection Services	\$195
Contracted Services - General: Elevator Contract	\$75
Contracted Services - General: Dumpster Fees	\$185
Contracted Services - General: AXIS Key Fob System Monitoring - Advatech	\$1,900
Electric - City Hall: 6.5% Increase	\$3,000
Electric - Highway Building: 6.5% Increase	\$2,000
Electric - Sirens: 6.5% Increase	\$170
Gas - East Side Fire Station: 1.9% Increase	\$670
Gas - Highway Building: 1.9% Increase	\$500
Maintenance & Repairs - Safety Building: Match Historic Average for Building, HVAC & Roof Repairs	\$10,000
Maintenance & Repairs - DPW Buildings: Match Historic Average for Additional Repairs	\$5,000
<b>Sub-Total:</b>	<b>\$29,692</b>
<b>Engineering</b>	
Memberships: Increase in APWA Membership Fees	\$80

Attachment: COMPULSORY EXPENDITURE INCREASES - 2025 (9627 : Memo)

Consultants - General: Increase in SWWT Water Fee to Meet WDNR MS4 Requirements	\$1,735
<b>Sub-Total:</b>	<b>\$1,815</b>
<b>Fleet Services</b>	
Motor Fuels & Lubricant: Fuel, Lubricant, Tank Inspection & M3 Cost Increase	\$26,850
Maintenance & Repairs: Emission System Repairs; Adjust to 3-Year Average	\$18,000
<b>Sub-Total:</b>	<b>\$44,850</b>
<b>Forestry</b>	
Printing/Publications: Brush Site Permits	\$150
Contracted Services - General: Increase in Grinding Volume	\$1,000
<b>Sub-Total:</b>	<b>\$1,150</b>
<b>Highway</b>	
Work Supplies - Snow & Ice: Increase in Salt Contract Unit Price & Material Costs	\$52,555
Work Supplies - Streets: Increase in Materials/Quantities Due to Added Striping/Signage on New Roads	\$5,367
Contracted Services - General: Increase in # of Locates, Recycling Fees/Contract, Curb, Gutter & Inlet Repairs	\$13,000
Contracted Services - Maintenance: Required Traffic Signal Preventative Maintenance Contract	\$1,575
Maintenance & Repairs: Adjust to 3-Year Actual Average	\$9,250
<b>Sub-Total:</b>	<b>\$81,747</b>
<b>Pool</b>	
Maintenance & Repairs - Adjust to 4-Year Average	\$1,540
<b>Sub-Total:</b>	<b>\$1,540</b>
<b>Parks</b>	
Contracted Services - Holding Tank Pumping at Lemke Park + Contract Increase	\$3,810
Contracted Services - Maintenance: Road Median & Field Maintenance Contract Adjustments	\$16,087
Electric - Service to Lemke Park Pavilion	\$850
Gas - Service to Lemke Park Pavilion	\$950
Janitorial Supplies - Increase in Cost & Usage	\$250
<b>Sub-Total:</b>	<b>\$21,947</b>
<b>COMMUNITY DEVELOPMENT</b>	
<b>Inspections</b>	
Postage - Increase of 7.8%	\$132

Attachment: COMPULSORY EXPENDITURE INCREASES - 2025 (9627 : Memo)

Certification Training Costs	-\$265
<b>Sub-Total:</b>	<b>-\$133</b>
<b>Planning</b>	
Postage - Increase of 7.8%	\$312
Adjustment from Single to Family Health Insurance Coverage	\$15,581
<b>Sub-Total:</b>	<b>\$15,893</b>
<b>GRAND TOTAL:</b>	<b>\$224,678</b>

Attachment: COMPULSORY EXPENDITURE INCREASES - 2025 (9627 : Memo)

### **Budget Summary – Squad/Body Cameras and Electronic Control Devices**

The Police Department needs to upgrade its body and squad camera systems due to the current system's frequent failures and maintenance needs. The current system, Watchguard, was purchased in 2020 and is now outdated. Two vendors, Watchguard and Axon, have been identified as potential replacements.

Watchguard, despite being the current vendor, has seen a decline in customer service and technical support, causing dissatisfaction among officers. The quoted price from Watchguard is competitive, but it only offers one equipment refresh over five years. The total cost for Watchguard's system is \$337,370.60 over five years.

Axon, on the other hand, offers a well-designed body and squad camera system with superior features. It integrates with the Department's records management system and the Flock License Plate Reader System, streamlining the process of managing recorded videos and making investigations more efficient.

In addition to the camera systems, Axon also proposes replacing the Department's current electronic control devices, the Taser X2 devices, which were designed in 2011, with the latest model, the Taser 10. This upgrade includes all necessary training and holsters for the transition, as well as cartridges for training and field use. The contract would establish a predictable annual cost for training and deployment, simplifying the budgeting process. The Axon quote includes two equipment refreshes for the body camera systems, resulting in new equipment approximately every two years.

The total Axon quote is \$497,631.20 over five years. Despite its higher cost, the Department's staff highly recommends Axon due to its reliability and positive reviews from other local police departments. The Department suggests incorporating the cost into the Operating Budget through the Contract General Services account, with the first year's cost covered by reallocating existing Capital funds from the Police Radio Equipment Fund.

The selected system has a total five-year cost of \$497,631.20 with \$91,876.00 due in the first year, which can be paid for with existing funds transferred from the Police Radio Capital Account. The subsequent years would then be incorporated into the operating budget.

**CAPITAL BUDGET 2025**

MUNIS Project #	Description	2024 Approved Funding	2024 Balance as of 8/15/24	Department Head Request	City Administrator Recommended	Appropriation Committee Recommended	Common Council Approved
<b>BUILDINGS</b>							
597	Warm Storage Building	\$0	\$0	\$0			
596	Auto. Gate and Assocc Equip. for Brush Site	\$0	\$0	\$150,000			
598	Automatic Wash Bay Equipment	\$0	\$0	\$250,000			
2621	Safety Building Remodel	\$0	\$0	\$60,000			
10037	Swimming Pool Equipment	\$0	\$3,592	\$148,100			
12015	City Wide Building Repairs	\$175,000	\$207,114	\$885,000			
10023	DPW Facilities	\$0	\$658	\$0			
10024	City Facilities Improvements	\$0	\$17,036	\$0			
<b>TOTAL</b>		<b>\$175,000</b>	<b>\$228,400</b>	<b>\$1,493,100</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
<b>ELECTIONS</b>							
10063	Election Equipment	\$0	\$25,190	\$20,000			
<b>TOTAL</b>		<b>\$0</b>	<b>\$25,190</b>	<b>\$20,000</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
<b>ENGINEERING</b>							
10001	Right of Way Assets*	\$0	\$2,027,183	\$2,150,000			
10003	Annual Road Maintenance	\$350,000	\$122,316	\$370,000			
10013	Major & Secondary Drainage	\$0	\$6,009	\$50,000			
10028	Master Storm Water Management	\$0	\$75,934	\$35,000			
12013	Asset Management Software	\$0	\$14,579	\$35,000			
10009	Highland Road Interchange	\$0	\$56,138	\$0			
10052	Roadway Light & Traffic Signal	\$0	\$33,963	\$0			
<b>TOTAL</b>		<b>\$350,000</b>	<b>\$2,336,122</b>	<b>\$2,640,000</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
<b>FIRE/EMS</b>							
10236	Fire & EMS Vehicles	\$100,000	\$0	\$0			
10134	Fire Equipment Replacement	\$10,000	\$0	\$0			
12029	Hydraulic Rescue Equipment	\$0	\$0	\$0			
<b>TOTAL</b>		<b>\$110,000</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
<b>FLEET</b>							
10359	DPW Vehicles & Equipment	\$270,000	\$251,805	\$875,000			
10360	Capital Equipment Leases	\$80,000	\$110,037	\$101,500			
<b>TOTAL</b>		<b>\$350,000</b>	<b>\$361,842</b>	<b>\$976,500</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
<b>INFORMATION TECHNOLOGY</b>							
10117	Munis Module Implementation	\$0	\$14,437	\$0			
179	Computers, Servers & Components Replacement Cycle	\$10,000	\$0	\$14,000			
185	Common Council Chambers AV System Replacement	\$0	\$0	\$180,000			
184	Network Infrastructure Replacement	\$0	\$0	\$1,500			
<b>TOTAL</b>		<b>\$10,000</b>	<b>\$14,437</b>	<b>\$195,500</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
<b>PARKS/FORESTRY</b>							
10474	Parks Planning & Improvements	\$75,000	\$123,671	\$201,015			
10062	Urban Forestry	\$5,000	\$16,901	\$5,000			
10070	Emerald Ash Borer	\$75,000	\$121,064	\$70,000			

Attachment: DRAFT 2025 CAPITAL BUDGET (9627 : Memo)

**CAPITAL BUDGET 2025**

MUNIS Project #	Description	2024 Approved Funding	2024 Balance as of 8/15/24	Department Head Request	Appropriation		
					City Administrator Recommended	Committee Recommended	Common Council Approved
10071	Cemetery Improvements		\$5,000	\$0			
<b>TOTAL</b>		\$155,000	\$266,637	\$276,015	\$0	\$0	\$0
<b>POLICE</b>							
10235	Police Vehicles	\$175,000	\$337,529	\$195,000			
10135	Police Officer Equipment	\$20,000	\$131,250	\$40,000			
10036	Police Weapons	\$8,000	\$22,785	\$16,000			
12012	Police Building IT Equipment	\$0	\$10,628	\$5,000			
10029	Police Vehicle IT Equipment	\$0	\$24,632	\$10,000			
12044	Police Computer Replacement	\$0	\$11,081	\$5,000			
10040	Police Radio Equipment	\$0	\$178,344	\$0			
<b>TOTAL</b>		\$203,000	\$716,250	\$271,000	\$0	\$0	\$0
<b>COMMUNITY DEVELOPMENT</b>							
10802	TIF #2 Business Park	\$0	\$31,011	\$0			
10803	TIF #3 Town Center	\$0	-\$5,704,163	\$0			
10804	TIF #4 Port Washington Road	\$0	\$1,142,514	\$0			
10805	TIF #5 Port Washington Road	\$0	\$1,334,507	\$0			
<b>TOTAL</b>		\$0	-\$3,196,132	\$0	\$0	\$0	\$0
<b>OTHER CAPITAL ACCOUNTS</b>							
12001	Library Capital Reserve		\$3,193				
<b>TOTAL</b>		\$0	\$3,193	\$0	\$0	\$0	\$0
<b>TOTAL FOR CURRENT PROJECTS</b>		<b>\$1,353,000</b>	<b>\$755,939</b>	<b>\$5,872,115</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

\*\$1.7M of the requested total was included in the 2022 Borrowing for the Road Program



City of Mequon, Wisconsin  
 Capital Plan  
 FY 2025 through FY 2029

Projects by Department

Department	Project #	Project Name	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	Total
Building Maintenance	10037	Swimming Pool Equipment	\$ 148,100	\$ 150,000	\$ 150,000	\$ -	\$ -	\$ 448,100
Building Maintenance	12015	City-Wide Building Repair	\$ 885,000	\$ 885,000	\$ 885,000	\$ 885,000	\$ 885,000	\$ 4,425,000
Building Maintenance	2621	Safety Building Remodel	\$ 60,000	\$ -	\$ -	\$ -	\$ -	\$ 60,000
Building Maintenance	596	Auto. Gate and Assoc Equip. for Brush Site	\$ 150,000	\$ -	\$ -	\$ -	\$ -	\$ 150,000
Building Maintenance	597	Warm Storage Building	\$ -	\$ 500,000	\$ -	\$ -	\$ -	\$ 500,000
Building Maintenance	598	Automatic Wash Bay Equipment	\$ 250,000	\$ -	\$ -	\$ -	\$ -	\$ 250,000
<b>Building Maintenance Total</b>			<b>\$ 1,493,100</b>	<b>\$ 1,535,000</b>	<b>\$ 1,035,000</b>	<b>\$ 885,000</b>	<b>\$ 885,000</b>	<b>\$ 5,833,100</b>
Elections	10063	Election Equipment	\$ 20,000	\$ -	\$ 20,000	\$ -	\$ 20,000	\$ 60,000
<b>Elections Total</b>			<b>\$ 20,000</b>	<b>\$ -</b>	<b>\$ 20,000</b>	<b>\$ -</b>	<b>\$ 20,000</b>	<b>\$ 60,000</b>
Engineering	10001	Right-of-Way Assets	\$ 1,900,000	\$ 1,900,000	\$ 1,900,000	\$ 2,000,000	\$ 2,050,000	\$ 9,750,000
Engineering	10001a	Parking Lot Resurfacing	\$ 250,000	\$ 250,000	\$ 250,000	\$ 250,000	\$ 250,000	\$ 1,250,000
Engineering	10003	Annual Road Maintenance	\$ 370,000	\$ 380,000	\$ 390,000	\$ 400,000	\$ 410,000	\$ 1,950,000
Engineering	10013	Major & Secondary Drainage	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000	\$ 250,000
Engineering	10028	Master Storm Water Management	\$ 35,000	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000	\$ 235,000
Engineering	12013	Asset Management Software	\$ 35,000	\$ 25,000	\$ 20,000	\$ 15,000	\$ 10,000	\$ 105,000
<b>Engineering Total</b>			<b>\$ 2,640,000</b>	<b>\$ 2,655,000</b>	<b>\$ 2,660,000</b>	<b>\$ 2,765,000</b>	<b>\$ 2,820,000</b>	<b>\$ 13,540,000</b>
Fleet Maintenance	10359	DPW Vehicles & Equipment	\$ 875,000	\$ 900,000	\$ 925,000	\$ 950,000	\$ 975,000	\$ 4,625,000
Fleet Maintenance	10360	Capital Equipment Leases	\$ 101,500	\$ 101,500	\$ 100,000	\$ 100,000	\$ 100,000	\$ 503,000
<b>Fleet Maintenance Total</b>			<b>\$ 976,500</b>	<b>\$ 1,001,500</b>	<b>\$ 1,025,000</b>	<b>\$ 1,050,000</b>	<b>\$ 1,075,000</b>	<b>\$ 5,128,000</b>
Forestry	10062	Urban Forestry	\$ 5,000	\$ 5,000	\$ 5,000	\$ 5,000	\$ 5,000	\$ 25,000
Forestry	10070	Emerald Ash Borer	\$ 70,000	\$ 65,000	\$ 65,000	\$ 60,000	\$ 60,000	\$ 320,000
<b>Forestry Total</b>			<b>\$ 75,000</b>	<b>\$ 70,000</b>	<b>\$ 70,000</b>	<b>\$ 65,000</b>	<b>\$ 65,000</b>	<b>\$ 345,000</b>
Information Technology	10117	Munis Module Implementation	\$ -	\$ 10,000	\$ 10,000	\$ 10,000	\$ 10,000	\$ 40,000
Information Technology	179	Computers, Servers & Components Replacement Cycle	\$ 14,000	\$ 85,000	\$ 15,000	\$ 12,000	\$ 29,000	\$ 155,000
Information Technology	184	Network Infrastructure Replacement	\$ 1,500	\$ 1,000	\$ 1,000	\$ 6,000	\$ 5,000	\$ 14,500
Information Technology	185	Common Council Chambers AV System Replacement	\$ 180,000	\$ -	\$ -	\$ -	\$ -	\$ 180,000
<b>Information Technology Total</b>			<b>\$ 195,500</b>	<b>\$ 96,000</b>	<b>\$ 26,000</b>	<b>\$ 28,000</b>	<b>\$ 44,000</b>	<b>\$ 389,500</b>
Parks	10474	Park Planning & Improvements	\$ 201,015	\$ 118,250	\$ 110,000	\$ 100,000	\$ 100,000	\$ 629,265
<b>Parks Total</b>			<b>\$ 201,015</b>	<b>\$ 118,250</b>	<b>\$ 110,000</b>	<b>\$ 100,000</b>	<b>\$ 100,000</b>	<b>\$ 629,265</b>
Police	10029	Police Vehicle IT Equipment	\$ 10,000	\$ 10,000	\$ 10,000	\$ 10,000	\$ 10,000	\$ 50,000
Police	10036	Police Weapons	\$ 16,000	\$ 8,000	\$ 8,000	\$ 8,000	\$ 8,000	\$ 48,000
Police	10040	Police Radio Equipment	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Police	10135	Police Officer Equipment	\$ 40,000	\$ 40,000	\$ 40,000	\$ 40,000	\$ 40,000	\$ 200,000
Police	10235	Police Vehicles	\$ 195,000	\$ 195,000	\$ 195,000	\$ 195,000	\$ 195,000	\$ 975,000
Police	12012	Police Building IT Equipment	\$ 5,000	\$ 5,000	\$ 5,000	\$ 5,000	\$ 5,000	\$ 25,000
Police	12044	Police Computer Replacement	\$ 5,000	\$ 5,000	\$ 5,000	\$ 5,000	\$ 5,000	\$ 25,000
<b>Police Total</b>			<b>\$ 271,000</b>	<b>\$ 263,000</b>	<b>\$ 263,000</b>	<b>\$ 263,000</b>	<b>\$ 263,000</b>	<b>\$ 1,323,000</b>
<b>Grand Total</b>			<b>\$ 5,872,115</b>	<b>\$ 5,738,750</b>	<b>\$ 5,209,000</b>	<b>\$ 5,156,000</b>	<b>\$ 5,272,000</b>	<b>\$ 27,247,865</b>

Attachment: 5-YEAR CIP - 2025-2029 (9627 : Memo)



City of Mequon, Wisconsin  
 Capital Plan  
 FY 2025 through FY 2029

Projects by Funding Source

Funding Source	Project # Project Name	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	Total
Bonding	10001 Right-of-Way Assets	\$ 1,900,000	\$ 1,900,000	\$ 1,900,000	\$ 2,000,000	\$ 2,050,000	\$ 9,750,000
<b>Bonding Total</b>		<b>\$ 1,900,000</b>	<b>\$ 1,900,000</b>	<b>\$ 1,900,000</b>	<b>\$ 2,000,000</b>	<b>\$ 2,050,000</b>	<b>\$ 9,750,000</b>
Capital Projects Fund	10001a Parking Lot Resurfacing	\$ 250,000	\$ 250,000	\$ 250,000	\$ 250,000	\$ 250,000	\$ 1,250,000
Capital Projects Fund	10003 Annual Road Maintenance	\$ 370,000	\$ 380,000	\$ 390,000	\$ 400,000	\$ 410,000	\$ 1,950,000
Capital Projects Fund	10013 Major & Secondary Drainage	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000	\$ 250,000
Capital Projects Fund	10028 Master Storm Water Management	\$ 35,000	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000	\$ 235,000
Capital Projects Fund	10029 Police Vehicle IT Equipment	\$ 10,000	\$ 10,000	\$ 10,000	\$ 10,000	\$ 10,000	\$ 50,000
Capital Projects Fund	10036 Police Weapons	\$ 16,000	\$ 8,000	\$ 8,000	\$ 8,000	\$ 8,000	\$ 48,000
Capital Projects Fund	10037 Swimming Pool Equipment	\$ 148,100	\$ 150,000	\$ 150,000	\$ -	\$ -	\$ 448,100
Capital Projects Fund	10040 Police Radio Equipment	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Capital Projects Fund	10062 Urban Forestry	\$ 5,000	\$ 5,000	\$ 5,000	\$ 5,000	\$ 5,000	\$ 25,000
Capital Projects Fund	10063 Election Equipment	\$ 20,000	\$ -	\$ 20,000	\$ -	\$ 20,000	\$ 60,000
Capital Projects Fund	10070 Emerald Ash Borer	\$ 70,000	\$ 65,000	\$ 65,000	\$ 60,000	\$ 60,000	\$ 320,000
Capital Projects Fund	10117 Munis Module Implementation	\$ -	\$ 10,000	\$ 10,000	\$ 10,000	\$ 10,000	\$ 40,000
Capital Projects Fund	10135 Police Officer Equipment	\$ 40,000	\$ 40,000	\$ 40,000	\$ 40,000	\$ 40,000	\$ 200,000
Capital Projects Fund	10235 Police Vehicles	\$ 195,000	\$ 195,000	\$ 195,000	\$ 195,000	\$ 195,000	\$ 975,000
Capital Projects Fund	10359 DPW Vehicles & Equipment	\$ 875,000	\$ 900,000	\$ 925,000	\$ 950,000	\$ 975,000	\$ 4,625,000
Capital Projects Fund	10474 Park Planning & Improvements	\$ 201,015	\$ 118,250	\$ 110,000	\$ 100,000	\$ 100,000	\$ 629,265
Capital Projects Fund	12012 Police Building IT Equipment	\$ 5,000	\$ 5,000	\$ 5,000	\$ 5,000	\$ 5,000	\$ 25,000
Capital Projects Fund	12013 Asset Management Software	\$ 35,000	\$ 25,000	\$ 20,000	\$ 15,000	\$ 10,000	\$ 105,000
Capital Projects Fund	12015 City-Wide Building Repair	\$ 885,000	\$ 885,000	\$ 885,000	\$ 885,000	\$ 885,000	\$ 4,425,000
Capital Projects Fund	12044 Police Computer Replacement	\$ 5,000	\$ 5,000	\$ 5,000	\$ 5,000	\$ 5,000	\$ 25,000
Capital Projects Fund	179 Computers, Servers & Components Replacement Cycle	\$ 14,000	\$ 85,000	\$ 15,000	\$ 12,000	\$ 29,000	\$ 155,000
Capital Projects Fund	184 Network Infrastructure Replacement	\$ 1,500	\$ 1,000	\$ 1,000	\$ 6,000	\$ 5,000	\$ 14,500
Capital Projects Fund	185 Common Council Chambers AV System Replacement	\$ 180,000	\$ -	\$ -	\$ -	\$ -	\$ 180,000
Capital Projects Fund	2621 Safety Building Remodel	\$ 60,000	\$ -	\$ -	\$ -	\$ -	\$ 60,000
Capital Projects Fund	10360 Capital Equipment Leases	\$ 101,500	\$ 101,500	\$ 100,000	\$ 100,000	\$ 100,000	\$ 503,000
Capital Projects Fund	596 Auto. Gate and Assoc Equip. for Brush Site	\$ 150,000	\$ -	\$ -	\$ -	\$ -	\$ 150,000
Capital Projects Fund	597 Warm Storage Building	\$ -	\$ 500,000	\$ -	\$ -	\$ -	\$ 500,000
Capital Projects Fund	598 Automatic Wash Bay Equipment	\$ 250,000	\$ -	\$ -	\$ -	\$ -	\$ 250,000
<b>Capital Projects Fund Total</b>		<b>\$ 3,972,115</b>	<b>\$ 3,838,750</b>	<b>\$ 3,309,000</b>	<b>\$ 3,156,000</b>	<b>\$ 3,222,000</b>	<b>\$ 17,497,865</b>
<b>Grand Total</b>		<b>\$ 5,872,115</b>	<b>\$ 5,738,750</b>	<b>\$ 5,209,000</b>	<b>\$ 5,156,000</b>	<b>\$ 5,272,000</b>	<b>\$ 27,247,865</b>

Attachment: 5-YEAR CIP - 2025-2029 (9627 : Memo)

Capital Plan  
City of Mequon, Wisconsin

Department Building Maintenance  
Contact K. Lundeen  
Type of Project Buildings  
Useful Life (Yrs) 55  
Priority 2 Moderate Importance

FY 2025 through FY 2029

Project # 597  
Project Name Warm Storage Building

Expenditures	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	Total
Construction	\$ -	\$ 500,000.00	\$ -	\$ -	\$ -	\$ 500,000.00
<b>Total</b>	<b>\$ -</b>	<b>\$ 500,000.00</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 500,000.00</b>

  

Funding Sources	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	Total
Capital Projects Fund	\$ -	\$ 500,000.00	\$ -	\$ -	\$ -	\$ 500,000.00
<b>Total</b>	<b>\$ -</b>	<b>\$ 500,000.00</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 500,000.00</b>

**Description**

Construction of a warm storage building at the rear of the Combined DPW Facility location. The warm storage building was originally included as a part of the contract for the combined DPW facility, but was eliminated due to cost.

**Justification**

With the City selling multiple storage locations and the increase in fleet, additional storage for fleet and materials will be required. The facility would also allow for insulated storage of materials that are currently stored in uninsulated locations.

In 2019, the Police Department impound lot was relocated to the building at the Batzler Property reducing valuable storage space for DPW. This constraint accelerates the need for additional storage.

**Budget Impact/Other**

A new facility usually results in a higher overall fleet value. The cost of maintaining and replacing the fleet is the second highest capital outlay for Public Works. Currently, most vehicles are stored outside. With a new warm storage facility, all response vehicles will be housed inside. Any vehicle housed inside away from the elements can be dispatched quicker and will also retain its value for a longer period of time, thereby extending the vehicle's life, its value for a longer period of time, and its replacement value.

Capital Plan  
City of Mequon, Wisconsin

FY 2025 through FY 2029  
Project # 596  
Project Name Auto. Gate and Assocc Equip. for Brush Site

Department Building Maintenance  
Contact K. Lundeen  
Type of Project Improvement  
Useful Life (Yrs) 10  
Priority 2 Moderate Importance

Expenditures	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	Total
Equipment	\$ 150,000.00	\$ -	\$ -	\$ -	\$ -	\$ 150,000.00
<b>Total</b>	<b>\$ 150,000.00</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 150,000.00</b>

  

Funding Sources	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	Total
Capital Projects Fund	\$ 150,000.00	\$ -	\$ -	\$ -	\$ -	\$ 150,000.00
<b>Total</b>	<b>\$ 150,000.00</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 150,000.00</b>

**Description**

Installation of an automated gate, card reader, security cameras, security fencing, internet and associated equipment at the brush site. The project could include repaving of the parking lot, the budget of which is included in the parking lot capital fund.

A scope and estimate is required to define costs, as both electrical service and telecommunications would be required. Update: \$250,000 was designated from ARPA funding for this project, however, the design services contract was awarded to Sigma Group at just under \$85,000 is also to be paid from the same \$250,000 ARPA funding. Final Engineer's Estimates are not completed yet, however DNR required environmental cleanup required at this former landfill increased Task 1 costs of the design services contract in the range of \$2,575 to \$147,250 depending on whether a storage building is added to the site.

**Justification**

Currently, the brush site is only open two days a week under limited hours. With installation of the gate and equipment, the City could increase the operating hours and offer an expanded service to its residents. Staff would realize time & fuel savings from housing a loader on-site for brush cleanup and consolidation.

**Budget Impact/Other**

If the automated gates were installed, the City would be able to eliminate the position of the brush site attendant. There is also the potential for an increase in the sale of brush site permits due to the increased use. If this project is awarded with a storage building included, it potentially could lessen the need for a warm storage building at DPW. This was designated for ARPA funding. Expenditures are required to be encumbered in 2025.

Capital Plan  
City of Mequon, Wisconsin

FY 2025 through FY 2029

Project # 598  
Project Name Automatic Wash Bay Equipment

Department Building Maintenance  
Contact K. Lundeen  
Type of Project Equipment  
Useful Life (Yrs) 10  
Priority 4 Minor Importance

Expenditures	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	Total
Construction	\$ 250,000.00	\$ -	\$ -	\$ -	\$ -	\$ 250,000.00
<b>Total</b>	<b>\$ 250,000.00</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 250,000.00</b>

  

Funding Sources	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	Total
Capital Projects Fund	\$ 250,000.00	\$ -	\$ -	\$ -	\$ -	\$ 250,000.00
<b>Total</b>	<b>\$ 250,000.00</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 250,000.00</b>

**Description**

Installation of the automatic wash bay equipment. The equipment was originally proposed to be installed as a part of the combined DPW facility contract, but was eliminated due to budget constraints.

**Justification**

An indoor wash facility will prolong the life of a vehicle. It's a lot easier to service and maintain a vehicle that has had regular washing of the body, especially its undercarriage. This again should make mechanics more efficient and increase the overall value of the fleet.

**Budget Impact/Other**

For this analysis, we have identified a minimum extended life of the overall fleet value to equate to an annual savings of \$50,000. Over 14 years, this equates to \$700,000. This means with proper washing and storage of vehicles, the value of the fleet at the end of 14 years should be \$700,000 greater. (On a 6.4 million dollar fleet replacement value, this equates to increasing the life by approximately 10%).

Attachment: 5-YEAR CIP - 2025-2029 (9627 : Memo)

Capital Plan  
City of Mequon, Wisconsin

Department Building Maintenance  
Contact K. Lundeen  
Type of Project Buildings  
Useful Life (Yrs) 10  
Priority 2 Moderate Importance

FY 2025 through FY 2029

Project # 2621  
Project Name Safety Building Remodel

Expenditures	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	Total
Construction	\$ 60,000.00	\$ -	\$ -	\$ -	\$ -	\$ 60,000.00
<b>Total</b>	<b>\$ 60,000.00</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 60,000.00</b>

  

Funding Sources	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	Total
Capital Projects Fund	\$ 60,000.00	\$ -	\$ -	\$ -	\$ -	\$ 60,000.00
<b>Total</b>	<b>\$ 60,000.00</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 60,000.00</b>

**Description**

The Safety Building has the original wallpaper, paint, and carpeting. This current request covers the wallpaper, carpeting, and painting for the upper level Police Station public areas only (estimated cost \$60,000+).

**Justification**

The Police Station was built in 1986 and is in drastic need of a facelift. Aging equipment throughout the building should be updated to avoid failure, leading to extra damage and cost increase due to replacing in an emergency. Evidence room needs improved ventilation for what is being stored, smells get through entire building and becomes overwhelming for staff. Roof is past due on replacement, membrane has been lab tested and is past lifespan, multiple patches to keep roof from not leaking in current condition. HVAC piping needs to be updated, seals replaced which requires almost complete replumbing of HVAC system. TruPortal key fob system needs to be updated to AXIS, only building still using TruPortal the rest of the old systems have failed the City.

**Budget Impact/Other**

Fixing known issues throughout the Safety Building will help reduce cost of emergency fixes, and increase the overall integrity of the buildings envelope.

Attachment: 5-YEAR CIP - 2025-2029 (9627 : Memo)

Capital Plan  
City of Mequon, Wisconsin

Department Building Maintenance  
Contact K. Lundeen  
Type of Project Equipment  
Useful Life (Yrs) 10  
Priority 2 Moderate Importance

FY 2025 through FY 2029

Project # 10037  
Project Name Swimming Pool Equipment

Expenditures	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	Total
Equipment	\$ 148,100.00	\$ 150,000.00	\$ 150,000.00	\$ -	\$ -	\$ 448,100.00
<b>Total</b>	<b>\$ 148,100.00</b>	<b>\$ 150,000.00</b>	<b>\$ 150,000.00</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 448,100.00</b>

  

Funding Sources	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	Total
Capital Projects Fund	\$ 148,100.00	\$ 150,000.00	\$ 150,000.00	\$ -	\$ -	\$ 448,100.00
<b>Total</b>	<b>\$ 148,100.00</b>	<b>\$ 150,000.00</b>	<b>\$ 150,000.00</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 448,100.00</b>

**Description**

These funds are used for replacement of swimming pool equipment. While the future, long-term status of the pool and bath house is subject to future policy discussion, the facility requires minimum capital funding to remain operational.

In 2023, the water lateral and motor for the pool pump failed, resulting in expensive repairs. Each year the pool operates, it is subject to more wear and tear from routine operation. No matter how long the existing pool will be in operation, each season has potential expenses to meet or maintain regulatory requirements.

To operate in 2025: Gutter System Replacement - \$104,000, Water Lateral Replacement - \$21,500, Electrical Safety Upgrade - \$19,000, Lifeguard Footboard Replacement - \$3,600

To operation in 2026/27: Epoxy Seal and Re-coating Vessel

**Justification**

The pool and its associated infrastructure and equipment are aging and require routine maintenance and service. The Pool house was built in 1933 even though minor renovation has occurred, overall is in poor condition.

For the 2025 season, the following repairs should be considered, at a minimum:

- Installation of new water lateral \$34,000 - Existing lateral was repaired too many times to remain operable.
- Update electrical service in filter house - \$25,000 - existing electrical is corroded at creates threat to safety.
- Replace EPDM Roof \$26,384.00 - Shown for immediate replacement in 2018 assessment.
- Tuckpoint / paint shower areas - \$11,273.00 - Shown for replacement in 2018 assessment.

Other items that should be considered:

- Installation of sand filtration system \$118,000.00 - recommended upgrade system is safer and less labor intensive
- New gutter system \$104,000.00 - recommended upgrade to current pool
- Plaster / tile resurfacing \$250,000.00 - pool surface last on average 20-25 years, community pool was installed in 1984.
- Update electrical and load center to single phase residential \$18,925.00 - Shown for replacement on 2018 assessment.
- Pool deck replacement \$208,800.00 - Shown for replacement on 2018 assessment

According to the EMG study, the following amenities are past due:

- Replace Exterior Concrete Stairs & Ramps.
- Replace Roof, Single-Ply EPDM Membrane.
- Repoint Exterior Wall, Brick or Brick Veneer and Concrete Block.
- Replace Load Center, 120 / 240 V, 250 Amp to 400 Amp, Single Phase Residential.

**Budget Impact/Other**

The replacement of equipment helps reduce equipment down time and equipment maintenance costs. It is critical to maintain safe operation of the pool.

Attachment: 5-YEAR CIP - 2025-2029 (9627 : Memo)

Capital Plan  
City of Mequon, Wisconsin

Department Building Maintenance  
Contact K. Lundeen  
Type of Project Improvement  
Useful Life (Yrs) 20  
Priority 2 Moderate Importance

FY 2025 through FY 2029

Project # 12015  
Project Name City-Wide Building Repair

Expenditures	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	Total
Construction	\$ 885,000.00	\$ 885,000.00	\$ 885,000.00	\$ 885,000.00	\$ 885,000.00	\$ 4,425,000.00
<b>Total</b>	<b>\$ 885,000.00</b>	<b>\$ 885,000.00</b>	<b>\$ 885,000.00</b>	<b>\$ 885,000.00</b>	<b>\$ 885,000.00</b>	<b>\$ 4,425,000.00</b>

  

Funding Sources	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	Total
Capital Projects Fund	\$ 885,000.00	\$ 885,000.00	\$ 885,000.00	\$ 885,000.00	\$ 885,000.00	\$ 4,425,000.00
<b>Total</b>	<b>\$ 885,000.00</b>	<b>\$ 885,000.00</b>	<b>\$ 885,000.00</b>	<b>\$ 885,000.00</b>	<b>\$ 885,000.00</b>	<b>\$ 4,425,000.00</b>

**Description**

In 2018, the City completed Facility Condition Assessments across six of its major facilities. The reports outline a 20-year plan for building repair and maintenance. It includes an outline of Immediate Repairs, defined as those repairs which require action as a result of (1) material existing or potential unsafe conditions, (2) material building or fire code violations, or (3) conditions that, if not addressed, have the potential to result in, or contribute to, critical element or system failure within one year or will most probably result in a significant escalation of its remedial cost. Funding requests are based on those Immediate Repair needs.

In 2025, the City Hall HVAC project will be implemented, as well as several accessory projects. Next priorities include: roof replacement at the Public Safety Building, front steps and ADA ramp in front of City Hall, boiler and plumbing replacement at the Public Safety Building, South Conference Room carpet replacement, sanitary lateral replacement at City Hall, bathroom remodel throughout City Hall and industrial air exchange at the Public Safety Building.

Key Fob system needs to be updated to Axis before TruPortal fails (estimated cost \$22,000). Installation of heavy duty exhaust fan in evidence room to elevate the smell throughout the building (estimated cost \$15,000). Roof Replacement needs to be done in 2027/2028 (estimated cost \$108,000). HVAC piping replacement multiple locations throughout the building (estimated cost \$124,000).

**Justification**

While full reports are available for each individual facility, immediate repair items generally include, but are not limited to:

- Observed fire code deficiencies
- Extension of fire suppression or alarm systems to building spaces requiring such services
- Risks to safety and health (including trip/fall hazards)
- Items requiring repair due to failure to perform its intended function
- Recommended follow-up studies

The permanent HVAC system repair must be completed in 2024. The City's preventative maintenance contractor provided 3 options ranging from \$56,000 - \$238,000. Staff recommends the replacement of the 6-ton and 15-ton air handling units with a ground mounted unit and install variable air volume units with external ducts and local gas with updated local controls. Please note that the exterior work would require either working with an architect to determine how to shield the system to be compliant with national historic landmark regulations, or to delist City Hall from the registry.

Several of the units are located above the ceiling in the room behind the chambers, resulting in significant ceiling and drywall impacts to remove and install. If Options 1 or 2 are selected, the Common Council should also consider incorporating the following capital projects that were identified in the Facility Assessment Study:

- Common Council window replacement \*\$14,020
- Skywalk Platform around air handlers (if option 1 is selected) TBD
- Gas line installed to pad location (if option 2 is selected) TBD
- Exterior screening HVAC ductwork outside (if option 2 is selected) TBD
- Replacement of Common Council ceiling \*\$56,000
- Replacement of Common Council lighting \*\$24,187
- Upgrade building automation system (HVAC Controls) \*\$205,695
- Carpet / floor replacement Common Council \*\$27,852
- Exterior stairs / ADA ramp renovation \*\$38,628
- 2-ton air cooled condenser replacement South Conference Room & North Conference Room \*\$5,176
- Common Council dais renovation TBD

\*Pricing based upon 2018 Facility Assessment Study; please note that it is assumed that the final cost will increase due to material, labor and inflation increases.

**Budget Impact/Other**

In addition to the repairs identified in the report, staff will continue to investigate the efficiencies of combining projects within the same facility, or grouping similar projects to provide further cost savings to the City. Staff also notes that a number of the repairs or equipment replacements could be amended to provide more energy efficiency or lower operating costs, ultimately saving the City money.

Please note that due to funding limitations, repairs continue to be reactionary, rather than proactive. Also, continuation of deferred maintenance will only increase the cost and demand over time. The cost of repairs and ongoing maintenance of infrastructure beyond its life cycle is expensive and counterproductive to the long-term goals for the facilities.

**Capital Plan**  
**City of Mequon, Wisconsin**

FY 2025 through FY 2029  
 Project # 10063  
 Project Name Election Equipment

Department Elections  
 Contact C. Fochs  
 Type of Project Equipment  
 Useful Life (Yrs) 10  
 Priority 1 Most Important

Expenditures	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	Total
Equipment	\$ 20,000.00	\$ -	\$ 20,000.00	\$ -	\$ 20,000.00	\$ 60,000.00
<b>Total</b>	<b>\$ 20,000.00</b>	<b>\$ -</b>	<b>\$ 20,000.00</b>	<b>\$ -</b>	<b>\$ 20,000.00</b>	<b>\$ 60,000.00</b>

  

Funding Sources	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	Total
Capital Projects Fund	\$ 20,000.00	\$ -	\$ 20,000.00	\$ -	\$ 20,000.00	\$ 60,000.00
<b>Total</b>	<b>\$ 20,000.00</b>	<b>\$ -</b>	<b>\$ 20,000.00</b>	<b>\$ -</b>	<b>\$ 20,000.00</b>	<b>\$ 60,000.00</b>

**Description**

This is the cost associated with the purchase of election equipment to keep up with advancements in technology and policy.

**Justification**

The City of Mequon received new election equipment in 2015 in the amount of \$76,000. The life expectancy is 10-15 years for these machines. The City should plan for replacement in FY2025. In 2023 the City purchased electronic poll books for all polling locations. The life expectancy is 8-10 years therefore the City should plan for replacement in 2031. An important goal of the election administration is to continue implementing technology advancements as they become available and to replace election equipment as needed to ensure reliability. Staff is currently requesting funding for election tabulating equipment and electronic poll books at polling locations, thus increasing efficiency on election day and ensuring accurate tabulating.

**Budget Impact/Other**

Due to the cyclical nature of elections, staff is requesting funding in years that two elections are scheduled and no funding in years with four elections.

Capital Plan  
City of Mequon, Wisconsin

Department: Engineering  
Contact: K. Lundeen  
Type of Project: Improvement  
Useful Life (Yrs): 20  
Priority: 1 Most Important

FY 2025 through FY 2029

Project #: 10001  
Project Name: Right-of-Way Assets

Expenditures	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	Total
Construction	\$ 1,900,000.00	\$ 1,900,000.00	\$ 1,900,000.00	\$ 2,000,000.00	\$ 2,050,000.00	\$ 9,750,000.00
<b>Total</b>	<b>\$ 1,900,000.00</b>	<b>\$ 1,900,000.00</b>	<b>\$ 1,900,000.00</b>	<b>\$ 2,000,000.00</b>	<b>\$ 2,050,000.00</b>	<b>\$ 9,750,000.00</b>

  

Funding Sources	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	Total
Bonding	\$ 1,900,000.00	\$ 1,900,000.00	\$ 1,900,000.00	\$ 2,000,000.00	\$ 2,050,000.00	\$ 9,750,000.00
<b>Total</b>	<b>\$ 1,900,000.00</b>	<b>\$ 1,900,000.00</b>	<b>\$ 1,900,000.00</b>	<b>\$ 2,000,000.00</b>	<b>\$ 2,050,000.00</b>	<b>\$ 9,750,000.00</b>

**Description**

In 2019, staff completed a Right-of-Way Asset Management Plan. Assets in the right of way include: roadways, sidewalks, bike paths, traffic signals, street lights, bridges and large box culverts and guard rails.

The City of Mequon maintains 213 miles of roadway. There are 63 miles of arterial roads and 150 miles of subdivision roads. The roadways are rated annually and recommended for maintenance or reconstruction. If bicycle lanes are contemplated, they would typically be installed at the time of road reconstruction.

The City of Mequon maintains 16.60 miles of sidewalks. The sidewalks are located along Port Washington, Mequon, Cedarburg Roads, and within the Mequon Business Park, the Highlander Estates Subdivision, and the Enclave at Mequon Preserve Subdivision.

The City of Mequon includes 11.11 miles of off-road bike paths, of which 7.64 miles are maintained by the City. The paths are often located in easements; however, they are considered a right of way asset since they follow a similar repair and replacement schedule as the roadway assets and are not otherwise included in any of the other asset management plans.

The City of Mequon is responsible for the maintenance of four traffic signals. At the City's four signalized intersections there are a total of 50 fixtures and 34 poles. There are also loop detectors and advance loop detectors that trigger the signal at each intersection approach. The replacement cost of traffic signals is a significant amount. The signals should be evaluated regularly for routine maintenance to extend the useful life of the signals.

There are 4,377 regulatory signs which are owned by the City of Mequon. Sign and sign pole replacement is on an as-needed basis. Replacing 1% of the signs (45) at an estimated \$350 per sign equates to an expenditure of \$15,750 per year.

The City of Mequon includes street lights mounted on wood, fiberglass or aluminum poles which are maintained by the City. Utilizing a 60 year replacement cycle, that equates to 2.5 poles per year. At a replacement of \$1,800 per pole, the budget would equate to \$4,500 per year.

The City of Mequon includes 7 bridges and over 1600 culverts. Bridges are required to be evaluated by a structural engineer every other year to determine their structural integrity.

The City of Mequon includes 2.0 miles of guard rails. Guard rails are typically located where there are steep drop offs from the pavement or reduced shoulder widths. They are designed to keep vehicular traffic from entering an area where they could not easily be extracted. Many guard rails are located in areas where there are bridges, large culverts, or environmentally sensitive areas.

**Justification**

Establishing sufficient funding to maintain all of the City's right-of-way assets is the most cost efficient way to maintain the assets. The City utilizes a pavement management system called PAsER which allows City staff to rate/rank the streets based upon their physical criteria. The scale is from 1 to 10 and evaluates drainage, raveling, flushing, cracking, heaving, potholes, etc. The road program focuses mainly on the rating categories below.

Reconstruction (SCR 2, 3)

Reconstruction projects for the City generally consist of a pulverize and overlay project. Incidental to the project, reconstruction may also include drainage improvements and a modified pavement section based upon existing condition and known safety issues. Modifying the pavement section allows the City the opportunity to standardize the pavement section and provide enhanced bicycle and pedestrian accommodations. Reconstruction projects have the highest project costs and are reserved for roads which are beyond repair or have safety deficiencies. Roads selected for reconstruction are based upon the SCR rating, the rate of deterioration and project priority within each SCR rating.

Rehabilitation (SCR 3, 4, 5)

Rehabilitation consists of a number of project types including mill and overlay projects. Rehabilitation projects are less expensive than reconstruction projects and prolong the useful life of the pavement surface. Roads selected for rehabilitation are reviewed individually to determine which project type is the appropriate application. The appropriate application is based upon the SCR rating, the type of deterioration and other factors including drainage.

**Budget Impact/Other**

The annual expenditure of funds for the reconditioning of Mequon's roads is a necessity in order to keep the streets in a passable/usable condition. Failure to provide adequate funds for this effort will result in the degradation of the roads having a negative impact on all road operations from snow plowing to simple vehicle utilization and safety. Maintaining an adequate funding level will maximize/optimize investment. Lower funding will increase long-term costs and delay projects.

Attachment: 5-YEAR CIP - 2025-2029 (9627 : Memo)

Capital Plan  
City of Mequon, Wisconsin

Department: Engineering  
Contact: K. Lundeen  
Type of Project: Improvement  
Useful Life (Yrs): 20  
Priority: 2 Moderate Importance

FY 2025 through FY 2029  
Project #: 10001a  
Project Name: Parking Lot Resurfacing

Expenditures	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	Total
Construction	\$ 250,000.00	\$ 250,000.00	\$ 250,000.00	\$ 250,000.00	\$ 250,000.00	\$ 1,250,000.00
<b>Total</b>	<b>\$ 250,000.00</b>	<b>\$ 250,000.00</b>	<b>\$ 250,000.00</b>	<b>\$ 250,000.00</b>	<b>\$ 250,000.00</b>	<b>\$ 1,250,000.00</b>

  

Funding Sources	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	Total
Capital Projects Fund	\$ 250,000.00	\$ 250,000.00	\$ 250,000.00	\$ 250,000.00	\$ 250,000.00	\$ 1,250,000.00
<b>Total</b>	<b>\$ 250,000.00</b>	<b>\$ 250,000.00</b>	<b>\$ 250,000.00</b>	<b>\$ 250,000.00</b>	<b>\$ 250,000.00</b>	<b>\$ 1,250,000.00</b>

**Description**

All of the City owned parking lots need periodic maintenance, resurfacing and curbing replacement. Much like pavement maintenance associated with roads, the life cycle of a parking lot can be extended with proper and routine maintenance. Many of the City's parking lots have not been maintained since installation, and Rotary Park never had the surface course installed. This will be a multi-year program until all lots are done. Rotary Park was paved, with two layers, in 2021. As of 2024, River Barn, Brush Site, Catherine Kearny Park West, East Fire Station, and the Public Safety Building are still in need of asphalt replacement in the future. Maintenance on parking lots that have recently been repaved will continue to receive maintenance as needed.

**Justification**

Costs will vary depending on the procedures necessary. Some areas can be crack-filled (\$0.06/square foot) and sealed (\$0.25/square foot), while others require pulverizing and repaving (\$13/square foot). Depending on use, some gravel parking lots may be considered for paving in the future. If not, they will still require regrading and pothole filling over time. Many will require additional drainage work at additional cost. Costs vary significantly depending on localized conditions.

The City owns and maintains the following parking lots (area in square feet):

- Library/Pool (36,600) (2022) -City Hall (80,000) (2019) -Public Safety (92,500) -East Side Fire Station (36,100) -Brush Site (57,900)
- Pool Access (Partially reconstructed with Civic Campus Parking Lot) (4,100) -Katherine Kearney Carpenter Park - West (8,100) -Katherine Kearney Carpenter Park - North (9,240) (2019) -Garrison's Glen (9,400) -Highland Woods (13,150) -Lemke Park (76,500) -Little Menomonee (3,750) -River Barn (84,650)
- Riverview Park (8,600) -Rotary Park - West (46,400) (2021) -Rotary Park - North (76,700) (2021) -Rotary Park - East (60,400) (2021) -Scout Park (9,400)
- Swan Road Prairie (5,100) -Villa Grove (18,250)

**Budget Impact/Other**

Preventative maintenance will reduce future repair costs. Deferred maintenance increases the cost of individual parking lot reconstruction. In 2019, the City completed a borrowing which includes \$650,000 funding for parking lots. Budgetary numbers are provided for reference only.

Attachment: 5-YEAR CIP - 2025-2029 (9627 : Memo)

Capital Plan  
City of Mequon, Wisconsin

Department: Engineering  
Contact: K. Lundeen  
Type of Project: Improvement  
Useful Life (Yrs): 20  
Priority: 1 Most Important

FY 2025 through FY 2029

Project #: 10003  
Project Name: Annual Road Maintenance

Expenditures	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	Total
Construction	\$ 370,000.00	\$ 380,000.00	\$ 390,000.00	\$ 400,000.00	\$ 410,000.00	\$ 1,950,000.00
<b>Total</b>	<b>\$ 370,000.00</b>	<b>\$ 380,000.00</b>	<b>\$ 390,000.00</b>	<b>\$ 400,000.00</b>	<b>\$ 410,000.00</b>	<b>\$ 1,950,000.00</b>

  

Funding Sources	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	Total
Capital Projects Fund	\$ 370,000.00	\$ 380,000.00	\$ 390,000.00	\$ 400,000.00	\$ 410,000.00	\$ 1,950,000.00
<b>Total</b>	<b>\$ 370,000.00</b>	<b>\$ 380,000.00</b>	<b>\$ 390,000.00</b>	<b>\$ 400,000.00</b>	<b>\$ 410,000.00</b>	<b>\$ 1,950,000.00</b>

**Description**

This project entails the annual maintenance of the 213 miles of city roads. This generally includes maintenance on streets with a rating of 6 to 8. The processes used through this contract effort range from a simple chip seal or crack seal to GSB-88 surface seals. Maintenance has historically treated anywhere from 35 to 66 miles per year, which includes crack sealing and GSB-88 in the past 6 years. Other treatments are considered based on each roads condition assessment.

**Justification**

The City uses a pavement management system called PASER that allows city staff to rate/rank the city roads on a number of road condition specific criteria. The program is a Wisconsin DOT sponsored program that, based upon a number of physical criteria, allows the user to assign a numerical rating between 1 and 10 to the condition of the road. Criteria such as drainage, raveling, flushing, polishing, cutting, rippling and shoring, settling, frost heave, cracking, patches and potholes are used in determining the road's condition. Based upon the score received, and other criteria such as road classification, vehicle counts, bike way compatibility, accident history, and visibility the roads are prioritized and an estimate for the work is developed. On average, the life span of an asphalt road surface is 25-30 years; given proper life cycle maintenance is performed. The programmed amount has been escalated 5% per year to simply keep pace with material and labor increases. It was established by a joint meeting of the Finance and Personnel Committee and Public Works Committee in 2001 that an overall SCR of 6 Mequon city Streets is to be achieved. Funding to the level requested will ensure we do not lose our momentum in this effort.

Preventative Maintenance (SCR 5,6,7,8)

One of the most cost effective methods of pavement maintenance is preventative maintenance in the form of surface treatments. Surface treatments for the City consist of BCI Flex Patch, seal, coat, and GSB-88 Bituminous fog seal. Roads selected for surface treatments are reviewed individually to determine which project type is the appropriate application. Surface treatments are selected based upon the type and rate of deterioration, as well as the age of the pavement.

Crack Seal (As needed, SCR varies)

Crack sealing is the most important form of preventative maintenance to prolong the life of a pavement. Crack sealing prevents water from infiltrating the road base and prevents against damage from the freeze/thaw cycle. Crack seal projects are selected based upon physical inspection and the number and types of cracks.

If the proposed 5 year reconstruction/rehabilitation plan is implemented, along with the anticipated amount of preventative maintenance work, the average SCR of subdivision streets will be able to be maintained.

**Budget Impact/Other**

The annual expenditure of funds for the reconditioning of Mequon's 210+ centerline miles of road is a necessity in order to keep our city streets in a passable/useable condition. Failure to provide adequate funds for this effort will result in the degradation of the roads having a negative impact on all road operations from snow plowing to simple vehicle utilization and vehicle safety.

Attachment: 5-YEAR CIP - 2025-2029 (9627 : Memo)

Capital Plan  
City of Mequon, Wisconsin

FY 2025 through FY 2029

Project # 10013  
Project Name Major & Secondary Drainage

Department Engineering  
Contact K. Lundeen  
Type of Project Improvement  
Useful Life (Yrs) 20  
Priority 2 Moderate Importance

Expenditures	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	Total
Construction	\$ 50,000.00	\$ 50,000.00	\$ 50,000.00	\$ 50,000.00	\$ 50,000.00	\$ 250,000.00
<b>Total</b>	<b>\$ 50,000.00</b>	<b>\$ 50,000.00</b>	<b>\$ 50,000.00</b>	<b>\$ 50,000.00</b>	<b>\$ 50,000.00</b>	<b>\$ 250,000.00</b>

  

Funding Sources	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	Total
Capital Projects Fund	\$ 50,000.00	\$ 50,000.00	\$ 50,000.00	\$ 50,000.00	\$ 50,000.00	\$ 250,000.00
<b>Total</b>	<b>\$ 50,000.00</b>	<b>\$ 50,000.00</b>	<b>\$ 50,000.00</b>	<b>\$ 50,000.00</b>	<b>\$ 50,000.00</b>	<b>\$ 250,000.00</b>

**Description**

The City is experiencing increasing demand for the cleaning and reprofiling of its major drainage ways that service regional areas. Current drainage policy outlines major drainage projects as serving 80+ acres and secondary drainage projects as serving 15-80 acres. Adequate funding to sustain progress on the Drainage Capital Improvement Program (CIP) is required.

**Justification**

Failure to properly maintain our major and secondary drainageways negatively impacts not only the residents and businesses in the area, but could also severely impact the sanitary sewer system performance with the introduction of excessive I/I as a result of localized flooding. Poor regional and local drainage can also pose significant health and safety issues. Some of the drainage projects have been on the list for upwards of 15 years.

**Budget Impact/Other**

Proper drainage could reduce sewer treatment costs due to reduced I/I into the sewer system and reduce the occurrence of sanitary sewer overflow events. It also reduces exposure to clean up costs associated with flooding, and minimizes threat of public and private property damage.

Attachment: 5-YEAR CIP - 2025-2029 (9627 : Memo)

Capital Plan  
City of Mequon, Wisconsin

Department: Engineering  
Contact: K. Lundeen  
Type of Project: Improvement  
Useful Life (Yrs): 20  
Priority: 1 Most Important

FY 2025 through FY 2029  
Project #: 10028  
Project Name: Master Storm Water Management

Expenditures	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	Total
Equipment	\$ 35,000.00	\$ 50,000.00	\$ 50,000.00	\$ 50,000.00	\$ 50,000.00	\$ 235,000.00
<b>Total</b>	<b>\$ 35,000.00</b>	<b>\$ 50,000.00</b>	<b>\$ 50,000.00</b>	<b>\$ 50,000.00</b>	<b>\$ 50,000.00</b>	<b>\$ 235,000.00</b>

  

Funding Sources	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	Total
Capital Projects Fund	\$ 35,000.00	\$ 50,000.00	\$ 50,000.00	\$ 50,000.00	\$ 50,000.00	\$ 235,000.00
<b>Total</b>	<b>\$ 35,000.00</b>	<b>\$ 50,000.00</b>	<b>\$ 50,000.00</b>	<b>\$ 50,000.00</b>	<b>\$ 50,000.00</b>	<b>\$ 235,000.00</b>

**Description**

A new joint stormwater permit with the Village of Thiensville was released in 2022. Permit conditions were developed to meet the MS4 permit standard: reduce pollutants to the maximum extent practicable, protect local water quality, and meet Clean Water Act Standards. This permit requires continued implementation of the six minimum control measure programs, development of a storm water management plan to achieve the reduction goals outlined in the Milwaukee River TMDL, and completion of special requirements specific to each MS4 which provide improvements in water quality. Permittees satisfy the MS4 permit standard through successful implementation of the storm water management programs and compliance with the WPDES permit.

The proposed permit includes the conditions required by s. NR 216.07, Wis. Adm. Code, which consists of the following six categories, or minimum control measures:

- Public Education and Outreach
- Public Involvement and Participation
- Illicit Discharge Detection and Elimination
- Construction Site Pollutant Control
- Post-Construction Storm Water Management
- Pollution Prevention

The mandates will require the City to update its storm water modeling, ordinances, development guidelines and monitoring programs. The limit on the Total Maximum Daily Loads (TMDLs) of various materials are to be expected with an associated cost to implement the regulation, monitoring and reduction of said materials.

**Justification**

The project will require a modification to the existing model or a new model of the City's storm water system (SLAMM). The City will need to administer ordinance changes and additional regulations. There is a potential for nutrient trading with upstream communities, which comes at a cost of reimbursement. The City may have separate regulations for both the Little Menomonee and the Milwaukee River watershed. The City has been invited to participate in a Mid Moraine Water Quality Collective (MMWOC) that could spread consultant and project costs across several communities in the Milwaukee River watershed. Discussion with the MMWOC include the potential benefits of a group watershed permit.

Specific permit requirements include (with compliance deadline):

Implementation Schedule for Permit Requirements

Identify discharges to an impaired waterbody: 12 months after 303(d) list is updated.

Submit written Storm Water Management Program document updates and begin implementation:

August 1, 2024

Revise and adopt illicit discharge, erosion control, and post-construction stormwater management ordinances: August 1, 2024

Submit prioritized education needs based upon survey results: February 1, 2024

Complete targeted education and outreach for one high priority education need: February 1, 2026

Submit results of education effort and planned future efforts with permit application: February 1, 2027

Illicit Discharge Detection and Elimination- Submit Enforcement response plan: August 1, 2024

Construction Site Pollutant Control - Conduct inspections according to the specified frequency: August 1, 2024

Post-Construction Storm Water Management - Remove barriers to green infrastructure: August 1, 2024, and 18 months after barrier identification

Calibrate salt application machinery: Annually beginning November 2022.

Provide salt application training: Every other year

Leaf Management - Submit the BMPs the permittee will employ to reduce nutrient loading from leaves: August 1, 2025

Submit storm water pollution prevention plans (SWPPP) for all sites without a current SWPPP: February 1, 2023

Submit Annual Report: March 31 of each year reporting on previous calendar year

Submit Permit Application: February 1, 2027

Submit pollutant reduction analysis report: August 1, 2025

Submit wasteload allocation attainment analysis: February 1, 2026

Each Permittee shall complete their individual benchmarks identified in Section III. B. by the end of the permit

Update the City's storm water website to provide additional educational material and promote usage of rain barrels

Develop a partnership between the local schools and parks to provide education on storm water management to students: July 31, 2027

Revise the municipal street sweeping program. The Permittee shall update and implement the street sweeping program to increase pollutant

removal: July 31, 2027 Construct one BMP or green infrastructure device: July 31, 2027

Conduct infiltration rate testing in existing grass swales: July 31, 2027

Explore pollutant trading opportunities: July 31, 2027

Modify storm water ordinance to include a phosphorus removal requirement for new development and redevelopment: July 31, 2027

Conduct streambank erosion evaluation: July 31, 2027

Install pet waste stations: July 31, 2027

Conduct in-stream water quality sampling: July 31, 2027

Submit TSS and TP benchmarks for the next permit term: February 1, 2027

Develop bacteria action level for illicit discharge screening: August 1, 2023

Submit fecal coliform source inventory: August 1, 2025

Submit fecal coliform source elimination plan: February 1, 2027

**Budget Impact/Other**

Federal and state mandate required as a part of the City's MS4 and WPDES permitting.

Attachment: 5-YEAR CIP - 2025-2029 (9627 : Memo)

Capital Plan  
City of Mequon, Wisconsin

FY 2025 through FY 2029  
Project # 12013  
Project Name Asset Management Software

Department Engineering  
Contact K. Lundeen  
Type of Project Equipment  
Useful Life (Yrs) 10  
Priority 2 Moderate Importance

Expenditures	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	Total
Equipment	\$ 35,000.00	\$ 25,000.00	\$ 20,000.00	\$ 15,000.00	\$ 10,000.00	\$ 105,000.00
<b>Total</b>	<b>\$ 35,000.00</b>	<b>\$ 25,000.00</b>	<b>\$ 20,000.00</b>	<b>\$ 15,000.00</b>	<b>\$ 10,000.00</b>	<b>\$ 105,000.00</b>

  

Funding Sources	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	Total
Capital Projects Fund	\$ 35,000.00	\$ 25,000.00	\$ 20,000.00	\$ 15,000.00	\$ 10,000.00	\$ 105,000.00
<b>Total</b>	<b>\$ 35,000.00</b>	<b>\$ 25,000.00</b>	<b>\$ 20,000.00</b>	<b>\$ 15,000.00</b>	<b>\$ 10,000.00</b>	<b>\$ 105,000.00</b>

**Description**

Ongoing costs for the implementation of tools and support for City asset management software. In 2019, Ozaukee County indicated it would no longer support hosting the City's GIS data. Therefore, the City transitioned to ESRI for contract subscription GIS services. This software is used by many of the divisions within Public Works, Community Development and other City departments. In 2017, Community Development eliminated the duplication of the internal GIS system in favor of a consolidated system. The costs to integrate that data and compensate for no longer having an internal system will also be consolidated into this account.

**Justification**

Asset management software is needed for data accuracy, the addition of tools and inclusion of additional data, utilities, information and infrastructure documentation, including updating and compiling all hard copy documents in a single, accessible area. The WI DNR audit identified additional mapping requirements as a condition of the City's MS4 permit. Further edits are required to meet state mandates.

**Budget Impact/Other**

Implementation of additional tools provides departmental efficiency and reduces staff time attributable to reporting requirements. Eventually, portions of the site could be made public for resident use.

Capital Plan  
City of Mequon, Wisconsin

Department: Fleet Maintenance  
Contact: K. Lundeen  
Type of Project: Equipment  
Useful Life (Yrs): 10  
Priority: 2 Moderate Importance

FY 2025 through FY 2029

Project #: 10359  
Project Name: DPW Vehicles & Equipment

Expenditures	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	Total
Equipment	\$ 875,000.00	\$ 900,000.00	\$ 925,000.00	\$ 950,000.00	\$ 975,000.00	\$ 4,625,000.00
<b>Total</b>	<b>\$ 875,000.00</b>	<b>\$ 900,000.00</b>	<b>\$ 925,000.00</b>	<b>\$ 950,000.00</b>	<b>\$ 975,000.00</b>	<b>\$ 4,625,000.00</b>

  

Funding Sources	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	Total
Capital Projects Fund	\$ 875,000.00	\$ 900,000.00	\$ 925,000.00	\$ 950,000.00	\$ 975,000.00	\$ 4,625,000.00
<b>Total</b>	<b>\$ 875,000.00</b>	<b>\$ 900,000.00</b>	<b>\$ 925,000.00</b>	<b>\$ 950,000.00</b>	<b>\$ 975,000.00</b>	<b>\$ 4,625,000.00</b>

**Description**

At present, the City's DPW fleet is comprised of approximately 160 vehicles and pieces of equipment. In general terms, the fleet is primarily assigned to the divisions of Highway, Parks, Building Maintenance, Engineering, and Inspections. A separate capital request was submitted for the City's capital leasing obligations for the fleet, including the 15 passenger vehicles and light duty trucks. The increases shown in the 5 year expenditures above reflect just under 4% increase per year.

**Justification**

Equipment is replaced based on age, condition, safety requirements and cost of maintenance. This program sets aside an annual reserve for equipment replacement. An effective fleet replacement program is a long-term fleet replacement plan that projects future asset replacement dates and purchase costs associated with the use of a given set of replacement cycle guidelines.

The EMG study provided the below amounts for annual DPW replacement costs. The fleet superintendent analyzed the replacement rate to provide a consistent annual funding request. Please note that a snow plow truck alone is approximately \$210,000. At a minimum, funding for this program should provide an allocation to replace a plow truck and contribute to routine replacement of other equipment.

Please use the following key below. (Auto Type, Number in Fleet, Average Age, # of units to replace/year based on recommended replacement cycle, Average replacement cost, Annual replacement cost based on replacement cycle) - Updated August 2024.

Snow Plow Trucks:	19, 12, 1.50, \$209,474, \$314,211
Heavy Duty Equipment:	16, 15, 1.33, \$211,565, \$281,378
Medium Duty Equipment:	18, 12, 2.00, \$58,083, \$116,167
Highway Light Duty Equipment:	21, 24, 2.00, \$14,857, \$30,714
Parks Light Duty Equipment:	18, 20, 2.00, \$13,346, \$26,692
Other Equipment:	12, 19, 1.00, \$10,200, \$10,200
Total/Average:	104, 17 \$870,793

**Budget Impact/Other**

The replacement of equipment as scheduled helps to reduce equipment down time and equipment maintenance costs. As an asset ages, its capital cost diminishes and its operating costs increase. Ideally, a vehicle or piece of equipment should be replaced when the sum of these costs is at or near a minimum.

Attachment: 5-YEAR CIP - 2025-2029 (9627 : Memo)

Capital Plan  
City of Mequon, Wisconsin

Department: Fleet Maintenance  
Contact: K. Lundeen  
Type of Project: Vehicles  
Useful Life (Yrs):  
Priority: 1 Most Important

FY 2025 through FY 2029  
Project #: 10360  
Project Name: Capital Equipment Leases

Expenditures	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	Total
Equipment	\$ 101,500.00	\$ 101,500.00	\$ 100,000.00	\$ 100,000.00	\$ 100,000.00	\$ 503,000.00
<b>Total</b>	<b>\$ 101,500.00</b>	<b>\$ 101,500.00</b>	<b>\$ 100,000.00</b>	<b>\$ 100,000.00</b>	<b>\$ 100,000.00</b>	<b>\$ 503,000.00</b>

  

Funding Sources	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	Total
Capital Projects Fund	\$ 101,500.00	\$ 101,500.00	\$ 100,000.00	\$ 100,000.00	\$ 100,000.00	\$ 503,000.00
<b>Total</b>	<b>\$ 101,500.00</b>	<b>\$ 101,500.00</b>	<b>\$ 100,000.00</b>	<b>\$ 100,000.00</b>	<b>\$ 100,000.00</b>	<b>\$ 503,000.00</b>

**Description**  
The City DPW owns and operates more than 160 pieces of equipment. While capital funding is provided to replace some of the equipment, the City has leveraged leasing as an option to finance large pieces of equipment over time. As leasing is an ongoing financial obligation that cannot be reduced below the contractual annual obligation, the capital lease request will be separate from the equipment replacement capital request.

**Justification**  
In 2022, the City entered into an agreement with Enterprise to address up to 15 passenger vehicles in the fleet. While the annual financial obligation will vary based upon how the City applies the proceeds from sale of vehicles, there are lease payments that will be associated with the rotation of vehicles. The City has existing obligations from a five-year excavator lease. Enterprise = Cost per year will vary, depending upon amount of cash from sale used as a down payment versus used to offset future lease payments; not anticipated to exceed \$50,000 per year and will be updated quarterly.  
Excavator = \$51,500/year

**Budget Impact/Other**  
The annual lease obligations for the equipment is less than a purchase, although the lease payments include additional fees not associated with a direct purchase. Per the financial policy, the cost efficiency of the leases will be evaluated for each acquisition and reported quarterly for the Enterprise program.

Attachment: 5-YEAR CIP - 2025-2029 (9627 : Memo)

Capital Plan  
City of Mequon, Wisconsin

FY 2025 through FY 2029

Project # 10117  
Project Name Munis Module Implementation

Department Information Technology  
Contact J. Schoenemann  
Type of Project Equipment  
Useful Life (Yrs) 10  
Priority 2 Moderate Importance

Expenditures	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	Total
Equipment	\$ -	\$ 10,000.00	\$ 10,000.00	\$ 10,000.00	\$ 10,000.00	\$ 40,000.00
<b>Total</b>	<b>\$ -</b>	<b>\$ 10,000.00</b>	<b>\$ 10,000.00</b>	<b>\$ 10,000.00</b>	<b>\$ 10,000.00</b>	<b>\$ 40,000.00</b>

  

Funding Sources	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	Total
Capital Projects Fund	\$ -	\$ 10,000.00	\$ 10,000.00	\$ 10,000.00	\$ 10,000.00	\$ 40,000.00
<b>Total</b>	<b>\$ -</b>	<b>\$ 10,000.00</b>	<b>\$ 10,000.00</b>	<b>\$ 10,000.00</b>	<b>\$ 10,000.00</b>	<b>\$ 40,000.00</b>

**Description**  
The City has a number of un-implemented modules in MUNIS and provide ongoing training for staff. These modules have been purchased by the City and have annual licensing costs.

**Justification**  
Implementing the modules will allow Departments to digitally track projects, provide better data for decision making, and allow for better customer service.

**Budget Impact/Other**  
The intent behind this funding approach is to build the funds needed to implement Munis Modules over the next five years.

Attachment: 5-YEAR CIP - 2025-2029 (9627 : Memo)

Capital Plan  
City of Mequon, Wisconsin

Department Information Technology  
Contact J. Schoenemann  
Type of Project Equipment  
Useful Life (Yrs) 5  
Priority 1 Most Important

FY 2025 through FY 2029

Project # 179  
Computers, Servers &  
Components Replacement Cycle

Project Name

Expenditures	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	Total
Equipment	\$ 14,000.00	\$ 85,000.00	\$ 15,000.00	\$ 12,000.00	\$ 29,000.00	\$ 155,000.00
<b>Total</b>	<b>\$ 14,000.00</b>	<b>\$ 85,000.00</b>	<b>\$ 15,000.00</b>	<b>\$ 12,000.00</b>	<b>\$ 29,000.00</b>	<b>\$ 155,000.00</b>

  

Funding Sources	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	Total
Capital Projects Fund	\$ 14,000.00	\$ 85,000.00	\$ 15,000.00	\$ 12,000.00	\$ 29,000.00	\$ 155,000.00
<b>Total</b>	<b>\$ 14,000.00</b>	<b>\$ 85,000.00</b>	<b>\$ 15,000.00</b>	<b>\$ 12,000.00</b>	<b>\$ 29,000.00</b>	<b>\$ 155,000.00</b>

**Description**

The standard recommendation for computers, servers, UPS, and components is three to five years. Some systems last longer and others shorter, depending on how the systems are used. The IT Division endeavors to replace most systems every five years, repurpose equipment when possible, and replace related components when needed.

**Justification**

Often, as systems age, users experience declining performance and reduced productivity. Replacing systems every five years will help the City avoid data loss and disruptions to processes impacting the organization.

**Budget Impact/Other**

The intent behind this funding approach is to avoid spikes in capital requests and provide level funding for key systems and associated components.

Capital Plan  
City of Mequon, Wisconsin

FY 2025 through FY 2029

Project # 185  
Project Name Common Council Chambers AV System Replacement

Department Information Technology  
Contact J. Schoenemann  
Type of Project Equipment  
Useful Life (Yrs) 12  
Priority 2 Moderate Importance

Expenditures	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	Total
Equipment	\$ 180,000.00	\$ -	\$ -	\$ -	\$ -	\$ 180,000.00
<b>Total</b>	<b>\$ 180,000.00</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 180,000.00</b>

  

Funding Sources	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	Total
Capital Projects Fund	\$ 180,000.00	\$ -	\$ -	\$ -	\$ -	\$ 180,000.00
<b>Total</b>	<b>\$ 180,000.00</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 180,000.00</b>

**Description**

A large conference room, such as the Council Chambers, is equipped for audio and video capabilities that provides a range of sophisticated technology to support presentations, live broadcasting, and recording of meetings. The audio setup generally consists of microphones, controllers, as well as speakers for clear sound distribution throughout the room. An audio mixer to balance and control the sound levels. The video setup includes cameras, which can be used for live streaming or recording sessions. These cameras are complemented by video switchers and encoders that manage the input from multiple sources, such as different cameras or presentation slides, to create seamless transitions during broadcasts or recordings. Additionally, large display screens or projectors are used to share content with the participants, while a control system integrates and manages all the equipment, allowing for efficient operation from a central location.

**Justification**

The existing audio and video systems that primarily supports the Common Council, Planning Commission, and Municipal Court meetings, is in need of modernization. The audio system, now exceeding 20 years in service, is significantly outdated, is compromising sound quality and reliability during public meetings. Similarly, the video production system is dated, which may hinder the accurate and effective visual recording, broadcasting of proceedings, presentations.

**Budget Impact/Other**

The intent behind this funding approach is to avoid spikes in capital requests and provide funding for UPS replacement.

Attachment: 5-YEAR CIP - 2025-2029 (9627 : Memo)

Capital Plan  
City of Mequon, Wisconsin

FY 2025 through FY 2029

Project # 184  
Project Name Network Infrastructure Replacement

Department Information Technology  
Contact J. Schoenemann  
Type of Project Equipment  
Useful Life (Yrs) 8  
Priority 1 Most Important

Expenditures	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	Total
Equipment	\$ 1,500.00	\$ 1,000.00	\$ 1,000.00	\$ 6,000.00	\$ 5,000.00	\$ 14,500.00
<b>Total</b>	<b>\$ 1,500.00</b>	<b>\$ 1,000.00</b>	<b>\$ 1,000.00</b>	<b>\$ 6,000.00</b>	<b>\$ 5,000.00</b>	<b>\$ 14,500.00</b>

  

Funding Sources	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	Total
Capital Projects Fund	\$ 1,500.00	\$ 1,000.00	\$ 1,000.00	\$ 6,000.00	\$ 5,000.00	\$ 14,500.00
<b>Total</b>	<b>\$ 1,500.00</b>	<b>\$ 1,000.00</b>	<b>\$ 1,000.00</b>	<b>\$ 6,000.00</b>	<b>\$ 5,000.00</b>	<b>\$ 14,500.00</b>

**Description**  
This project supports the City's core network infrastructure equipment, such as switches, firewalls, access points, and related components. These systems function behind the scenes and provide the necessary connections and security for all devices on the City network.

**Justification**  
Maintaining the City's network infrastructure is necessary for City operation and security.

**Budget Impact/Other**  
The intent behind this funding approach is to avoid spikes in capital requests and provide level funding for the City's network infrastructure.

Attachment: 5-YEAR CIP - 2025-2029 (9627 : Memo)

Capital Plan  
City of Mequon, Wisconsin

Department Parks  
Contact M. Gies  
Type of Project Buildings  
Useful Life (Yrs) 10  
Priority 1 Most Important

FY 2025 through FY 2029

Project # 10474  
Project Name Park Planning & Improvements

Expenditures	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	Total
Construction	\$ 201,015.00	\$ 118,250.00	\$ 110,000.00	\$ 100,000.00	\$ 100,000.00	\$ 629,265.00
<b>Total</b>	<b>\$ 201,015.00</b>	<b>\$ 118,250.00</b>	<b>\$ 110,000.00</b>	<b>\$ 100,000.00</b>	<b>\$ 100,000.00</b>	<b>\$ 629,265.00</b>

  

Funding Sources	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	Total
Capital Projects Fund	\$ 201,015.00	\$ 118,250.00	\$ 110,000.00	\$ 100,000.00	\$ 100,000.00	\$ 629,265.00
<b>Total</b>	<b>\$ 201,015.00</b>	<b>\$ 118,250.00</b>	<b>\$ 110,000.00</b>	<b>\$ 100,000.00</b>	<b>\$ 100,000.00</b>	<b>\$ 629,265.00</b>

**Description**  
In 2019, the Park and Open Space Board completed a Park & Open Space Plan which includes a Capital Improvements Plan. Capital improvements to a park are the additional labor and materials that improve the overall value and usefulness of that park. Capital improvements are designated and funded individually through segregated municipal funds. In 2024, the Park & Open Space compensation plan is due for an update.

**Justification**  
The capital improvements program for each park is a combination of several types of projects. These projects are ranked according to their importance and priority in the overall development of the park and the value of the project to the overall City park system. Capital improvements are ranked in the following manner:

1. Improvements to existing facilities that will:
  - i. Correct health and safety hazards
  - ii. Upgrade deficient facilities
  - iii. Modernize adequate but outdated facilities
2. Installation of facilities as deemed appropriate and necessary through public demand.
3. Development of new facilities as deemed necessary through level of service, population projection and age cohort analysis.

**Budget Impact/Other**  
The funds can be secured and allocated through the annual budget, grants, donations, public/private partnerships, and the park impact fee account. The following three projects are requested to be funded in part by combinations of capital, park impact fees, and ARPA funding.

1. Lemke Park Pavilion - \$50,000 Capital, \$350,000 ARPA, \$413,918 Park Impact, \$40,000 Public/Private/Fundraising. Total = \$853,918
2. Rotary Park - Installation of City Water, Gas, WiFi, Keyless entry. Total = \$164,000
3. Reconstruction of basketball/pickleball court at Rotary Park- \$40,000 Capital, \$30,000 Park Impact, \$20,000 public/private partnership. Total = \$90,000

Attachment: 5-YEAR CIP - 2025-2029 (9627 : Memo)

**Capital Plan**  
City of Mequon, Wisconsin

FY 2025 through FY 2029  
Project # 10062  
Project Name Urban Forestry

Department Forestry  
Contact M. Gies  
Type of Project Improvement  
Useful Life (Yrs) 20  
Priority 3 Neutral

Expenditures	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	Total
Equipment	\$ 5,000.00	\$ 5,000.00	\$ 5,000.00	\$ 5,000.00	\$ 5,000.00	\$ 25,000.00
<b>Total</b>	<b>\$ 5,000.00</b>	<b>\$ 5,000.00</b>	<b>\$ 5,000.00</b>	<b>\$ 5,000.00</b>	<b>\$ 5,000.00</b>	<b>\$ 25,000.00</b>

  

Funding Sources	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	Total
Capital Projects Fund	\$ 5,000.00	\$ 5,000.00	\$ 5,000.00	\$ 5,000.00	\$ 5,000.00	\$ 25,000.00
<b>Total</b>	<b>\$ 5,000.00</b>	<b>\$ 5,000.00</b>	<b>\$ 5,000.00</b>	<b>\$ 5,000.00</b>	<b>\$ 5,000.00</b>	<b>\$ 25,000.00</b>

**Description**

Budget needs for maintaining an urban forest of high quality mature trees and assuring tree protection and preservation in the City of Mequon.

1. The average purchase price for a nursery tree is approximately \$250 for a single stem (2") tree.
2. Annually, the city has planted approximately 250-300 trees each of the last five years using DPW crews, and an additional 50 trees using subcontracted services. Not all the trees planted were purchased during the same year. Some trees were existing nursery stock, which has now been depleted, and there is a need to buy trees each year.
3. Since 2014, EAB has taken priority over all other large scale projects. Adequate funding is critical to sustaining the City's tree canopy and providing more diversity in tree species. Diversity will help ensure the impact of disease or infestation associated with a singular tree species (Dutch Elm Disease, Emerald Ash Borer, etc.) will be minimized.

**Justification**

This project's purpose is to fulfill the goals and follow the policies of the tree preservation ordinance by implementing methods of tree protection, preservation and replacement. Promoting public education and awareness and administration of grants are also essential.

**Budget Impact/Other**

These funds will help purchase trees for the City nursery, which helps offset the cost associated with purchasing trees from outside sources. This allows city crews to plant higher quantities of trees in house after storm damage or other tree related failures to preserve Mequon's urban canopy. This also allows for time spent pruning and maintaining trees with pest and disease issues.

**Capital Plan**  
City of Mequon, Wisconsin

**Department** Forestry  
**Contact** M. Gies  
**Type of Project** Safety  
**Useful Life (Yrs)** 20  
**Priority** 1 Most Important

**FY 2025** through **FY 2029**  
**Project #** 10070  
**Project Name** Emerald Ash Borer

Expenditures	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	Total
Equipment	\$ 70,000.00	\$ 65,000.00	\$ 65,000.00	\$ 60,000.00	\$ 60,000.00	\$ 320,000.00
<b>Total</b>	<b>\$ 70,000.00</b>	<b>\$ 65,000.00</b>	<b>\$ 65,000.00</b>	<b>\$ 60,000.00</b>	<b>\$ 60,000.00</b>	<b>\$ 320,000.00</b>

  

Funding Sources	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	Total
Capital Projects Fund	\$ 70,000.00	\$ 65,000.00	\$ 65,000.00	\$ 60,000.00	\$ 60,000.00	\$ 320,000.00
<b>Total</b>	<b>\$ 70,000.00</b>	<b>\$ 65,000.00</b>	<b>\$ 65,000.00</b>	<b>\$ 60,000.00</b>	<b>\$ 60,000.00</b>	<b>\$ 320,000.00</b>

**Description**

Budget needs for forestry and EAB management both short and long term. To date city crews or contractors working for the city, have removed approximately half of the 27,000 ash trees in the city. As part of city's primary removal focus as outlined in the EAB policy, efforts were focused on trees within the city right of way along roadside. To date, it is estimated that 95% of all City obligated roadside ash have been removed in Mequon. Efforts will transition to removal on other City owned property, as well as replacement for the foreseeable future.

**Justification**

EAB first appeared in Mequon in 2014. Based on 2013 information, the city has over 27,000 on all public lands. Of the 5,000 inventoried Ash street trees, crews have removed approximately 4,500 of the city's obligated Ash street trees. This also does not take in to account the approximate 2/3 of the city that wasn't originally inventoried. To date, it is estimated that crews have removed approximately 13,500 ash in the city. With the primary focus being roadside trees, the city still has the large task ahead of removing and replacing trees in the city's parks and other public spaces. These trees are typically more difficult to access and remove, which will likely increase the cost of removal per tree. Although not all Ash trees will be removed, special consideration will be put on those that are a public risk. The average removal cost per tree varies greatly depending on site access and size. For an average sized tree (16"), the cost is approximately \$700. Numbers jump exponentially after about the (16") range with size of material, handling, and access being more difficult. The average contracted replacement cost for a balled and burlaped tree is around \$375. This is without a watering contract. Funds in this account are used for removal, replacement, tree inventory and public education. Removal and replacement of inventoried street trees alone is estimated at \$3,800,000. The EAB policy requires replacement of removed ash trees at a 1:1 replacement, which will diversify the tree canopy. Additional funding to be used for grant matching funds and streetscaping.

**Budget Impact/Other**

Insufficient annual funds to address the City's ash tree population will only increase the long term costs of addressing EAB infested trees. Trees left unaddressed can result in property damage and risk to public safety. This could also impact or restrict access to parks and open spaces within the city.

Attachment: 5-YEAR CIP - 2025-2029 (9627 : Memo)

Capital Plan  
City of Mequon, Wisconsin

Department: Police  
Contact: P. Pryor  
Type of Project: Equipment  
Useful Life (Yrs): 3  
Priority: 1 Most Important

FY 2025 through FY 2029  
Project #: 10235  
Project Name: Police Vehicles

Expenditures	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	Total
Equipment	\$ 195,000.00	\$ 195,000.00	\$ 195,000.00	\$ 195,000.00	\$ 195,000.00	\$ 975,000.00
<b>Total</b>	<b>\$ 195,000.00</b>	<b>\$ 195,000.00</b>	<b>\$ 195,000.00</b>	<b>\$ 195,000.00</b>	<b>\$ 195,000.00</b>	<b>\$ 975,000.00</b>

  

Funding Sources	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	Total
Capital Projects Fund	\$ 195,000.00	\$ 195,000.00	\$ 195,000.00	\$ 195,000.00	\$ 195,000.00	\$ 975,000.00
<b>Total</b>	<b>\$ 195,000.00</b>	<b>\$ 195,000.00</b>	<b>\$ 195,000.00</b>	<b>\$ 195,000.00</b>	<b>\$ 195,000.00</b>	<b>\$ 975,000.00</b>

**Description**  
Funds are set aside to systematically purchase squad cars, marked and unmarked, and to purchase the necessary equipment to make the cars operational (ex: lights, sirens, mounting equipment, and installation). The fleet includes 8 marked patrol SUV's, 1 unmarked patrol SUV, 2 supervisor SUV's, 2 K9 SUV's, 2 detective SUV's, 2 captain SUV's, 2 training/special operations vehicles, 2 drug enforcement vehicles, 1 chief SUV, 1 special operations van, and a patrol boat. The cost each year can widely vary depending on the scheduled replacement.

**Justification**  
Squad Cars are expensive to purchase, especially in quantity. Therefore, it is important to set aside funds each year so the purchases can be made on a scheduled basis. The annual appropriation will fund the costs over an extended period of time, so it does not create severe fluctuations in the budget. The 8 marked squads are replaced about every 3 years. The supervisor squads are replaced about every 5 years. All replacements in the remaining fleet are made depending on condition and mileage. As a rule, the Department routinely rotates vehicles into different assignments to make the best use of them and keep them as long as possible. Some of the squads are then cycled out to the Public Works Department. The remaining squads are sold at auction. Any equipment that can be reused is reused until it no longer is serviceable.

**Budget Impact/Other**  
Maintaining the scheduled replacement of squads helps to provide safe and reliable emergency response vehicles. It further helps to minimize down time and repair costs. Additional costs associated with the equipment replacement are because of a design change by the manufacturer. The newest squad car prices have caused the need for this increase.

Attachment: 5-YEAR CIP - 2025-2029 (9627 : Memo)

Capital Plan  
City of Mequon, Wisconsin

FY 2025 through FY 2029

Project # 10135  
Project Name Police Officer Equipment

Department Police  
Contact P. Pryor  
Type of Project Equipment  
Useful Life (Yrs) 10  
Priority 1 Most Important

Expenditures	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	Total
Equipment	\$ 40,000.00	\$ 40,000.00	\$ 40,000.00	\$ 40,000.00	\$ 40,000.00	\$ 200,000.00
<b>Total</b>	<b>\$ 40,000.00</b>	<b>\$ 40,000.00</b>	<b>\$ 40,000.00</b>	<b>\$ 40,000.00</b>	<b>\$ 40,000.00</b>	<b>\$ 200,000.00</b>

  

Funding Sources	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	Total
Capital Projects Fund	\$ 40,000.00	\$ 40,000.00	\$ 40,000.00	\$ 40,000.00	\$ 40,000.00	\$ 200,000.00
<b>Total</b>	<b>\$ 40,000.00</b>	<b>\$ 40,000.00</b>	<b>\$ 40,000.00</b>	<b>\$ 40,000.00</b>	<b>\$ 40,000.00</b>	<b>\$ 200,000.00</b>

**Description**

This is an account to plan for the purchasing and replacement costs associated with the more substantial equipment needed by the officers of the Mequon Police Department.

**Justification**

Police Officers carry out a wide variety of duties. These duties require a lot of different pieces of equipment. Some examples of this equipment include tactical vests, personal body armor, tasers, defibrillators, squad/body cameras, digital cameras, digital recorders, traffic safety equipment, radar units and the speed board trailer. As policing becomes more based in technology, plans have been developed for replacement of these items and funds are necessary to purchase and replace this type of equipment. The changing world and demands on law enforcement also require the department to update the special response team equipment, purchase crowd control equipment and bicycle patrol equipment.

**Budget Impact/Other**

This Capital Plan was only funded in the amount of \$20,000.00 last year. This funding needs to get back on track for an upcoming squad camera, body camera and electronic control device purchase. Full funding for this account is crucial with the demands/expectations of law enforcement.

Attachment: 5-YEAR CIP - 2025-2029 (9627 : Memo)

Capital Plan  
City of Mequon, Wisconsin

Department: Police  
Contact: P. Pryor  
Type of Project: Equipment  
Useful Life (Yrs): 10  
Priority: 1 Most Important

FY 2025 through FY 2029  
Project # 10036  
Project Name Police Weapons

Expenditures	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	Total
Equipment	\$ 16,000.00	\$ 8,000.00	\$ 8,000.00	\$ 8,000.00	\$ 8,000.00	\$ 48,000.00
<b>Total</b>	<b>\$ 16,000.00</b>	<b>\$ 8,000.00</b>	<b>\$ 8,000.00</b>	<b>\$ 8,000.00</b>	<b>\$ 8,000.00</b>	<b>\$ 48,000.00</b>

  

Funding Sources	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	Total
Capital Projects Fund	\$ 16,000.00	\$ 8,000.00	\$ 8,000.00	\$ 8,000.00	\$ 8,000.00	\$ 48,000.00
<b>Total</b>	<b>\$ 16,000.00</b>	<b>\$ 8,000.00</b>	<b>\$ 8,000.00</b>	<b>\$ 8,000.00</b>	<b>\$ 8,000.00</b>	<b>\$ 48,000.00</b>

**Description**  
All officers currently carry 9mm Glock handguns. Each squad has a Colt AR-15 rifle assigned to it. There are also additional rifles available for Officer and School Resource Officer use. Each weapon has a tactical light mounted to it and electronic sight. Properly functioning weapons are essential to public safety.

**Justification**  
Planning for weapon replacement is essential as officers need the weapons to be functional during a critical incident. Weapons are also used and trained with regularly, and as mandated by the State of Wisconsin. The exposure to the elements and the various uses require replacement after several years. The handguns were replaced in 2022. The rifles were replaced in 2015. Additionally, officers are given their duty handgun upon retirement. This account also funds the purchase of handguns for new officers. The rifles will need to be replaced in 2025 therefore additional funds have been requested.

**Budget Impact/Other**  
This account was not funded in 2016, 2017 or 2018. A request for \$16,000.00 was made for 2024, \$8,000.00 was funded. The recent replacement of all handguns and the number of upcoming retirements will require us to replace more handguns in the near future. Rifles will need to be replaced in 2025.

Attachment: 5-YEAR CIP - 2025-2029 (9627 : Memo)

Capital Plan  
City of Mequon, Wisconsin

FY 2025 through FY 2029

Project # 12012  
Project Name Police Building IT Equipment

Department Police  
Contact P. Pryor  
Type of Project Equipment  
Useful Life (Yrs) 5  
Priority 2 Moderate Importance

Expenditures	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	Total
Equipment	\$ 5,000.00	\$ 5,000.00	\$ 5,000.00	\$ 5,000.00	\$ 5,000.00	\$ 25,000.00
<b>Total</b>	<b>\$ 5,000.00</b>	<b>\$ 5,000.00</b>	<b>\$ 5,000.00</b>	<b>\$ 5,000.00</b>	<b>\$ 5,000.00</b>	<b>\$ 25,000.00</b>

  

Funding Sources	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	Total
Capital Projects Fund	\$ 5,000.00	\$ 5,000.00	\$ 5,000.00	\$ 5,000.00	\$ 5,000.00	\$ 25,000.00
<b>Total</b>	<b>\$ 5,000.00</b>	<b>\$ 5,000.00</b>	<b>\$ 5,000.00</b>	<b>\$ 5,000.00</b>	<b>\$ 5,000.00</b>	<b>\$ 25,000.00</b>

**Description**  
This supports software and system upgrades associated with the Computer Aided Dispatch (CAD) and all of the office desktop Records Management System (RMS) software. This also provides for officer dictation software, in-house camera recording systems and various software updates. This also funds the call recording device for all the Police Department phone lines.

**Justification**  
Funds need to be set aside to purchase new equipment and keep software up to date in the police department. The department uses redaction software for open records requests and for video requests.

**Budget Impact/Other**  
This plan has gone unfunded for several years. The department must keep pace with plans to replace or update in order to prevent larger requests in the future.

Attachment: 5-YEAR CIP - 2025-2029 (9627 : Memo)

Capital Plan  
City of Mequon, Wisconsin

FY 2025 through FY 2029

Project # 10029  
Project Name Police Vehicle IT Equipment

Department Police  
Contact P. Pryor  
Type of Project Equipment  
Useful Life (Yrs) 5  
Priority 2 Moderate Importance

Expenditures	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	Total
Equipment	\$ 10,000.00	\$ 10,000.00	\$ 10,000.00	\$ 10,000.00	\$ 10,000.00	\$ 50,000.00
<b>Total</b>	<b>\$ 10,000.00</b>	<b>\$ 10,000.00</b>	<b>\$ 10,000.00</b>	<b>\$ 10,000.00</b>	<b>\$ 10,000.00</b>	<b>\$ 50,000.00</b>

  

Funding Sources	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	Total
Capital Projects Fund	\$ 10,000.00	\$ 10,000.00	\$ 10,000.00	\$ 10,000.00	\$ 10,000.00	\$ 50,000.00
<b>Total</b>	<b>\$ 10,000.00</b>	<b>\$ 10,000.00</b>	<b>\$ 10,000.00</b>	<b>\$ 10,000.00</b>	<b>\$ 10,000.00</b>	<b>\$ 50,000.00</b>

**Description**  
This project funds the replacement of mobile data computers for the police squad cars.

**Justification**  
Squad computers were last replaced starting in 2021 and the complete replacement was finished in 2023. The mobile computers must be of sufficient build quality to withstand 24/7 use, extreme temperatures, and rough terrain. This project sets aside funds for a planned five-year replacement cycle due to aged equipment and due to necessary Windows software updates.

**Budget Impact/Other**  
The account was not funded in 2021, 2022, 2023 or 2024. Maintaining the scheduled replacement helps to provide reliable equipment that the officers depend on each day.

Attachment: 5-YEAR CIP - 2025-2029 (9627 : Memo)

Capital Plan  
City of Mequon, Wisconsin

FY 2025 through FY 2029

Project # 12044  
Project Name Police Computer Replacement

Department Police  
Contact P. Pryor  
Type of Project Equipment  
Useful Life (Yrs) 5  
Priority 2 Moderate Importance

Expenditures	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	Total
Equipment	\$ 5,000.00	\$ 5,000.00	\$ 5,000.00	\$ 5,000.00	\$ 5,000.00	\$ 25,000.00
<b>Total</b>	<b>\$ 5,000.00</b>	<b>\$ 5,000.00</b>	<b>\$ 5,000.00</b>	<b>\$ 5,000.00</b>	<b>\$ 5,000.00</b>	<b>\$ 25,000.00</b>

  

Funding Sources	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	Total
Capital Projects Fund	\$ 5,000.00	\$ 5,000.00	\$ 5,000.00	\$ 5,000.00	\$ 5,000.00	\$ 25,000.00
<b>Total</b>	<b>\$ 5,000.00</b>	<b>\$ 5,000.00</b>	<b>\$ 5,000.00</b>	<b>\$ 5,000.00</b>	<b>\$ 5,000.00</b>	<b>\$ 25,000.00</b>

**Description**

This fund supports approximately 30 desktop computers and 9 laptop computers for the Police Department. This is a continuous cycle that replaces desktop and laptop computer equipment that is about five years old and has outdated technology.

\*City Hall and DPW is on a separate replacement schedule\*

**Justification**

To ensure computer resources remain up-to-date, an end-of-life schedule cycle of five years should be implemented for information technology at each desk. Desktop and laptop computers are replaced with this fund. This is to ensure computer resources remain up-to-date and reliable.

**Budget Impact/Other**

As information technology ages, the efficiency and effectiveness decreases. By replacing technology on a set schedule, employees will have equipment that is working consistently and will be able to take advantage of advances as they come. Some of these computers are running Windows 10 which is slated to be end of life in 2025.

Attachment: 5-YEAR CIP - 2025-2029 (9627 : Memo)

Capital Plan  
City of Mequon, Wisconsin

Department: Police  
Contact: P. Pryor  
Type of Project: Equipment  
Useful Life (Yrs): 10  
Priority: 3 Neutral

FY 2025 through FY 2029  
Project #: 10040  
Project Name: Police Radio Equipment

Expenditures	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	Total
Equipment	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>Total</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>

  

Funding Sources	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	Total
Capital Projects Fund	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>Total</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>

**Description**  
The radio system is the main channel of communication between officers, dispatchers, and other public safety agencies. Funds are set aside to replace mobile and portable radios. Mobile radios are those permanently mounted in public safety vehicles and portable radios are those that personnel carry on their duty belts and with them. This includes Sierra Wireless squad connectivity communication devices.

**Justification**  
Staff has been planning for the next replacement of mobile and portable radios for several years. Radios require replacement approximately every 10 years, as radio vendors tend to discontinue manufacturing replacement parts after 10 years. Ozaukee County has recently replaced the radio equipment to a base level. Additional radios, scanning radios and accessories (batteries, gang chargers, speaker mics, earpieces, etc.) will be required to maintain the current level of service.

**Budget Impact/Other**  
Ozaukee County is expected to finalize this project by the fourth quarter of 2024. This will allow our department to determine the final expenses needed. No additional funds are being requested for 2025. The Department is responsible for purchasing its own scanning radios to be able to hear other departments in Ozaukee County and Washington County. A significant amount of this fund is expected to be requested to transfer to purchase new squad cameras, body cameras, and electronic control devices in 2025.

Attachment: 5-YEAR CIP - 2025-2029 (9627 : Memo)

# Existing G.O. Debt Structure

Year Ending	Existing Debt								Year Ending
	Total G.O. Debt Payments	Less: Special Assessments	Less: TID 3	Less: Sewer	Net Debt Service Tax Levy	Change in DS Tax Levy from PY	Equalized Value (TID OUT)	Tax Rate Per \$1,000	
2024	5,795,265	(170,363)	(1,163,500)	(1,698,350)	2,763,053		6,299,068,300	\$0.44	2024
2025	5,873,296	(166,856)	(1,251,100)	(1,695,150)	2,760,190	(2,863)	6,623,410,536	\$0.42	2025
2026	5,335,190	0	(1,264,100)	(1,698,750)	2,372,340	(387,850)	6,928,586,978	\$0.34	2026
2027	5,314,328		(1,275,200)	(1,696,750)	2,342,378	(29,963)	7,247,824,554	\$0.32	2027
2028	5,295,753		(1,300,400)	(1,697,350)	2,298,003	(44,375)	7,581,771,136	\$0.30	2028
2029	3,861,590		0	(1,696,600)	2,164,990	(133,013)	8,129,227,948	\$0.27	2029
2030	3,300,183			(1,694,500)	1,605,683	(559,308)	8,503,785,564	\$0.19	2030
2031	2,654,444			(1,066,050)	1,588,394	(17,289)	8,895,601,081	\$0.18	2031
2032	858,500			0	858,500	(729,894)	9,305,469,664	\$0.09	2032
2033	0				0	(858,500)	9,734,223,115	\$0.00	2033
<b>Total</b>	<b>44,287,498</b>	<b>(511,706)</b>	<b>(7,272,216)</b>	<b>(14,640,550)</b>	<b>21,564,325</b>				<b>Total</b>

Attachment: EXISTING G.O. DEBT STRUCTURE - MAY 2024 (9627 : Memo)

CAPITAL/ INFRASTRUCTURE		IT/CUSTOMER SERVICE		FINANCIAL STEWARDSHIP		QUALITY OF LIFE	
ITEM	COST	ITEM	COST	ITEM	COST	ITEM	COST
County Line Traffic Light	\$325K	Land Mgmt. System	\$425K	2022 Budget	\$200K	Lemke Park Pavilion	\$350K
Space Needs Assessment	\$25K	Central Database	\$100K	2023 Budget	\$200K	Brush Site	\$250K
		MUNIS Modules (4)	\$100K	2024 Budget	\$65K	Civic Campus Plan	\$75K
		MUNIS Training	\$50K	Library	\$150K	Parks Plan Update	\$40K
		Police Phone Recorder	\$15K	Covid/Staffing /Other	\$72K	Speed Deterrence	\$20K
		E-Poll Books	\$90K				
<b>TOTAL</b>	<b>\$350K</b>	<b>TOTAL</b>	<b>\$780K</b>	<b>TOTAL</b>	<b>\$687K</b>	<b>TOTAL</b>	<b>\$735K</b>
<b>GRAND TOTAL: \$2,552,000</b>							

Attachment: ARPA 8.0 (9627 : Memo)

ARPA SPENDING PLAN as of 8/15/2024							
CAPITAL							
Department	Strategic Plan	Status	Description	GL Account	Amount Allocated	Amount Spent/Encumbered	Amount Remaining
Elections	IT/Customer Service	Completed	Electronic Poll Books	250870-691922	88,200	71,448	16,752
Elections	IT/Customer Service	Completed	Election Signage	250870-691922	1,800	1,800	-
Police	IT/Customer Service	Completed	IT Equipment PD Recorder	250870-691922	15,000	14,473	527
Library	Financial Stewardship	In Progress	Library Capital Projects	250870-691922	112,784	31,161	81,623
DPW	Capital/Infrastructure	In Progress	County Line/Port Wash Road Traffic Signal	250870-691922	325,000	335,030	(10,030)
Development	IT/Customer Service	In Progress	Online Permitting/Land Management System	250870-691922	425,000	35,270	389,730
Development	IT/Customer Service	Not Started	Centralized Database Development	250870-691922	100,000		100,000
Buildings	Quality of Life	In Progress	Civic Campus Master Plan/Space Assessment	250870-691922	100,000	14,750	85,250
Parks	Quality of Life	Starting	Lemke Park Pavilion Expansion	250870-691922	350,000	350,000	-
DPW	Quality of Life	In Progress	City Brush Site Automation	250870-691922	250,000	84,914	165,086
<b>TOTAL CAPITAL</b>					<b>1,767,784</b>	<b>938,846</b>	<b>828,938</b>
OPERATING							
Department	Strategic Plan	Status	Description	GL Account	Amount Allocated	Amount Spent/Encumbered	Amount Remaining
Library	Financial Stewardship	Completed	Library COVID Response	250870-683702	37,216	37,216	(0)
Administration	Financial Stewardship	In Progress	General Fund Budget Usage	250870-691922	465,000	465,000	-
Administration	Financial Stewardship	In Progress	Covid/Staffing/Other	250870-691922	72,029	42,517	29,512
Administration	IT/Customer Service	In Progress	MUNIS Modules & Training	250870-691922	150,000	31,705	118,295
Administration	Quality of Life	In Progress	Parks Plan Update	250870-691922	40,000	40,000	-
Administration	Quality of Life	In Progress	Speed Deterrence	250870-691922	20,000	15,970	4,030
<b>TOTAL OPERATING</b>					<b>784,245</b>	<b>632,408</b>	<b>151,836</b>
<b>ARPA SPENDING PLAN TOTALS as of 8/15/2024</b>					<b>2,552,029</b>	<b>1,571,255</b>	<b>980,774</b>

Attachment: ARPA SPENDING PLAN - 8.15.24 (9627 : Memo)

# CITY OF MEQUON: 2025 BUDGET DEVELOPMENT CALENDAR

**Tues., June 11**

**REGULAR COMMON COUNCIL MEETING**

- Sewer Utility Funding Policy
- Finance Director Appointment

**Tues., July 9**

**REGULAR COMMON COUNCIL MEETING**

- FY2023 Annual Comprehensive Financial Report

**Mon., July 15**

2025 Budget Development Parameters to City Departments

- 2025 MUNIS Budget Available
- 2025-2029 Capital Improvement Program Available
- Personnel, Activity Measure & Narrative Documents Available

**Wed., Aug. 14**

**REGULAR COMMON COUNCIL MEETING**

- Financial Policy Updates

**Mon., Aug. 19**

Departmental Budgets Submitted in MUNIS, w/ 2024 Projections

- Compulsory Expenditure Increases Itemized for 2025
- Supplemental Funding Requests Itemized for 2025

**Wed., Aug. 28**

**BUDGET WORKSHOP MEETING**

- 2024 Financial Update: Revenues, Expenditures, Fund Balance
- Budget Considerations; 5-Year Capital Plan; 2025 Debt Issue
- Revaluation; IT Upgrades; Community Survey
- ARPA Funding Expenditure Update

Attachment: 2025 BUDGET CALENDAR (9627 : Memo)

Fri., Aug. 30	Departmental Budget Meetings Conducted & Completed
Fri., Sept. 6	Recommended Adjustments to City Fee Schedule Due
Mon., Sept. 9	Departmental Personnel, Activity Measures & Narratives Due
<b>Tues., Sept. 10</b>	<b>REGULAR COMMON COUNCIL MEETING</b>
Wed., Sept. 11	2025 Southern Ozaukee Fire & EMS Budget Approved
Mon., Sept. 30	Proposed 2025 Budget Distributed <ul style="list-style-type: none"> <li>▪ Supplemental Funding Requests for 2025</li> </ul>
<b>Tues., Oct. 8</b>	<b>REGULAR COMMON COUNCIL MEETING</b>
<b>Wed., Oct. 9</b>	<b>APPROPRIATIONS COMMITTEE MEETING</b>
<b>Oct. 16-17, 21</b>	<b>APPROPRIATIONS COMMITTEE MEETING (IF NECESSARY)</b>
Tues., Oct. 22	Public Hearing Notice Deadline - 10:00 a.m. (to Publish on 10/24)
<b>Oct. 16 - Nov. 5</b>	<b>2025 BUDGET MEETING - SEWER &amp; WATER UTILITIES</b>
<b>Tues., Nov. 12</b>	<b>REGULAR COMMON COUNCIL MEETING</b> Public Hearing & Adoption of 2025 City Budget <ul style="list-style-type: none"> <li>▪ 2025 Fee Schedule &amp; 2025 Compensation Plan</li> <li>▪ 2025 Sewer &amp; Water Budget Adoption</li> <li>▪ Final ARPA Expenditure Plan (in Advance of Dec. 31, 2024)</li> </ul>

Attachment: 2025 BUDGET CALENDAR (9627 : Memo)