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Office of the City Clerk
Taped & Televised

COMMITTEE OF THE WHOLE
Monday, August 29, 2022
6:00 PM
Christine Nuernberg Hall

Agenda

1. Call to Order

2. Roll Call

3) Overview of Fiscal Year 2023 Budget Development Process
   a. Cover Memorandum
   b. Financial Update for Fiscal Year 2022 (through July 31)
   c. Fund Balance Update – General, Other, Special Revenue & Capital Funds
   d. Compulsory Expenditure Adjustments for 2023

4) Capital Financing Update
   a. Proposed 5-Year Capital Plan: Fiscal Years 2023-2027
   b. Long-Term General Obligation Debt Profile

5) Public Safety Consolidation Update
   a. Draft Summary – 2023 Southern Ozaukee Fire & EMS Department Budget

6) Supplemental Funding Discussion
   a. Proposed Allocation Plan – American Recovery Plan Act (ARPA) Proceeds

7) 2023 Budget Schedule

8) Potential Closed Session: Collective Bargaining for Mequon Police Association and Mequon Fire & EMS Association Related to Various Benefits Provided by the City. The Committee of the Whole may convene into closed session pursuant to Wis. Stat. § 19.85(1)(e), deliberating or negotiating the purchasing of public properties, the investing of public funds, or conducting other specified public business, whenever competitive or bargaining reasons require a closed session, and then may convene into open session to take such action as deemed appropriate.

9) Adjourn

Dated: August 29, 2022 */s/ Andrew Nerbun, Mayor*

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 25, 2022**

To: **Committee of the Whole**

From: **William Jones, City Administrator**

Subject: **FY2023 Budget Development Workshop - August 29, 2022**

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 formal consolidation of the Mequon and Thiensville Fire Departments beginning on January 1. Accordingly, City staff has been working diligently over the last several 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 2023 budget, this year's budget workshop will be held next week on Monday, August 29, 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 formally meets 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 outlined below:

- A Financial Update for Fiscal Year 2022 (through July 31)
- An Update on Balances in the City's General, Capital and Other/Special Revenue Funds
- A Listing of Compulsory Expenditure Increases Identified for 2023
- Two (2) Capital Plan Summary Documents for Fiscal Years 2023-2027
- A Profile of the City's Existing General Obligation (G.O.) Debt
- A Draft Summary of the 2023 Southern Ozaukee Fire & EMS Budget
- A Proposed Allocation Plan for the City's American Recovery Plan Act (ARPA) Proceeds
- A 2023 Budget Schedule

Each of the above-referenced items are outlined further throughout the remainder of this memorandum.

FINANCIAL UPDATE: FISCAL YEAR 2022

Attached is a report comparing General Fund budget-to-actual during the first seven months of 2022. 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 Revenues, Building Permits, Public Safety Fees, DPW Fees, Other Revenue and

Investment Revenue. As noted on the bottom of the page, 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, overall revenues are 49% of budget through seven months of the year. Areas where collections are tracking ahead of budget include Intergovernmental Revenues, Licenses, Other Permits, General Fees, Pool/Parks Fees and Development Fees. As noted in the document, the City's single largest revenue source - Property Taxes - will be settled with Ozaukee at the end of this month. Accordingly, it is expected that overall revenues should exceed the 66.7% threshold by the end of August, which marks the completion point for 2/3 of the City's fiscal year.

On the expenditure side, some departmental or division budgets are tracking more than 5% over (shaded red) the 58% benchmark through seven months of the fiscal year. These include budgets for the Common Council, Fleet Services and the Community Pool. As indicated at the bottom of the page, the Council budget is trending over due to festival costs that have been paid but not yet reimbursed, and strategic planning expenses carried forward into 2022. The Fleet Services budget is also projected to incur a deficit in 2022, due to higher fuel prices and the cost of vehicle parts. In the case of the Pool, while most expenses for 2022 have already been incurred, it is likely that expenses will exceed the budget this year, due to needed wage adjustments for seasonal staff as well as a number of capital repairs and/or improvements. Lastly, and as further indicated at the bottom of the page, total expenditures for 2022 are nearly 54% of budget through 7 months of the fiscal year.

Staff will continue to monitor budget conditions for other material variances as 2022 progresses and provide a 3rd Quarter Update to the Common Council in mid-October, prior to adoption of the 2023 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 City's utility funds for sewer and water. The schedule presents individual balances for each enumerated fund as of December 31, 2021, as well as their projected balances as of December 31, 2022.

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 decrease from 13% to 12% by the end of 2022, due to the planned use of $191,000 in fund balance during 2022, as well as unanticipated costs associated with higher inflation. As affirmed in 2018, the City's financial policies stipulate that the City will strive to maintain a minimum fund balance range of between 10-12%. 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. As has been previously shared with the Committee, the Government Finance Officers Association generally recommends that governments maintain a minimum general fund balance equivalent to two months (or 16.7%) of an entity's annual operating revenues.

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 specified 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, and the City's Revolving Loan Program. 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 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 currently has a negative fund balance but is projected to turn positive by the time of its closure in the mid-to-late 2020's. During 2022, both TID#2 and TID#3 benefitted from an increase in tax increment. While TID #2's fund deficit decreased only slightly after rising in 2021, TID #3 will likely see an increase of more than $1.2 million in its fund balance by the end of 2022. In turn, this will allow for the future repayment of the $1.5 million that is currently owed to the Capital Projects Fund from this account.

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 indicated at the bottom of the enclosed chart entitled CAPITAL BUDGET 2023 that depicts both the status of the City's various capital accounts and departmental requests for 2023, the City's Capital Projects Fund currently has a balance of more than $10 million. This is in part attributable to the receipt of funds associated with a $9.6 million debt issue initiated early this year, whereupon proceeds were deposited directly into this fund to pay the cost of various road improvement projects over the next three years.

OTHER CONSIDERATIONS
City staff will also provide an update on the current status of the budget that is being prepared for 2023, 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 2022 expenditure budgets forward into 2023, as a starting point from which contractual (e.g., retirement contributions, insurance premium adjustments, bargained wage increases, 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 higher inflation or the latent impacts related to the COVID-19 pandemic.

Once again, City staff will be attempting to prepare a General Fund budget for 2023 that does not substantially increase the City's current tax rate of $3.07 per $1,000 of assessed property. This effort will be aided by an increase of approximately $360,000 in newly available property tax revenue, resulting from a 2.2% increase in net new construction for 2022. Additionally, as the Council will recall, $200,000 in available ARPA funds were included in the 2022 budget to help restore funding that was either cut or reduced during the COVID-19 pandemic. In 2023, it is likely that the proposed budget will also include the use of some additional ARPA funds, albeit at a lower level than the amount programmed for 2022. Nevertheless, there are a number of inflationary considerations and other mandatory expenditure increases that the City will need to incorporate into the 2023 budget. These have been identified by each City department and are itemized by operating division in the enclosed matrix entitled *'Compulsory Expenditure Increases Above 2022 Baseline Budget'*.

Lastly, there are still a number of considerations being worked through as additional information becomes available regarding employee health insurance rates, state shared revenue figures, 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 2023 budget over the next four 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.

PROPOSED 5-YEAR CAPITAL PLAN: FISCAL YEARS 2023-2027

Each year in July, City departments are required to review and update five-year capital improvement plans relating 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 2023 Capital Budget worksheet, as well as a consolidated 5-Year Capital Improvement Plan. As is evident from the materials, the majority of proposed expenditures within these documents originate from the City's three largest departments - Police, Fire and Public Works/Engineering. Due to the length of the CIP document, staff is not enclosing individual descriptions for each project included for 2023-2027. In many instances, these documents remain unchanged from one year to the next. Should any member of the Committee wish to obtain or receive the full detailed worksheets associated with each listed project, please contact Marie Keyser, Assistant to the Finance Director at (262) 236-2948 / mkeyser@ci.mequon.wi.us.

For 2023, capital project funding requests from department heads total $5,622,300, a decrease of approximately $320,000 from the $5,941,900 that was requested for 2022. The largest single request for 2023, $1.95 million for City Right-of-Way assets (e.g., roads, parking lots, sidewalks, etc.) is being largely funded with the use of bond proceeds realized from a $9.6 million bond issue undertaken by the City earlier this year.

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.

Of particular note in the chart below, the $1,376,819 allocated for capital projects in 2018 included a one-time fund balance assignment of approximately $350,000 from the City's General Fund to repave Donges Bay Road between Cedarburg and Wauwatosa Roads. In 2020, overall funding was increased substantially with $50,000 of dedicated, recurring funding for Parks Improvements, as well as upward adjustments of $55,000 and $70,000 for equipment replacement in the Police and Public Works Departments, respectively.

Year	Departmental Capital Requests	Actual Funding Amount
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 2023, it is estimated that capital funding requests will again be funded at nearly the same level as 2022. 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 2022 can be found in the "2022 Approved Funding" column of the Capital Budget 2023 spreadsheet.

LONG-TERM DEBT OUTLOOK

In addition to reviewing the City's near-term capital needs over the next five years, it is anticipated that a review of the City's long-term debt position will also occur at next Monday evening's workshop. Attached is a chart prepared by the City's financial advisor, Ehlers &

Associates, that depicts the City's debt position heading into 2023. This projection includes the aforementioned $9.6 million issue that was approved in February of this year, resulting in a debt service obligation in the City's General Fund of just over $2.8 million for next year. By comparison, the City's debt service requirement for the current fiscal year (before this year's debt issue was initiated), is $2,820,253. Given the relatively level nature of the City's current annual debt service obligations, as well as the fact that the City is scheduled to retire all of its *existing* General Obligation (G.O.) debt within the next ten years, now may be an appropriate time for the Council and staff to consider which projects identified in the City's new Strategic Plan are to be funded with additional debt-financing in the coming years. Given some of the timelier considerations that the Council will need to address in connection with development of this year's budget (including the allocation of available ARPA funds and the pending consolidation of the Mequon and Thiensville Fire Departments), it is likely that such a conversation will begin in earnest sometime after budget approval later this fall. In the interim, staff will continue to meet with Ehlers to outline various funding scenarios for consideration in the future. Should Committee members have input regarding specific projects or variables that need to be included in the projection models being developed by Ehlers, such can be shared with staff during this portion of Monday's meeting.

PUBLIC SAFETY CONSOLIDATION UPDATE

Shortly after adopting a 2022 budget last November that included three new full-time firefighter/paramedic positions, the Common Council approved a Memorandum of Understanding (MOU) with the Village of Thiensville to examine Fire & EMS consolidation. Thereafter, a study group comprised of the entities' chief elected officials, administrators, fire chiefs and deputy chiefs developed the framework for an Intergovernmental Agreement (IGA) to formally merge the two departments. The IGA was approved by Mequon in April and by Thiensville in May, and the two departments combined to operate on a joint basis as the Southern Ozaukee Fire & EMS Department (e.g., scheduling, equipment-sharing, call response) starting on July 1.

With approval of the IGA earlier this spring, two additional Firefighter/Paramedics have been hired by both Thiensville and Mequon respectively, to provide additional shift coverage for the newly combined entity. Additionally, the Southern Ozaukee Fire & EMS (SOFD) Board, comprised of five elected officials from both the City and Village, has met on three occasions to develop a work plan for the remainder of 2022, and commence development of the combined entity's operating budget for 2023.

To date, staff from both the City and the Village have largely completed work on a proposed operating budget for 2023. Enclosed for the Committee's review is a summary of the draft budget that will be discussed by the SOFD Board at its next meeting on August 31.

As proposed, the recommended budget includes adjustments to ambulance fees charged by both the City and the Village, as well as the continuation administration, or the establishment of, other fees related to alarm system installations, sprinkler system installations and commercial fire inspections, among others. Additionally, the proposed budget includes $300,000 in funding from Ozaukee County, through its new Fire & EMS Grant Program that was recently established to assist local municipalities towards increasing their associated staffing levels.

In all, the draft budget contemplates the hiring of five additional full-time firefighter/paramedic positions in 2023. Summarily, this would fill the one vacant full-time position that was to be hired after July 1 this year, the three full-time positions that are forecasted for hire in 2023, and one of the three full-time positions scheduled for hire in 2024. Additionally, the draft budget tentatively establishes a reserve balance of approximately 5% as well as the creation of a capital funding account with an initial balance of $200,000. Though staff recommends the inclusion of both of these key components within the draft SOFD budget for 2023, these amounts may be subject to change, pending the receipt of additional information from the Wisconsin Department of Revenue regarding allowable levy limit increases for jointly operated Fire Departments. As staff continues to obtain additional information, these figures will be refined accordingly, in concert with the Southern Ozaukee Fire & EMS Board of Directors.

As indicated, the SOFD Board is scheduled to review & discuss the proposed draft budget at its next meeting on August 31. Thereafter, it is anticipated that a final budget will be recommended by the SOFD Board to the Mequon Common Council and Thiensville Village Board for approval in September, prior to the consideration of both annual operating budgets by the two respective municipalities in October.

Both SOFD Fire Chief David Bialk and Deputy Chief Zellman will attend Monday evening's meeting, to provide an overview of the draft budget, and to answer questions from members of the Committee.

SUPPLEMENTAL FUNDING DISCUSSION

A portion of Monday evening's meeting will also be devoted to providing Council members with an overview of the American Recovery Plan Act (ARPA), as well as its potential impact on the budget proposed for 2023. Under terms of the guidance provided last year by the Treasury Department regarding the use of these funds, 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 review is a proposed spending plan that distributes the City's $2.5 million allocation across each of the key focus areas identified earlier this year during the Council's strategic planning process. As indicated in the attached matrix, this includes $325,000 for the completion of a capital improvement related to the I-43 expansion project, nearly $800,000 to fund a number of technology and customer service enhancements such as online permitting and digitized voter records, $600,000 for improvements to Lemke Park and the City-operated Brush Site, and approximately $750,000 to restore funding for City operations impacted by the COVID-19 pandemic and provide additional support for the Library. Notably, nearly a quarter (23%) of the $2.55 million in available ARPA funds has already been spent or tacitly committed to projects that are currently underway, as follows:

Item	Committed	Spent	Amount
County Line Road Traffic Signal	X		$325,000
Fiscal Year 2022 Budget		X	$200,395
Weyenberg Library COVID Expenses		X	$37,216
City/Library Compensation Study	X		$22,200
City COVID Expenses		X	$3,453
Sub-Total	-	-	**$588,264**

Additionally, and as noted in the chart, staff is proposing the use of additional ARPA proceeds in both 2023 and 2024 as a supplemental resource for the City's General Fund budget, albeit in lesser amounts than the $200,000 that was budgeted in 2022. As proposed, the amounts allocated during fiscal years 2023 and 2024 would each be reduced by $65,000 from the preceding fiscal year, with the goal of eliminating the use of these funds as a budgetary tool after 2024. Furthermore, and as has been the case in previous years when the City has utilized available fund balance to help support annual spending or a specific item within the budget, if a surplus is realized at the close of the fiscal year, the actual amount of such one-time revenue can be reduced accordingly, and thus repurposed for other means.

Staff is requesting Council input regarding the proposed allocations, several of which would need to be included in the 2023 budget that will be recommended for adoption in October. Though the City's annual budget can be amended at any time during the fiscal year, allocated ARPA funds that are not all expended within a specified fiscal year can also be rolled over and reauthorized for their originally intended purpose. Accordingly, staff recommends that the Common Council work towards achieving consensus on an overall ARPA spending plan during this year's budget development process, which can then be memorialized in connection with the adoption of next year's budget this November.

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 otherwise able to be included in the budget that will be submitted for the Council's 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 2023 Budget" for the Committee's review. While staff is hopeful that the proposed ARPA spending plan submitted for initial consideration on August 29 addresses some of the needs enumerated during previous budgeting cycles, the Common Council, in its roles as the Appropriations Committee, may wish to consider the inclusion of additional spending requests when it meets to consider approving the proposed 2023 budget in October.

NEXT STEPS

As indicated in the 2023 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:

Monday, August 29:	Committee of the Whole Workshop
October 3, 5-6, 10, 12-13, 17-18:	Appropriations Committee Meeting
October 11:	Regular Common Council Meeting
October 12-13; or 17-18:	Appropriations Committee Meeting #2 (if Necessary)
October 18 - Nov. 3:	Sewer & Water Utility Budget Meeting

CLOSED SESSION

As noted in the attached memorandum dated August 25, 2022, from City Clerk Caroline Fochs, City staff is requesting that the Committee of the Whole convene a brief meeting in closed session near the conclusion of Monday evening's Budget Workshop Meeting, to discuss various benefits provided under collective bargaining agreements with both the Mequon Police Association, as well as the Mequon Fire & EMS Association.

CONCLUSION

As noted above and in the attached schedule, it is anticipated that staff will be distributing the Proposed 2023 Budget to members of the Common Council by Monday, September 26. 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 develop and finalize a 2023 budget that is responsive to the needs and priorities of the organization and the community.

REVENUES	FY 2022 - Through July 31, 2022 Original Budget	Amended Budget	Actual	YTD %	% of Total	PRIOR YRS COMPARISON FY 21 ACTUALS	FY 20 ACTUALS	FY 19 ACTUALS
Taxes	11,939,401	11,939,401	5,948,983	49.83%	67.2%	5,824,465	7,210,704	5,107,703
State Shared Revenue	555,371	555,371	244,831	44.08%	2.8%	242,079	235,500	232,910
Intergovernmental	1,823,218	1,823,218	1,256,000	68.89%	14.2%	1,269,940	1,335,162	1,253,490
Licenses	60,400	60,400	56,069	92.83%	0.6%	55,355	15,552	66,355
Permits - Inspection	926,000	926,000	499,529	53.94%	5.6%	583,871	361,756	531,364
Permits - Other	59,500	59,500	51,140	85.95%	0.6%	53,525	51,115	49,620
General Fees	132,000	132,000	93,662	70.96%	1.1%	107,778	63,260	51,431
Public Safety Fees	886,300	886,300	350,447	39.54%	4.0%	260,438	259,026	420,916
DPW Fees	90,250	90,250	17,365	19.24%	0.2%	62,282	15,864	48,851
Pool & Park Fees	148,750	148,750	156,785	105.40%	1.8%	111,380	37,132	101,569
Development Fees	74,400	74,400	49,114	66.01%	0.6%	45,092	32,906	42,226
Special Assessments	4,000	4,000	660	16.50%	0.0%	2,309	2,662	3,654
Internal Service Fees	385,000	385,000	-	0.00%	0.0%	-	-	-
Other Revenue	902,550	902,550	186,043	20.61%	2.1%	277,349	359,130	181,429
Investment Revenue	40,000	40,000	(59,219)	-148.05%	-0.7%	18,652	107,014	127,768
Total General Fund Revs	18,027,140	18,027,140	8,851,409	49.10%	100.0%	8,914,517	10,086,783	8,219,286

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

Notes: TAXES: Taxes will be settled in August with Ozaukee County

STATE SHARED REVENUE & INTERGOVERNMENTAL: Revenues are recognized unevely throughout the year

PERMITS - INSPECTION: Lagging slightly, however largely offset by Other Permits and General Fees

PUBLIC SAFETY FEES: Ambulance fees lag several months, so the YTD % is actually well over 50%

DPW FEES: Many are pass through (if revenue is low, so is expense, therefore net zero impact)

SPECIAL ASSESSMENTS: Delinquent Personal Property Tax booked here

INTERNAL SERVICE FEES: Recoginized as part of year-end process

OTHER REVENUE: Fund balance usage of $190k budgeted (doesn’t get recognized) and most other revenue is recognized annually

INVESTMENT REVENUE: Investments are recorded at fair market value, however, losses will not be realized as we hold until maturity

EXPENDITURES	FY 2022 - Through July 31, 2022 Original Budget	Amended Budget	Actual	YTD %	% of Total	PRIOR YRS COMPARISON FY 21 ACTUALS	FY 20 ACTUALS	FY 19 ACTUALS
Common Council	86,058	86,058	73,173	85.03%	0.8%	46,904	57,474	83,509
City Administrator	286,045	286,045	171,586	59.99%	1.8%	158,851	144,249	154,349
City Clerk	305,569	305,569	158,821	51.98%	1.6%	178,391	184,527	157,096
Elections	105,136	105,136	44,758	42.57%	0.5%	27,263	57,453	33,198
Information Services	497,629	497,629	234,850	47.19%	2.4%	212,704	168,530	194,939
Finance	520,760	520,760	249,714	47.95%	2.6%	320,691	363,975	357,630
Assessor	290,820	290,820	173,235	59.57%	1.8%	194,667	183,038	133,517
Human Resources	232,373	232,373	144,662	62.25%	1.5%	124,500	99,540	98,075
Legal Counsel	102,483	102,483	(41,048)	-40.05%	-0.4%	(62,944)	(20,593)	3,921
Police	5,981,512	5,981,512	3,090,479	51.67%	32.0%	2,945,080	2,827,996	2,928,557
Fire/EMS	2,227,113	2,227,113	1,192,321	53.54%	12.4%	1,100,460	949,756	887,244
Communications	591,590	591,590	308,807	52.20%	3.2%	342,189	362,371	369,019
Inspections	524,305	524,305	272,282	51.93%	2.8%	275,628	289,345	288,141
Building Maintenance	674,542	674,542	398,722	59.11%	4.1%	422,608	357,485	380,632
Fleet Services	531,921	531,921	378,551	71.17%	3.9%	295,234	282,733	317,536
Engineering	584,453	584,453	293,485	50.22%	3.0%	263,504	297,795	368,198
Highway	2,041,065	2,041,065	1,008,984	49.43%	10.5%	1,013,666	1,054,567	1,126,965
Forestry	195,683	195,683	90,068	46.03%	0.9%	70,919	51,846	-
Library Grant	1,061,000	1,061,000	795,750	75.00%	8.2%	793,500	806,250	786,965
Swimming Pool	101,323	101,323	79,969	78.92%	0.8%	68,906	63,426	57,171
Parks	571,717	571,717	289,964	50.72%	3.0%	321,921	314,946	350,100
Planning	514,043	514,043	238,890	46.47%	2.5%	295,881	257,539	236,700
Total General Fund Exp	18,027,140	18,027,140	9,648,021	53.52%	100.0%	9,415,155	9,162,576	9,319,030
Net Surplus (Loss)	-	-	(796,612)			(500,638)	924,207	(1,099,744)
Fund Balance - Begin of Year	2,578,531	2,578,531	2,578,531					
Fund Balance - End of Year	2,578,531	2,578,531	1,781,919					

Notes:
COMMON COUNCIL - Largely overbudget due to Strategic Planning $12k (budgeted in 2021) and Festivals Sponsorships $10k (timing)
ADMINISTRATOR: Training over full year budget by $5k due to Midwest Leadership Institute (3 registrants)
ASSESSOR: Last Revaluation payment ($55k) in February
HUMAN RESOURCES: Overage due to recruitment costs for vacant positions
FLEET SERVICES: Fuel and Materials/Repairs over budget due to higher costs
SWIMMING POOL: Pool season is almost over

CITY OF MEQUON FUND BALANCES
As of August 19, 2022
(Excludes Utility and Capital Funds)

Fund #	Fund Name	Balance @ 12/31/19	Balance @ 12/31/20	Balance @ 12/31/21	Estimated Balance @ 12/31/22
110	General (Unassigned)	$2,251,246 (13.5% of 2020 Budget)	$2,312,554 (13.2% of 2021 Budget)	$2,318,914 (13.0% of 2022 Budget)	$2,187,414 (12.0% of 2023 Budget)
210	Special Revenue:				
	Police Reserves	$13,545	$13,545	$13,545	$13,545
	Special Events	$187	$8,821	$2,297	$16,878
	Police Asset Forfeiture	$81,888	$37,004	$16,565	$16,565
220	Park & Open Space:				
	Impact Fees	$310,341	$252,506	$283,160	$339,289
	Nature Preserve	$26,745	$697	$697	$11,497
230	Revolving Loan	$514,060	$302,201	$404,095	$457,929
310	Debt Service (GO)	$308,227	$6,604	($4,923)	$276,547
320	Debt Service TID2	($140,982)	($161,891)	($183,112)	($176,257)
330	Debt Service TID3	($845,265)	$77,545	$1,679,635	$2,940,986

Compulsory Expenditure Adjustments - 2023 Budget	
DESCRIPTION	**AMOUNT**
GENERAL GOVERNMENT	
General	
Reduce ARPA Operating Allocation from $200,000 for 2022 to $135,000 for 2023	$65,000
Sub-Total:	**$65,000**
Mayor & Common Council	
Increase Mayoral Salary from $800/Month to $1,800/Month	$12,000
Sub-Total:	**$12,000**
City Administrator's Office	
Website Hosting Fee - CivicPlus	$4,490
Sub-Total:	**$4,490**
City Clerk	
Office Supplies - Copiers	$3,000
Work Supplies - Administration	($300)
Contracted Services - General: State of WI Weights & Measures	($2,400)
Contracted Services - General: MuniCode Supplement Fees	($1,000)
Contracted Services - General: Granicus 5% Increase	$740
Contracted Services - General: Board of Review Court Reporter	($690)
Sub-Total:	**($650)**
Elections	
Office Supplies	($7,000)
Postage	($20,000)
Contacted Services - General (Poll Workers)	($31,000)
Contracted Services - Maintenance	$225
Sub-Total:	**($57,775)**
Information Services	
MUNIS SaaS Subscription Increase	$16,500
Print Services	($3,500)

Sub-Total:	**$13,000**
Finance	
Postage (11% Rate Increase)	$1,023
Contractual Services - Waukesha County Personal Property Collections	$1,000
Contractual Services - 1099 Processing	$250
Consultants - OPEB Key Benefits Table Update Required in 2023 vs. Full Valuation in 2022	($4,150)
Sub-Total:	**($1,877)**
Assessor	
Contractual Services GROTA Assessing Services Renewal	$5,000
Postage (11% Rate Increase)	$1,800
Sub-Total:	**$6,800**
Human Resources	
Sub-Total:	**$0**
Legal	
Increase Monthly Legal Retainer	$9,318
Increase Monthly Municipal Court Retainer	$9,499
Sub-Total:	**$18,817**
PUBLIC SAFETY	
Police	
Contractual Services - WILEAG Accreditation Association	$700
Contractual Services - WILEAG Accreditation Software	$1,300
Contractual Services - Planit Power DMS Scheduling Software Price Increase	$800
Contractual Services - 2.5% Price Increase	$1,500
Work Supplies - Ammunition Mandatory State Price Increase	$850
Miscellaneous Services - Grafton PD Range Fee	$500
Fuel Cost Adjustment	$22,800
Photocopier Expenses - Reduced Under Consolidated Contract	($6,700)
Sub-Total:	**$21,750**
Fire/EMS	

Sub-Total:	**$0**
Communications	
Sub-Total:	**$0**
PUBLIC WORKS	
Building Maintenance	
Contracted Services - General	$4,099
Contracted Services - Carpet Cleaning Moving In-House	($3,500)
Electric - City Hall	$12,430
Electric - Public Safety Building	$7,200
Electric - East Side Fire Station	($7,400)
Electric - Highway Building	$9,100
Gas - City Hall	$4,000
Gas - Public Safety Building	$15,900
Gas - East Side Fire Station	$600
Gas - Highway Building	$3,500
Sewer - Public Safety Building	$230
Water - City Hall	($160)
Water - Public Safety Building	$140
Sub-Total:	**$46,139**
Fleet Services	
Fuel Cost Adjustment	$19,412
Maintenance & Repairs	$3,000
Sub-Total:	**$22,412**
Forestry	
Portable Toilets @ Brush Site: $85/Month to $92/Month	$96
Sub-Total:	**$96**
Highway	
Electric - Street Lights	$11,300
Sewer - DPW Buildings	$500

Water - DPW Buildings	$380
Signs & Striping Budget - Increase in Paint Cost	$7,600
Sub-Total:	**$19,780**
Pool	
Salaries - Increase in Hourly Wages: Lifeguards & Manager	$10,000
Contracted Services - Carrico Pool Maintenance Contract	$600
Contracted Services - Square	$100
Electric	$3,600
Gas	($200)
Sewer	($100)
Water	$200
Sub-Total:	**$14,200**
Parks	
Contractual Services - Baseball Field Maintenance Contract (Pass Through)	$1,025
Portable Toilets in Parks: $85/Month to $92/Month	$462
Contractual Services - Pumping Costs for Holding Tanks and Reuter and Rotary Pavilions	$1,390
Gas - NEW Account for LP to Heat Reuter Pavilion	$3,425
Electric - Rotary Park	$1,275
Electric - River Barn	($40)
Electric - Lemke Park	($50)
Electric - Batzler	$290
Gas - Rotary Park	$375
Gas - River Barn Park	$180
Sewer - Parks	$80
Sub-Total:	**$8,412**
COMMUNITY DEVELOPMENT	
Inspections	
Memberships	($380)
Sub-Total:	**($380)**

Planning	
Memberships	$500
Printing/Publications	$600
Consulting - Land Management System Selection (Task 3)	$39,840
Sub-Total:	**$40,940**
GRAND TOTAL:	**$233,154**

CAPITAL BUDGET 2023

MUNIS Project #	Description	2022 Approved Funding	2022 Balance as of 8/22/22	Department Head Request	City Administrator Recommended	Appropriation Committee Recommended	Common Council Approved
BUILDINGS							
12015	City Wide Building Repairs	$175,000	$386,174	$885,000	$0	$0	$0
2621	Safety Building Remodel	$0	$0	$75,000	$0	$0	$0
2622	Festivals Electrical	$0	$0	$20,000	$0	$0	$0
10037	Swimming Pool Equipment	$0	$185	$35,000	$0	$0	$0
TOTAL		$175,000	$386,359	$1,015,000	$0	$0	$0
ELECTIONS							
10063	Election Equipment	$0	$25,190	$20,000	$0	$0	$0
TOTAL		$0	$25,190	$20,000	$0	$0	$0
ENGINEERING							
10013	Major & Secondary Drainage	$0	$143,642	$50,000	$0	$0	$0
12013	Asset Management Software	$0	$14,579	$5,000	$0	$0	$0
10028	Master Storm Water Management	$0	$75,934	$15,000	$0	$0	$0
10003	Annual Road Maintenance	$350,000	$289,077	$350,000	$0	$0	$0
10001	Right of Way Assets*	$0	$5,962,604	$1,950,000	$0	$0	$0
TOTAL		$350,000	$6,485,836	$2,370,000	$0	$0	$0
FIRE/EMS							
10236	Fire & EMS Vehicles	$100,000	$736,701	$350,000	$0	$0	$0
10134	Fire Equipment Replacement	$10,000	$16,520	$90,000	$0	$0	$0
367	Fire Computer Replacement	$0	$0	$5,000	$0	$0	$0
TOTAL		$110,000	$753,221	$445,000	$0	$0	$0
INFORMATION TECHNOLOGY							
10117a	Munis Module Implementation	$0	$0	$15,000	$0	$0	$0
179	Computers, Servers & Components Replacement Cycle	$0	$0	$5,000	$0	$0	$0
185	UPS Replacement	$0	$0	$3,800	$0	$0	$0
184	Network Infrastructure Replacement	$0	$0	$0	$0	$0	$0
TOTAL		$0	$0	$23,800	$0	$0	$0
PARKS							
10474	Parks Planning & Improvements	$50,000	$121,425	$340,000	$0	$0	$0
10062	Urban Forestry	$0	$5,670	$5,000	$0	$0	$0
10070	Emerald Ash Borer	$80,000	$53,964	$80,000	$0	$0	$0
		$130,000	$181,059	$425,000	$0	$0	$0
POLICE							
10235	Police Vehicles	$175,000	$417,850	$185,000	$0	$0	$0
10135	Police Officer Equipment	$20,000	$81,720	$40,000	$0	$0	$0
10036	Police Weapons	$8,000	$18,835	$12,000	$0	$0	$0
12012	PD Building IT Equipment	$0	$10,667	$0	$0	$0	$0
10029	Police Vehicle IT Equipment	$0	$34,349	$0	$0	$0	$0
12044	Police Computer Replacement	$0	$12,797	$0	$0	$0	$0

CAPITAL BUDGET 2023

MUNIS Project #	Description	2022 Approved Funding	2022 Balance as of 8/22/22	Department Head Request	City Administrator Recommended	Appropriation Committee Recommended	Common Council Approved
10040	Police Radio Equipment	$0	$198,194	$0	$0	$0	$0
TOTAL		$203,000	$774,412	$237,000	$0	$0	$0
PUBLIC WORKS							
10359	DPW Vehicles & Equipment	$350,000	$358,360	$756,500	$0	$0	$0
10052	Roadway Light & Traffic Signal	$10,000	$43,351	$0	$0	$0	$0
456 NEW	Capital Equipment Leases	$0	$0	$80,000	$0	$0	$0
597	Warm Storage Building	$0	$0	$0	$0	$0	$0
598	Automatic Wash Bay Equipment	$0	$0	$0	$0	$0	$0
596	Automatic Gate & Equipment for Brush Site	$0	$0	$250,000	$0	$0	$0
TOTAL		$360,000	$401,711	$1,086,500	$0	$0	$0
COMMUNITY DEVELOPMENT							
10802	TIF #2		$27,605				
10803	TIF #3		-$373,331				
10804	TIF #4		$724,640				
10805	TIF #5		$969,966				
TOTAL		$0	$1,348,880	$0	$0	$0	$0
TOTAL FOR CURRENT PROJECTS		**$1,328,000**	**$10,356,668**	**$5,622,300**	**$0**	**$0**	**$0**

*Includes the Bond funded road replacement cost of $1.7M included with 2022 Borrowing

Attachment: 2023 Draft Capital Budget (7611 : Capital Budget 2023)

City of Mequon, Wisconsin

Capital Plan

FY 23 thru FY 27

PROJECTS BY DEPARTMENT

Department	Project #	Priority	FY 23	FY 24	FY 25	FY 26	FY 27	Total
Building Maintenance								
City-Wide Building Repairs	*12015*	2	885,000	885,000	885,000	885,000	885,000	*4,425,000*
Safety Building Remodel	*2621*	2	75,000	0	0	0	0	*75,000*
Festivals Electrical	*2622*	2	20,000	0	0	0	0	*20,000*
Swimming Pool Equipment	*10037*	2	35,000	20,000	20,000	20,000	20,000	*115,000*
Building Maintenance Total			1,015,000	905,000	905,000	905,000	905,000	*4,635,000*
Elections								
Election Equipment	*10063*	1	20,000	0	0	0	0	*20,000*
Elections Total			20,000	0	0	0	0	*20,000*
Engineering								
Annual Road Maintenance	*10003*	1	350,000	360,000	370,000	380,000	390,000	*1,850,000*
Asset Management Software	*12013*	2	5,000	7,000	10,000	10,000	10,000	*42,000*
Major and Secondary Drainage	*10013*	1	50,000	50,000	50,000	50,000	50,000	*250,000*
Parking Lot Resurfacing	*10001a*	2	250,000	250,000	250,000	250,000	250,000	*1,250,000*
Right-of-Way Assets	*10001*	1	1,700,000	1,700,000	1,900,000	1,900,000	1,900,000	*9,100,000*
Master Storm Water Management	*10028*	2	15,000	25,000	35,000	50,000	50,000	*175,000*
Engineering Total			2,370,000	2,392,000	2,615,000	2,640,000	2,650,000	*12,667,000*
Fire & EMS								
Fire Equipment Replacement	*10134*	1	90,000	90,000	90,000	50,000	50,000	*370,000*
Fire & EMS Vehicles	*10236*	1	350,000	350,000	350,000	350,000	350,000	*1,750,000*
Fire Computer Replacement	*367*	1	5,000	5,000	5,000	5,000	5,000	*25,000*
Fire & EMS Total			445,000	445,000	445,000	405,000	405,000	*2,145,000*
Information Services								
UPS Replacement	*185*	2	3,800	0	6,000	6,000	0	*15,800*
Munis Module Implementation	*10117a*	2	15,000	15,000	15,000	15,000	15,000	*75,000*
Computers, Servers & Components Replacement Cycle	*179*	1	5,000	10,000	10,000	12,000	12,000	*49,000*
Network Infrastructure Replacement	*184*	1	0	8,000	8,000	8,000	8,000	*32,000*
Information Services Total			23,800	33,000	39,000	41,000	35,000	*171,800*
Parks Maintenance								
Urban Forestry	*10062*	3	5,000	5,000	5,000	5,000	5,000	*25,000*
Emerald Ash Borer	*10070*	1	80,000	75,000	70,000	65,000	65,000	*355,000*
Park Planning & Improvement	*10474*	1	340,000	255,225	201,015	118,250	110,000	*1,024,490*
Parks Maintenance Total			425,000	335,225	276,015	188,250	180,000	*1,404,490*
Police								
Police Radio Equipment	*10040*	1	0	0	0	0	0	*0*

Department	Project #	Priority	FY 23	FY 24	FY 25	FY 26	FY 27	Total
Police Computer Replacement	*12044*	2	0	5,000	5,000	5,000	5,000	*20,000*
PD Building IT Equipment	*12012*	1	0	5,000	5,000	5,000	5,000	*20,000*
Police Officer Equipment	*10135*	1	40,000	40,000	40,000	40,000	40,000	*200,000*
Police Weapons	*10036*	1	12,000	8,000	8,000	8,000	8,000	*44,000*
Police Vehicle IT Equipment	*10029*	1	0	10,000	10,000	10,000	10,000	*40,000*
Police Vehicles	*10235*	1	185,000	185,000	185,000	185,000	185,000	*925,000*
Police Total			237,000	253,000	253,000	253,000	253,000	*1,249,000*
Public Works								
Automatic Wash Bay Equipment	*598*	4	0	250,000	0	0	0	*250,000*
DPW Vehicles & Equipment	*10359*	2	756,500	775,000	800,000	825,000	850,000	*4,006,500*
Capital Equipment Leases	*456*	1	80,000	75,000	86,000	86,000	86,000	*413,000*
Auto. Gate and Assocc Equip. for the Brush Site	*596*	3	250,000	0	0	0	0	*250,000*
Warm Storage Building	*597*	2	0	0	500,000	0	0	*500,000*
Public Works Total			1,086,500	1,100,000	1,386,000	911,000	936,000	*5,419,500*
GRAND TOTAL			5,622,300	5,463,225	5,919,015	5,343,250	5,364,000	*27,711,790*

Base Debt Profile

Table 1
Existing G.O. Debt Base Case

City of Mequon, WI

Year Ending	Existing Debt: Total G.O. Debt Payments	Less: TID #2	Less: TID #3	Less: Sewer	Less: Sewer SA	Net Tax Levy	Equalized Value (TID OUT)	Tax Rate Per $1,000	Annual Taxes $450,000 Home	Year Ending
2023	5,998,950	(307,400)	(1,009,216)	(1,697,050)	(174,488)	2,810,797	5,785,616,400	$0.49	$218.62	2023
2024	5,795,265	(298,700)	(864,800)	(1,698,350)	(170,363)	2,763,053	5,914,147,341	$0.47	$210.24	2024
2025	5,873,296	0	(1,251,100)	(1,695,150)	(166,856)	2,760,190	6,045,533,674	$0.46	$205.46	2025
2026	5,335,190	0	(1,264,100)	(1,698,750)	0	2,372,340	6,204,946,834	$0.38	$172.05	2026
2027	5,314,328	0	(1,275,200)	(1,696,750)	0	2,342,378	6,342,793,452	$0.37	$166.18	2027
2028	5,295,753	0	(1,300,400)	(1,697,350)	0	2,298,003	6,483,702,416	$0.35	$159.49	2028
2029	3,861,590	0	0	(1,696,600)	0	2,164,990	6,785,433,957	$0.32	$143.58	2029
2030	3,300,183	0	0	(1,694,500)	0	1,605,683	6,936,176,445	$0.23	$104.17	2030
2031	2,654,444	0	0	(1,066,050)	0	1,588,394	7,090,267,768	$0.22	$100.81	2031
2032	858,500	0	0	0	0	858,500	7,247,782,323	$0.12	$53.30	2032
2033	0	0	0	0	0	0	7,408,796,158	$0.00	$0.00	2033
Total	44,287,498	(606,100)	(6,964,816)	(14,640,550)	(511,706)	21,564,325				Total

Notes:

Legend:

Represents +/- 25% Change over previous year

EHLERS PUBLIC FINANCE ADVISORS

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	$135K	Brush Site	$250K
		MUNIS Modules (4)	$100K	2024 Budget	$60K	Civic Campus Plan	$75K
		MUNIS Training	$50K	Library	$150K		
		Police Phone Recorder	$15K	Staffing/ Compensation	$200K		
		E-Poll Books	$90K				
TOTAL	**$350K**	**TOTAL**	**$780K**	**TOTAL**	**$745K**	**TOTAL**	**$675K**

GRAND TOTAL: $2,550,000

2023 BUDGET SCHEDULE

Tues., July 12	**REGULAR COMMON COUNCIL MEETING** FY2022-25 Strategic Plan Adopted
Tues., July 19	2023 Budget Development Parameters to City Departments 2023 MUNIS Budget Available/Revenue Matrix Distributed
Wed., Aug. 3	**SOUTHERN OZAUKEE FIRE & EMS BOARD MEETING**
Wed., Aug. 10	**REGULAR COMMON COUNCIL MEETING** ▪ 2022 Compensation Analysis Update
Fri., Aug. 19	Departmental Budgets Submitted in MUNIS, w/ 2022 Projections ▪ Compulsory Expenditure Increases Itemized for 2023 ▪ Supplemental Funding Requests Itemized for 2023
Mon. Aug. 29	**COMMITTEE OF THE WHOLE BUDGET WORKSHOP MEETING** ▪ 2022 Financial Update: Revenues, Expenditures, Fund Balance ▪ 2023 Budget Development Considerations; 5-Year Capital Plan ▪ Public Safety Consolidation ▪ Long-Range Capital Planning ▪ ARPA Funding
Wed., Aug. 31	**SOUTHERN OZAUKEE FIRE & EMS BOARD MEETING**

Fri., Sept. 2	All Departmental Budget Meetings Conducted & Completed
Fri., Sept. 9	Departmental Personnel, Activity Measures & Narratives Due
Tues., Sept. 13	**REGULAR COMMON COUNCIL MEETING**
Mon., Sept. 26	Proposed 2023 Budget Distributed ▪ Proposed/Approved Ozaukee Fire & EMS Budget - FY2023 ▪ Supplemental Funding Requests for 2023
Oct. 3, 5-6; 12-13	**APPROPRIATIONS COMMITTEE MEETING**
Tues., Oct. 11	**REGULAR COMMON COUNCIL MEETING**
Oct. 12-13; 17-18	**APPROPRIATIONS COMMITTEE MEETING (IF NECESSARY)**
Thurs., Oct. 20	Public Hearing Notice Deadline - 10:00 a.m. (to Publish on 10/20)
Oct. 18 - Nov. 3	**SEWER & WATER UTILITY BUDGET MEETINGS** ▪ Policy Discussion: Development & Utilities Interrelationship
Wed., Nov. 9	**REGULAR COMMON COUNCIL MEETING** 2023 City Budget Adoption ▪ 2023 Fee Schedule; 2023 Compensation Plan; ARPA Resolution 2023 Sewer & Water Budget Adoption Compensation Analysis Recommendations Presented

11333 N. Cedarburg Road
Mequon, WI 53092-1930
Phone: 262-242-3100
Fax: 262-242-9655

www.ci.mequon.wi.us **Office of City Clerk**

TO:	**Committee of the Whole**
FROM:	**Caroline Fochs, City Clerk**
DATE:	**August 24, 2022**
SUBJECT:	**Closed Session Memo**

Background

The Common Council may enter closed session pursuant to Wis. Stat. § 19.85(1)(e) for the purpose of deliberating or negotiating the purchasing of public properties, the investing of public funds, or conducting other specified public business, whenever competitive or bargaining reasons require a closed session. As it relates to this item, the purpose of going into closed session would be to (a) ensure that the City's bargaining position is not harmed by public discussion of the topic and (b) to receive guidance from the Council on the strategy to be used in negotiations - each permissible purposes to go int closed session under the cited section.

Recommendation

Should the Council decide that it wishes to enter closed session, a motion to enter closed session pursuant to Wis. Stat. §19.85(1)(d) for the purpose of deliberating or negotiating the purchasing of public properties, the investing of public funds, or conducting other specified public business, whenever competitive or bargaining reasons require a closed session.