11333 N. Cedarburg Road
Mequon, WI 53092
Phone: 262-236-2914
Fax: 262-242-9655

www.ci.mequon.wi.us

Office of the City Clerk
Taped and Televised

COMMON COUNCIL
Regular Meeting
Wednesday, August 14, 2024
7:30 PM
Christine Nuernberg Hall

Agenda

1) **Call to Order**

2) **Pledge of Allegiance**

3) **Roll Call**

4) **Public Hearing:**

   a) **ORDINANCE 2024-1664** - An Ordinance Amending Chapter 58 of the Mequon Municipal Code Related to Specific Development Standards for Distilleries; **Recommended by Planning Commission June 24, 2024; Further Recommendation Forthcoming by Public Welfare Committee August 14, 2024; First Reading at Common Council July 9, 2024.**

      1) Public Hearing

      2) Consideration of Ordinance

5) **Personal Appearances and Public Comment:**
   Citizens wishing to address the Council on any matter **not** on the agenda may do so at this time. If you desire to be heard on agenda items, you may be heard when the item is considered on the agenda. Please speak into the microphone at the podium. The time limit is FIVE minutes. **To speak or to have your opinion recorded, please complete a registration slip found on the table in the lobby and return it to the bin in the Council Chambers.**

6) **Public Officials' Reports:**

   a) Mayor

   b) City Administrator

7) **Consent Agenda:**

   a) Common Council meeting minutes of July 9, 2024

   b) Architectural Board meeting minutes of June 10, 2024

c) Festival Committee meeting minutes of June 17, 2024

d) Finance-Personnel Committee meeting minutes of June 11, 2024

e) Joint Mequon-Thiensville Bike and Pedestrian Way Commission meeting minutes of June 13, 2024

f) Planning Commission meeting minutes of June 24, 2024

g) Public Welfare Committee meeting minutes of June 11, 2024

h) Public Works Committee meeting minutes of June 11, 2024

i) Southern Ozaukee Fire and EMS Board meeting minutes of May 8, 2024

j) Southern Ozaukee Fire and EMS Commission meeting minutes of May 8, 2024

k) Zoning Enforcement and Site Compliance Report through July 24, 2024

l) Ordinance First Readings

NOTE: First readings of Ordinances will not be acted upon unless a suspension of the rules is approved by a recorded vote of a two-thirds majority of all aldermen.

1) **ORDINANCE 2024-1667** - An Ordinance Amending Chapter 58 of the Mequon Municipal Code Relating to WDNR MS4 Stormwater Permit Conditions; **Recommended by Planning Commission, July 22, 2024; Further Recommendation Forthcoming by Public Works Committee, August 14, 2024; First Reading.**

8) Ordinance:

a) **ORDINANCE 2024-1665 -** An Ordinance Creating Section 2-183(l) of the Mequon Municipal Code Relating to Informed Consent Concerning Certain Actions of the City's Legal Counsel; **Recommended by Finance-Personnel Committee July 9, 2024; First Reading at Common Council July 9, 2024.**

9) Resolutions:

a) **RESOLUTION 4133 -** A Resolution Adopting Proposed Updates to the City's Financial Policies; **Recommendation Forthcoming by Finance-Personnel Committee August 14, 2024.**

b) **RESOLUTION 4135 -** A Resolution Approving a Master Services Agreement for Implementation of a New Agenda Management System with Civic Select of Manhattan, Kansas, in the Initial Amount of $34,582 During Fiscal Year 2025; **Recommendation Forthcoming by Finance-Personnel Committee August 14, 2024.**

c) **RESOLUTION 4136** - A Resolution Authorizing a Contract Amendment for the Development of Streetscape Construction Plans on Port Washington Road between Zedler Lane and Mequon Road with Harwood Engineering Consultants, Ltd., Milwaukee, Wisconsin, in an Amount Not-to-Exceed $88,200. **Recommendation Forthcoming by Public Works Committee on August 14, 2024.**

10) Specified Unfinished Business From Prior Meetings: None.

11) Specified New Business: Aldermanic Appointment - Ethics Board: Laura Graupe, District 7

12) Adjourn

Dated: August 8, 2024 **/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 accommodation 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 Clerk's Office at 262-236-2914, Monday through Friday, 8:00 AM – 4:30 PM.

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

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

TO: **Common Council**
FROM: **Brian Sajdak, City Attorney**
DATE: **July 9, 2024**
SUBJECT: **ORDINANCE 2024-1665 An Ordinance Creating Section 2-183(l) of the Mequon Municipal Code Relating to Informed Consent Concerning Certain Actions of the City's Legal Counsel**

Background

A recent Formal Opinion of the American Bar Association's Standing Committee on Ethics and Professional Responsibility regarding the use of email listservs has prompted significant discussion among municipal law attorneys throughout the state concerning not only the use of listservs, but also about the broader practice of consulting with other attorneys on legal topics that a municipality might face. The Opinion, which is in your packet, generally concludes that the Rules of Professional Conduct prohibit a lawyer from posting information to a listserv that would disclose the client's identity or other information related to the lawyer's representation of the client without obtaining the client's informed consent.

This Opinion raised significant concerns with municipal attorneys in particular for multiple reasons. First, for most communities in the state, the municipality's web page expressly identifies their municipal attorney, so the lawyer's representation of the municipal client is not a secret. Second, within the cohort of municipal attorneys specifically, it is well known who represents which communities and, in many cases, what issues those communities are facing. Accordingly, the Opinion called into question the collaborative approach that most municipal attorneys utilize given the broad spectrum of issues they can encounter in their representation of local governments. Many municipal attorneys in the state, including members of this office, regularly use resources provided through the League of Wisconsin Municipalities - including listservs and weekly conference calls - to collaborate on a wide range of municipal issues including elections, ordinances, open records/meetings, etc. This collaboration provides valuable information which is regularly used by the City Attorney and other City staff. However, under the Opinion, participation in these collaborative tools would be severely limited.

After discussions on (perhaps with some irony) the League of Wisconsin Municipalities listserv and weekly Zoom conference call and following consultation with the State Bar Association's ethics counsel, the proposed ordinance was identified as an acceptable solution to continue to allow for the collaboration that benefits the City (and other municipalities).

Analysis

The Opinion interprets Rule 1.6 of the Rules of Professional Conduct to prohibit a lawyer from

posting comments or questions relating to their representation of a client to a listserv in certain circumstances, even in hypothetical or abstract form, without the client's informed consent. These circumstances exist where there is a reasonable likelihood that the lawyer's posts will disclose information relating to the representation that would allow a reader to recognize or infer the identity of the lawyer's client or the situation involved. Wisconsin Supreme Court Rules define. informed consent as the agreement by a client to a proposed course of conduct after being advised by their attorney of the information, explanations, risks, and reasonable alternatives. See SCR 20:1.0(f). The proposed ordinance provides informed consent to the City Attorney and City Prosecutor to discuss certain aspects of our representation.

The legitimate concerns targeted by these ethical rules often do not apply to or do not neatly fit the practice of law by governmental attorneys and specifically municipal attorneys in Wisconsin. The identity of our clients is public information, and often our clients' legal issues are, at least in part, also publicly known. Unless a listserv or conference of municipal attorneys can anonymize questions or feedback, any question that a municipal attorney poses or feedback they provide can be connected to their client.

Communicating with other attorneys representing municipalities, other governmental jurisdictions, or even other public or private clients can be a valuable and indispensable benefit to the City and its lawyers. Questions are raised, discussed, and answered on professional listservs that other attorneys have previously worked through and who can convey the lessons of their experience. The weekly Zoom call for municipal attorneys hosted by the League of Wisconsin Municipalities is a chance to explore either common legal issues that municipalities are addressing or to find an attorney with expertise in handling a situation that rarely arises. As state legislation is enacted and court decisions are issued, these outlets also allow attorneys to share how their municipalities address the legal issues related to implementing new laws. Finally, it is not unusual for our office to engage in individual conversations with attorneys who are handling or who have handled similar litigation issues or even the same party.

These communications and conversations can be very helpful to the work of the City Attorney and, in turn, benefit the City. Given the wide variety of topics involved in municipal law and its constant change and development, we can leverage the expertise of other attorneys to supplement or fill gaps in our staff's knowledge and experience. Other attorneys can point us to resources, convey practical lessons learned from their experiences, and make our work more efficient and effective. Individual attorneys facing the same party or issue in litigation can share information and help brainstorm legal arguments and strategies. The City Attorney also provides feedback and input to our municipal attorney colleagues who benefit from my expertise in responding to their inquiries.

While the benefits to this type of collaboration are significant, it is not without risks. These risks are discussed broadly in the Opinion. As it relates specifically to the City and its attorneys, there are three primary risks to consider. First, such communications might reveal to an unaware party that the City is our client. In most cases, there is little harm to this knowledge. Second, communications might reveal information that might not be publicly known, which might be negative. For example, a community who had to remove an elected official for misconduct might reveal non-public information related to the removal when responding to a question from another

community about the process. Again, because much of what happens in government is subject to open meetings and open records laws, this risk is relatively small. Finally, in an extreme circumstance, discussion of certain information might result in an inadvertent waiver of attorney-client privilege. In the case of active litigation, such waiver might result in otherwise privileged communications being available to the opposing party in the litigation. In some cases, these communications might be fatal to the City's position in the litigation.

The proposed ordinance seeks to balance both the ability to continue to collaborate with the potential risks. The ordinance generally provides informed consent to allow the City Attorney's Office and the City Prosecutor's Office to disclose information which might identify the City as the client, and information which may also be non-public. To address the final risk discussed above, the ordinance does not, however, authorize the disclosure of specific bargaining positions, litigation strategies, details on disciplinary proceedings, or information pertaining to a dispute with another community where that community's representatives may receive the information.

Where this communication of this type of information might nonetheless be beneficial, the proposed ordinance authorizes the City Administrator to provide informed consent to the release of this more detailed information. The ordinance also allows the City Administrator to provide informed consent for the release of any information in the case of labor or other special counsel for the City. In the event that the topic involves the City Administrator, or if the Administrator is unavailable, the Mayor is authorized to grant the consent where appropriate.

Finally, the ordinance requires the City Attorney to discuss this informed consent with all new alderpersons so that (a) they are aware of the consent having been provided and (b) that they could seek to change such consent through subsequent Council action.

Finance-Personnel Committee Action - July 9, 2024

At its July 9, 2024, meeting, the Finance-Personnel Committee recommended approval of the proposed ordinance with the addition of a reference to the standard for confidential information. This addition is reflected in (l) with an introductory sentence that references the applicable Supreme Court Rule on confidentiality, and also in (2) and (3) by including the language "as that term is used within SCR 20:1.6" after the reference to confidential information in both of those paragraphs.

Recommendation

On July 9, 2024, the Finance-Personnel Committee approved a recommendation in favor of adopting the proposed ordinance, subject to changes described in the preceding section, by a vote of 2-0.

Attachments:
ABA Formal Opinion 511 (PDF)

COMMON COUNCIL
OF THE
CITY OF MEQUON

ORDINANCE 2024-1665

An Ordinance Creating Section 2-183(l) of the Mequon Municipal Code Relating to Informed Consent Concerning Certain Actions of the City's Legal Counsel

RECITALS

A. The Common Council previously created Section 2-183 of the Mequon Municipal Code related to legal services for the City.

B. A recent Formal Opinion of the American Bar Association's Standing Committee on Ethics and Professional Responsibility concluded that Rule 1.6 of the Rules of Professional Conduct prohibit a lawyer from posting comments or questions relating to a representation to a listserv, even in hypothetical or abstract form, without the client's informed consent if there is a reasonable likelihood that the lawyer's posts will disclose information relating to the representation that would allow a reader then or later to recognize or infer the identity of the lawyer's client or the situation involved. This opinion would also, using the same analysis, prohibit an attorney from making similar communications (e.g., asking a question at a continuing legal education seminar).

C. The City values and encourages its legal counsel to be active in the State Bar, League of Wisconsin Municipalities, and other similar organizations. These organizations host, among other things, email listservs, weekly conference calls, and continuing legal education programs allowing attorneys to collaborate on a wide range of municipal issues including elections, ordinances, open records/meetings, etc.

D. The use of these resources - the participation in which would result in a high likelihood of disclosing the City as the lawyer's client and information related the representation of the client would be revealed - provide valuable resources to the City which increase the effectiveness of the City's legal representation and reduce legal expenses through the sharing of forms, information and expertise such that collaboration with other municipal attorneys provides both direct and indirect benefits to the City by fostering the municipal law community to allow for the flow of information and expertise between the municipalities to best serve the legal needs of the City.

E. The Common Council has been advised and recognizes that sharing of information in these collaborative settings presents a risk that the City's identity as well as relevant details about a matter may be disclosed to others who have no obligation to hold the information in confidence and who may represent other persons with adverse interests. There is also the risk that information shared may be widely disseminated including though such channels as social media.

F. Despite these risks the Common Council nonetheless desires to encourage and allow its legal counsel to participate in these organizations and collaborative tools.

G. The informed consent provided herein is limited to the release of information which is not confidential in nature and the City's legal counsel is generally prohibited from discussing specific confidential details of City business including, but not limited to, confidential development proposals, closed session proceedings, disciplinary proceedings and disputes with other municipalities whose legal counsel may be a member of the listserv or otherwise participate in the communication without additional specific informed consent authorization.

BASED UPON THE FOREGOING RECITALS, the Common Council of the City of Mequon, Wisconsin, do ordain as follows:

SECTION I

Section 2-183(l) of the Mequon Municipal Code relating to informed consent concerning certain actions of the City Attorney is created to read as follows:

(l) *Informed Consent to Information Release*. The city understands that the Rules of Professional Conduct for Attorneys places restrictions on attorneys with respect to confidentiality in Wisconsin Supreme Court Rule ("SCR") 20:1.6. The city recognizes the benefits associated with the city's legal counsel being able to consult, confer, and collaborate with other attorneys and other legal resources in order to improve the representation the city receives. After having been advised of the potential risks associated with such collaboration, the city provides its informed consent to the release of certain information related to the representation of the city as follows:

(1) The city attorney, the prosecuting attorney, and any attorneys in their respective offices acting in an assistant city/prosecuting attorney capacity, may share information regarding their representation of the city, including the identity of the city as a client and information which may not be available to the public at the time of release, to the extent necessary for the purposes of consulting and collaborating with other municipal attorneys or legal counsel representing other governmental jurisdictions or other public or private organizations or parties, for the benefit of the city. This includes, but is not limited to, participation with legal listservs, joint meetings or conferences with other attorneys, and individual consultations with other attorneys with expertise in the subject matter or legal interests similar to those of the city.

(2) This section does not provide consent for the release of any confidential information, as that term is used within SCR 20:1.6, relating to the representation of the city where communication of the information would disadvantage the city's legal position or where communication of the information is likely to result in that information

being conveyed to a party that is adverse to the city in the particular matter related to the information or to that party's legal counsel.

(3) Where the city attorney or city prosecutor believes that the release of confidential information, as that term is used within SCR 20:1.6, would be beneficial to the city, but the release of such information is in conflict with the requirements of sub. (2), the requirements or obligations under the rules of professional conduct for attorneys, or due to any other factors or circumstances, the city attorney or city prosecutor may obtain informed consent on behalf of the city from the city administrator, or in the event of a conflict of interest or unavailability, from the mayor.

(4) The city administrator, or in the event of a conflict of interest or unavailability, the mayor or common council president, may provide similar informed consent on behalf of the city to the city's labor and employment attorney or other special counsel, on a case-by-case basis.

(5) In its sole discretion, the common council may establish additional restrictions or conditions related to its informed consent pursuant to this section.

(6) The city attorney shall provide newly elected or appointed members of the common council an explanation of this section, and the informed consent this section provides.

SECTION II

The terms and provisions of this ordinance are severable. Should any term or provision of this ordinance be found to be invalid by a court of competent jurisdiction, the remaining terms and provisions shall remain in full force and effect.

SECTION III

All ordinances and parts of ordinances in contravention to this ordinance are hereby repealed.

SECTION IV

This Ordinance shall become effective the day after its publication as provided by law.

Approved by: Andrew Nerbun, Mayor

Date Approved: August 14, 2024

I certify that the foregoing Ordinance was adopted by the Common Council of the City of Mequon, Wisconsin, at a meeting held on August 14, 2024.

_____

Caroline Fochs, City Clerk

Published: _____

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Office of the City Clerk
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COMMON COUNCIL
Regular Meeting
Tuesday, July 9, 2024
7:30 PM
Christine Nuernberg Hall

Minutes

1) Call to Order

a) Mayor Nerbun called the meeting to order at 7:52 PM

2) Pledge of Allegiance

3) Roll Call

Present:
Mayor Andrew Nerbun
Alderman Robert Strzelczyk
Alderman Kelly Tolocko
Alderman Dale Mayr
Alderman Jeffrey Hansher
Alderman Brian Parrish
Alderman Peter Bratt
Alderman Gregg Bach - **Excused**
Alderman William Gebhardt - **Excused**

Also Present: City Administrator Jones, Assistant City Administrator Schoenemann, City Attorney Sajdak, City Clerk Fochs, Finance Director Arnett, Assistant City Engineer McCraw, Parks and Forestry Superintendent Gies, press and interested public.

4) Personal Appearances and Public Comment:

None

5) Public Officials' Reports:

a) Mayor
b) City Administrator

Administrator Jones introduced Brenda Arnett as the new Finance Director for the City of Mequon effective July 8, 2024. Finance Director Arnett was in attendance.

Attachment: 07-09-2024_Accela draft minutes (9562 : Common Council Minutes)

6) Consent Agenda:

RESULT:	**Approved by Voice Acclamation [Unanimous]**
MOVED BY:	Alderman Mayr
SECONDED BY:	Alderman Parrish

AYES:	Nerbun, Strzelczyk, Tolocko, Mayr, Hansher, Parrish, Bratt
DEEMED NO:	Bach, Gebhardt

All sets of minutes were approved and Consent Agenda was approved.

a) Common Council meeting minutes of June 11, 2024.
b) Architectural Board meeting minutes of May 13, 2024.
c) Economic Development Board meeting minutes of May 21, 2024.
d) Festival Committee meeting minutes of May 20, 2024.
e) Finance-Personnel Committee meeting minutes of May 14, 2024.
f) Joint Mequon-Thiensville Bike and Pedestrian Way Commission meeting minutes of May 9, 2024.
g) Planning Commission meeting minutes of May 20, 2024.
h) Public Safety Committee meeting minutes of April 9, 2024.
i) Public Welfare Committee meeting minutes of May 14, 2024.
j) Zoning Enforcement and Site Compliance Report through July 1, 2024.
k) Acceptance of the FY2023 Annual Comprehensive Financial Report and Report on Internal Control.
l) **RESOLUTION 4132** - A Resolution Approving a Development Agreement for Burr Oak Reserve, a 17-Lot Subdivision Upon the 12.03-Acre Property Located on Donges Bay Road, Approximately 700 Feet West of Wauwatosa Road.

DEEMED RESULT:	**Approved by Voice Acclamation [Unanimous]**
MOVED BY:	Alderman Mayr
SECONDED BY:	Alderman Parrish

AYES:	Nerbun, Strzelczyk, Tolocko, Mayr, Hansher, Parrish, Bratt
DEEMED NO:	Bach, Gebhardt

m) Ordinance First Readings

NOTE: First reading of Ordinances will not be acted upon unless a suspension of the rules is approved by a recorded vote of two-thirds majority of all aldermen.

Ordinance First Readings were reviewed.

1) **ORDINANCE 2024-1664** - An Ordinance Amending Chapter 58 of the Mequon Municipal Code Related to Specific Development Standards for Distilleries.

Attachment: 07-09-2024_Accela draft minutes (9562 : Common Council Minutes)

2) **ORDINANCE 2024-1665** - An Ordinance Creating Section 2-183(l) of the Mequon Municipal Code Relating to Informed Consent Concerning Certain Actions of the City's Legal Counsel.

7) Ordinances: None.

8) Resolution:

a) **RESOLUTION 4134** - A Resolution Approving a Development & Dedication Agreement with Mequon-Thiensville Little League/Mequon Heat for a Replacement Storage Shed at Rotary Park.

RESULT:	**Approved by Voice Acclamation [Unanimous]**
MOVED BY:	Alderman Hansher
SECONDED BY:	Alderman Mayr

AYES:	Nerbun, Strzelczyk, Tolocko, Mayr, Hansher, Parrish, Bratt
DEEMED NO:	Bach, Gebhardt

9) Specified Unfinished Business From Prior Meetings: None.

10) Specified New Business:

a) Appointment to Ethics Board

Motion moved and approved for the Aldermanic appointment to the Ethics Board.

RESULT:	**Approved by Voice Acclamation [Unanimous]**
MOVED BY:	Alderman Bratt
SECONDED BY:	Alderman Hansher

AYES:	Nerbun, Strzelczyk, Tolocko, Mayr, Hansher, Parrish, Bratt
DEEMED NO:	Bach, Gebhardt

11) Adjourn

a) Motion to adjourn at 7:57 PM

RESULT:	**Approved by Voice Acclamation [Unanimous]**
MOVED BY:	Alderman Hansher
SECONDED BY:	Alderman Parrish

AYES:	Nerbun, Strzelczyk, Tolocko, Mayr, Hansher, Parrish, Bratt
DEEMED NO:	Bach, Gebhardt

Respectfully Submitted,
Beth Kong
Deputy Clerk

Attachment: 07-09-2024_Accela draft minutes (9562 : Common Council Minutes)

11333 N. Cedarburg Road
Mequon, Wisconsin 53092
Phone: (262) 236-2924
Fax: (262) 242-9818

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INSPECTION DIVISION

ARCHITECTURAL BOARD MINUTES
Monday, June 10, 2024
6:00 PM
Lower-Level Conference Room

Minutes

1. **Call to Order, Roll Call:**

Present:	Vice-Chairman Paul Apfelabch
Members at Large:	Michael Wade, Tom Irvin, Janet Ehn, Anthony LaGalbo
Building Inspector:	Greg Golden

2. **Meeting Minutes**

Minutes from the May 13, 2024, meeting were approved by District Representative Tom Irvin and seconded by District Representative Anthony LaGalbo.

Minutes passed unanimously.

Attachment: Arch Board 6.10.24 (9550 : Arch Board Min)

3. **Application Submittals:**

No.	Alder. District /Time	Type of App	Owner(s) / Project Address	Contractor
1)	Dist. 1 6:00 pm	**New Detached Garage**	**Minahan Children LLC** 13725 N. Green Bay Road Subd: N/A	Contractor: WI Craftsman Architect: John Klett

Moved to Approve: Irvin
Seconded by: LaGalbo
Approved: Yes
Vote: Unanimous

Conditions: Plans approved as submitted.

2)	Dist. 1 6:10 pm	**Addition:** **Attached Garage**	**William & Joann Pennington** 7033 W. Overlook Court Subd: Highland Ridge	Contractor: TBD Architect: Deep River Partners

Moved to Approve: _____
Seconded by: _____
Approved: _____
Vote: _____

CANCELED

Conditions:

3)	Dist. 3 6:20 pm	**New Single-Family Residence**	**Veridian Homes LLC** 8021 W. Preserve Parkway Subd: The Enclave	Contractor: Veridian Homes Architect: Veridian Homes

Moved to Approve: Irvin
Seconded by: Wade
Approved: Yes
Vote: Unanimous

Conditions: Plans approved as submitted.

Attachment: Arch Board 6.10.24 (9550 : Arch Board Min)

4)	Dist. 3 6:25 pm	**New Single-Family Residence**	**Veridian Homes LLC** 8041 W. Preserve Parkway Subd: The Enclave	Contractor: Veridian Homes Architect: Veridian Homes

Moved to Approve: Irvin
Seconded by: LaGalbo
Approved: Yes
Vote: Unanimous

Conditions: Plans approved as submitted.

5)	Dist. 6 6:30 pm	**New Detached Garage**	**Scott Starr** 2220 W. Sunnydale Lane Subd: N/A	Contractor: Tuff Shed Architect: Tuff Shed

Moved to Approve: Irvin
Seconded by: Wade
Approved: Yes
Vote: Unanimous

Conditions: Plans approved with the following conditions:
1. A picture window (same size & style, centered) will be added to Elevations A, C & D.
2. The 4x3 window on Elevation D will be removed.
3. Shutters on all garage windows to match house shutters.

6)	Dist. 7 6:40 pm	**New Single-Family Residence**	**Christian & Laura Kastrup** 3620 W. Torrey Drive Subd: Torrey Drive	Contractor: Victory Homes of WI Architect: David Pluim

Moved to Approve: LaGalbo
Seconded by: Irvin
Approved: Yes
Vote: Unanimous

Conditions: Plans approved as submitted.

7)	Dist. 7 6:45 pm	**New Single-Family Residence**	**William & Sarah Kessenich** 3525 W. Torrey Drive Subd: Torrey Drive	Contractor: Victory Homes of WI Architect: David Pluim

Moved to Approve: Irvin
Seconded by: Wade
Approved: Yes
Vote: Unanimous

Conditions: Plans approved as submitted.

Attachment: Arch Board 6.10.24 (9550 : Arch Board Min)

8)	Dist. 8 6:50 pm	**Addition:** **Attached Garage**	**Joseph Miller** 230 W. Highview Drive Subd: Sunset Ridge Estates	Contractor: George Homes LLC Architect: CMDD LLC

Moved to Approve: Irvin
Seconded by: LaGalbo
Approved: Yes
Vote: Unanimous

Conditions: Plans approved as submitted with the following conditions:
1. Add upper window to the Northwest elevation (side of garage) to match existing windows on the garage.
2. Add two centered windows to the Northwest elevation (rear of garage) that match the window to the left.

4. **Action:**

District Representative Tom Irvin made a motion to adjourn the meeting.
District Representative Michael Wade seconded the motion.

A vote was taken; vote passed unanimously.

Meeting adjourned at 6:35 p.m.

Attachment: Arch Board 6.10.24 (9550 : Arch Board Min)

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Mequon, WI 53092
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Fax: 262-242-9655

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FESTIVALS COMMITTEE
Monday, June 17, 2024
6:30 PM
North Conference Room

Minutes

1) Call to Order, Roll Call

Present:
Chair Miranda White
Vice Chair Deanna Conaty
Committee Member Brett Benson
Committee Member Jenne Hohn
Committee Member Moshe Luchins
Committee Member Christine McLean
Committee Member Vanessa Nerbun
Committee Member Tracy Johnson -- **Absent**
Committee Member Lisa Liljegren -- **Absent**
Committee Member Laeh McHenry -- **Absent**

Also Present: Executive Assistant Enea and ICMA Management Fellow Randall

2) Approval of Meeting Minutes
   a. May Minutes

RESULT:	**Approved by Voice Acclamation [Unanimous]**
MOVED BY:	Committee Member White
SECONDED BY:	Member Conaty

AYES:	White, Conaty, Benson, Hohn, McLean, Nerbun
ABSENT:	Johnson, Liljegren, McHenry
RECUSED:	Luchins

3) Redbud Festival
   a. Confirm Date from last meeting

The Committee had a brief discussion about moving the date of next year's Redbud Festival from Sunday, May 18 to Saturday, May 10 when the rosebud trees are more likely to be in

Attachment: Festivals Mins 061724 (9559 : Festivals Committee)

bloom. Committee Chair White moved to change the date and Committee Member Hohn seconded. The motion was passed via Voice Acclamation.

b. MTSD

Committee Chair White and Staff Liaison Enea had a Zoom Meeting with Amy Abbott, the Secondary TAG Coordinator of the Mequon-Thiensville School District. Ms. Abbott expressed interest in their art students participating at the event (i.e. painting, drawing), having their artwork featured along the Riverwalk (i.e. Art Walk), and having a logo contest to create the festival's logo.

c. Rotary at October Meeting

Members from the Sunrise Rotary Club are planning to attend the October Meeting to further discuss the history of the redbud trees planted in Town Center and to discuss their possible involvement in the Redbud Festival.

4) Taste of Mequon

a. Sponsor Update

SuperSteel has committed to $3,000 to be a sponsor for both Taste of Mequon and Winter Wonderland. Committee Member Luchins will follow-up with Olsen's Piggly Wiggly.

b. Vendor Update

Lee Lifestyle Design, Hey Licorice Dude, On the Block Burgers, and Sunrise Acai Bowls were the vendor updates since the last meeting. Appe Thai reached out and will be submitting their application soon. The early bird deadline is June 28 and a reminder email was sent out to vendors.

1) Wan's Thai

1. Wan's Thai Application

RESULT:	**Denied [0 to 7]**
MOVED BY:	Committee Member White
SECONDED BY:	Member Conaty

NAYS:	White, Conaty, Benson, Hohn, Luchins, McLean, Nerbun
ABSENT:	Johnson, Liljegren, McHenry

c. Volunteer Recruitment

A Sign-Up Genius will be created before July's Meeting for Volunteer Sign-Up. Volunteers will be needed at the welcome booth and at the Children's Stage.

d. Marketing

Last year's flyer will be updated by Executive Assistant Enea and Committee Member Johnson. Flyers will be ready for hand-out at the August Meeting. Locations will be assigned as to where to hang them.

5) Next Meeting Date and Time

A. July 15 at 6:30pm

6) Adjourn

Attachment: Festivals Mins 061724 (9559 : Festivals Committee)

Committee Chair White moved to adjourn at 6:58 PM and Vice Chair Conaty seconded.

Respectfully Submitted,

Carrie Enea
Executive Assistant

Attachment: Festivals Mins 061724 (9559 : Festivals Committee)

11333 N. Cedarburg Road
Mequon, WI 53092
Phone: 262-236-2941
Fax: 262-242-9655

www.ci.mequon.wi.us
Office of the City Administrator

FINANCE-PERSONNEL COMMITTEE
Tuesday, June 11, 2024
6:00 PM
North Conference Room

Minutes

1) Call to Order, Roll Call

Present:
Mayor Andrew Nerbun
Alderman William Gebhardt
Alderman Robert Strzelczyk
Alderman Brian Parrish -- **Absent**

Also present: William Jones, City Administrator, Marie Keyser, Acting Finance Director, Justin Schoenemann, Assistant City Administrator, Caroline Fochs, City Clerk, Brian Sajdak, City Attorney, Kristen Lundeen, City Engineer/DPW Director, J. Nels Bjorkquist and Martin Meyer, both from Mawicke Goisman S.C.

2) Approve Meeting Minutes
   a. May 14, 2024 Finance-Personnel Meeting Minutes

RESULT:	**Approved by Voice Acclamation [Unanimous]**
MOVED BY:	Alderman Strzelczyk
SECONDED BY:	Alderman Gebhardt

AYES:	Gebhardt, Strzelczyk
ABSENT:	Parrish

3) License Applications
   a. June, 2024 licenses

Committee members discussed where peddler's park their cars when they solicit door to door since Mequon does not allow for street parking at any time. They also discussed the time frame for which peddlers are allowed to go door to door.

This will be brought back as a discussion item at July's meeting.

Attachment: F_P 6.11.24 minutes (9551 : F&P Minutes)

RESULT: **Approved by Voice Acclamation [Unanimous]**
MOVED BY: Alderman Strzelczyk
SECONDED BY: Alderman Gebhardt

AYES:	Gebhardt, Strzelczyk
ABSENT:	Parrish

b. 2025 Waste Hauler Permits

RESULT: **Approved by Voice Acclamation [Unanimous]**
MOVED BY: Alderman Strzelczyk
SECONDED BY: Alderman Gebhardt

AYES:	Gebhardt, Strzelczyk
ABSENT:	Parrish

4) Vouchers Paid

a. May 2024 Vouchers Paid List

RESULT: **Approved by Voice Acclamation [Unanimous]**
MOVED BY: Alderman Strzelczyk
SECONDED BY: Alderman Gebhardt

AYES:	Gebhardt, Strzelczyk
ABSENT:	Parrish

5) Resolutions

a. **RESOLUTION 4126** A Resolution Disallowing the Claim of Zachariah Anderson Dated May 21, 2024

RESULT: **Approved by Voice Acclamation [Unanimous]**
MOVED BY: Alderman Strzelczyk
SECONDED BY: Alderman Gebhardt

AYES:	Gebhardt, Strzelczyk
ABSENT:	Parrish

b. **RESOLUTION 4127** A Resolution Appointing Brenda Arnett to the Position of Director of Finance/City Treasurer

RESULT: **Approved by Voice Acclamation [Unanimous]**
MOVED BY: Alderman Gebhardt
SECONDED BY: Alderman Strzelczyk

AYES:	Gebhardt, Strzelczyk
ABSENT:	Parrish

Attachment: F_P 6.11.24 minutes (9551 : F&P Minutes)

6) Discussion Items
   a. Review of Proposed Financial Policy Change Recommendations

   Administrator Jones reminded the Committee which Financial Policies were discussed at previous meetings. He also introduced the remaining eight policies that have not been discussed this year, and highlighted any substantive changes Staff recommended.

   Committee members questioned a couple recommended changes to the Cash Management/Investments Policy. They want the Investment Advisor to be able to make trades and not lose out on opportunities because they are waiting for Staff's approval. The recommendation was to ask the Investment Advisor their thoughts on the language change before amending the policy.

   Staff recommended increasing the per credit card limit via the Credit Card Use Policy from $3,000 to $5,000. Committee members were in favor of increasing limits on a case-by-case basis as approved by the City Administrator or Finance Director.

   The remaining six policies did not warrant much discussion.

   b. 2025 Community Survey Input

   Acting Finance Director Keyser briefed the Committee that the Public Welfare Committee is currently interviewing vendors who can administer the next Community Survey. The survey is scheduled to disburse in May 2025. The Public Welfare Committee is requesting all Boards, Committees and Commissions to generate three topics they would like to see on the next Community Survey. Ms. Keyser told the Finance-Personnel Committee members to think about this over the next month and report back to her in July.
   c. Finance - Personnel Work Plan

7) Adjourn

   A motion to adjourn at 6:50 PM was made by Alderman Strzelczyk, seconded by Alderman Gebhardt. All voted in favor "aye."

   Respectfully Submitted,

   Marie Keyser
   Assistant Finance Director

Attachment: F_P 6.11.24 minutes (9551 : F&P Minutes)

11333 N. Cedarburg Road
Mequon, WI 53092
Phone: 262-236-2934
Fax: 262-242-9655

www.ci.mequon.wi.us Public Works Department

Joint Mequon-Thiensville Bike and Pedestrian Way Commission
Thursday, June 13, 2024
9:00 AM
North Conference Room

Minutes

1. Call to Order, Roll Call

Present:
Chair Kenneth Maciolek
Commissioner Jim Doornek
Commissioner Rob Holyoke
Commissioner Kristin Wade

Absent:
Commissioner Ron Heinritz
Commissioner John Liegeois

Residents Laura Koch and Sheryl Reed were in attendance, as well as Assistant City Engineer McCraw and Engineering Administrative Assistant Redeker.

2. Approval of Meeting Minutes
   a. May 9, 2024 Minutes

RESULT:	**Approved [Unanimous]**
MOVED BY:	Commissioner Doornek
SECONDED BY:	Commissioner Wade

AYES:	Maciolek, Doornek, Holyoke, Wade

3. Resident Communications

Laura Koch discussed the bicycle collision she had on the Ozaukee Interurban Trail on September 1, 2023, including the exact location of the crash and the injuries she sustained. Commissioners discussed possible solutions to make that area safer.

Attachment: 06-13-2024_Joint MT Bike Minutes (9554 : Joint Bike Minutes)

4. Discussion/Action Items

a. Joint M-T Bikeway Community Survey Items

Commissioners came up with three topics for the City to include on the upcoming Community Survey. The three topics suggested were:
1.Willingness to fund extra bike & pedestrian improvements,
2. Feeling safe traveling by bike/foot from home, and
3. Do bike & pedestrian facilities contribute to quality of life?
Commissioner Holyoke made a motion to approve the topics and Commissioner Doornek seconded. The motion passed unanimously.

RESULT:	**Approved [Unanimous]**
MOVED BY:	Holyoke
SECONDED BY:	Commissioner Doornek

AYES:	Maciolek, Doornek, Holyoke, Wade

b. Bikeway Planning Study Contract Update

Assistant City Engineer McCraw updated the Commission on the status of the Planning Study Contract. The possibility of a kick off meeting next month was discussed and the Commissioners in attendance all confirmed they would be in attendance.

c. OIT Signage Discussion

Commissioners talked about either having someone from the commission attend a meeting of the Ozaukee Interurban Advisory Committee or come up with some ideas on improving Ozaukee Interurban Trail signage and submitting it to Andrew Struck with Ozaukee County.

5. Other Business

Commissioners will start submitting informational topics for the City of Mequon Weekly Bulletin, including topics regarding where to ride safely and other safety tips. Commissioner Holyoke also advised that the Natural Resources Committee for Ozaukee County recently conditionally approved the application for a grant for improving the municipal areas of the Ozaukee Interurban Trail.

Attachment: 06-13-2024_Joint MT Bike Minutes (9554 : Joint Bike Minutes)

6. Adjourn
   a. Motion to adjourn at 10:08 AM

RESULT: **Approved by Voice Acclamation [Unanimous]**
MOVED BY: Commissioner Wade
SECONDED BY: Commissioner Doornek

AYES:	Maciolek, Doornek, Holyoke, Wade

Respectfully Submitted,

Kaye Redeker

Attachment: 06-13-2024_Joint MT Bike Minutes (9554 : Joint Bike Minutes)

11333 N. Cedarburg Road
Mequon, WI 53092
Phone: 262-236-2904
Fax: 262-242-9655

www.ci.mequon.wi.us

Department of Community Development
Taped and Televised

PLANNING COMMISSION
Regular Meeting
Monday, June 24, 2024
6:00 PM
Christine Nuernberg Hall

Minutes

1) Call to Order, Roll Call

Present:
Chair Mayor Andrew Nerbun
Commissioner Bruce Barnes
Commissioner Dan Gentges
Commissioner Stephanie Hawley
Commissioner Rebecca Schaefer
Commissioner John Stoker
Commissioner Nancy Urbani
Commissioner Martin Choren - **Absent**

Mayor Nerbun called the meeting to order at 6:00 p.m.

a) Approval of Minutes from May 20, 2024.

Action
Commissioner Hawley made a motion to approve the May 20, 2024, meeting minutes.
Commissioner Stoker seconded the motion.
A voice vote was taken; vote passed (7-0)

RESULT:	**APPROVED [6 TO 0]**
MOVER:	Stephanie Hawley, John Stoker
AYES:	Nerbun, Barnes, Gentges, Hawley, Stoker, Urbani, Schaefer
ABSENT:	Choren

2) Policy

Design Guidelines for Commercial Structures

Attachment: PC Minutes_06.24.24_FINAL (9574 : Planning Com Minutes)

Mayor Nerbun explained that the Port Washington Road design guidelines portfolio packet and scorecards are on the dais for the Commissioners to take home and the scorecards are due back on Monday, July 8th. It was mentioned that if anyone is unable to return them to City Hall, staff is available to pick them up on July 9th.

1) Distillery Text Amendments

City Attorney, Brian Sadjak, joined the meeting virtually and stated that the text amendment focused on distilleries within the Town Center ("TC") district. He commented that a slightly corrected version from what was included in the packet was left on the dais for the Commissioners.

He briefly explained the following modifications to the text amendment:

1. An add to the Use Table regarding the limitation of 4,000 gross square feet of floor area. The change is to clarify that the limited space is for production only and not the total overall uses. The intent of the district is walkability and activity.
2. The Section 2 changes apply to any uses in the TC district. In the first paragraph it describes that 1st floor facades shall continue to maintain an open and transparent storefront and windows. This again applies to the intent of the district focus on activity, people and interest.

   The Window Aea paragraph was incorrectly struck out on the version included in the packet and has been corrected to be included on the revised version.

3. Section 3 - The issue with the distilleries is related to inconsistencies with federal regulations compared to local code regulations. Local code regulations include:

   - Manufacturing and production of the distilled spirits
   - Retail sales
   - Tasting room
   - Ability to consume products
   - Indoor and outdoor event space

   There were some concerns that federal regulations would not allow for all of these activities on the same footprint of a building.

   The solution created is to continue to require micro distilleries to include all these activities (60% total floor area allotted for these elements) to be satisfied either on site as they are able to do so or at an offsite location within the TC zoning district. This is the main issue addressed in the text amendment modifications.

   He mentioned that the remainder of the changes were clarified technical terms and some clean-up of the verbiage to be more consist with the code.

Attachment: PC MInutes_06.24.24_FINAL (9574 : Planning Com Minutes)

Action
Commissioner Stoker made a motion to approve the modified text amendment.
Commissioner Gentges seconded the motion.
A voice vote was taken; vote passed (7-0)

RESULT:	**APPROVED AS AMENDED [7 TO 0]**
MOVER:	John Stoker, Commissioner
SECONDER:	Dan Gentges, Commissioner
AYES:	Nerbun, Barnes, Gentges, Hawley, Schaefer, Stoker, Urbani
ABSENT:	Choren

3) Public Hearing

a) Mawicke & Goisman, S.C. for FT 1, LLC. The applicant is seeking conditional use grant approval to allow for a nightclub for the property located at 11120 N. Weston Drive.

Action
Commissioner Stoker made a motion to open a public hearing.
Commissioner Schaefer seconded the motion.
A voice vote was taken; vote passed (7-0)

Public Comment

Bill Seifelt, Suite 310 - 11090 N. Weston Drive - he asked for clarification about the location of the distillery and expressed his concern about noise generated from the distillery and nightclub.

Action
Commissioner Hawley made a motion to close the public hearing.
Commissioner Urbani seconded the motion.
A voice vote was taken; vote passed (7-0)

Asst. Dir. Zader stated that the nightclub will be located in the northern building in the most southern tenant space. This is referred to as a nightclub due to the code language, but the operations are consistent with a bar. The majority of the retail sales will be located here, there will be a bar and some outdoor seating. Staff requests a plan of the outdoor seating, and a condition has been placed to limit the outdoor activity to 11 p.m.

There was a discussion about the closing hours of other establishments in the city and what would be allowed in the outdoor space.

Action
Commissioner Stoker made a motion to approve the conditional use grant per staff recommendations.
Commissioner Gentges seconded the motion.
A roll call vote was taken; vote passed (7-0)

Attachment: PC MInutes_06.24.24_FINAL (9574 : Planning Com Minutes)

RESULT:	**APPROVED [UNANIMOUS]**
MOVER:	John Stoker, Commissioner
SECONDER:	Dan Gentges, Commissioner
AYES:	Nerbun, Barnes, Gentges, Hawley, Schaefer, Stoker, Urbani
ABSENT:	Choren

b) Mawicke & Gosiman, S.C. for FT 1, LLC. The applicant is seeking conditional grant use approval to allow for a distillery for the property located at 10090 N. Weston Drive.

Action
Commissioner Stoker made a motion to open a public hearing.
Commissioner Hawley seconded the motion.
A voice vote was taken; vote passed (7-0)

Public Comment

No public comment.

Action
Commissioner Stoker made a motion to close the public hearing.
Commissioner Urbani seconded the motion.
A voice vote was taken; vote passed (7-0)

Asst. Dir. Zader stated this conditional use grant needs the approval of the previously discussed text amendment. The proposed distillery will encompass all micro distillery functions listed in the text amendment discussion except for possibly the retail sales. Staff requested an outdoor seating plan for this location as well and it will also have the same hours allowed for the distillery.
Staff recommends approval.

Action
Commissioner Stoker made a motion to approve the conditional use grant contingent on final approval of the text amendment.
Commissioner Hawley seconded the motion.
A roll call vote was taken; vote passed (7-0)

RESULT:	**APPROVED [7 TO 0]**
MOVER:	John Stoker, Commissioner
SECONDER:	Stephanie Hawley, Commissioner
AYES:	Nerbun, Barnes, Gentges, Hawley, Schaefer, Stoker, Urbani
ABSENT:	Parrish, Choren

Attachment: PC Minutes_06.24.24_FINAL (9574 : Planning Com Minutes)

4) Regular Business

a) Trinity Lutheran Church. The applicant is seeking building and site plan amendment to allow for a new storage facility for the property located at 10729 W. Freistadt Road.

Planner Evan Hoier stated that this request is for a 40 x 60 storage barn to store lawn mowers, trailers and other equipment to maintain the historical society. It meets all the zoning requirements. The architecture proposed has a rural aesthetic and matches the neighboring area. He mentioned that the bridge will need to be removed as it is an unpermitted structure.

Action
Commissioner Schaefer made a motion to approve the item.
Commissioner Gentges seconded the motion.
A voice vote was taken; vote passed (7-0)

RESULT:	**APPROVED [7 TO 0]**
MOVER:	Rebecca Schaefer, Commissioner
SECONDER:	Dan Gentges, Commissioner
AYES:	Nerbun, Barnes, Gentges, Hawley, Schaefer, Stoker, Urbani
ABSENT:	Choren

b) Point Real Estate for Orchards of Mukwonago, LLC. The applicant is seeking preliminary plat, development agreement and fill permit approval to allow for a 17-lot subdivision for the property located on the north side of Donges Bay Road approximately 800' west of Wauwatosa Road. (Burr Oak Reserve).

Planner Hoier stated this proposed development was before the Commission for concept plan approval in May 2022. The preliminary plat complies with all the concept plan conditions. There was a very slight change to the size of the lots by no more than 100 feet in width.

Mayor Nerbun reminded the Commission that this development is using 5 of the remaining 7 TDR credits and that he is pleased to see they are being used finally.

Engineering Director Kristen Lundeen answered questions from the Commission. She also confirmed that a crosswalk will be provided on Donges Bay Road. She explained that there will not be a turn left lane traveling east, but it does trigger the requirement for accel, decel and bypass lanes.

Commissioner Barnes expressed his concern for safety aimed at traffic heading east when cars are turning left into the proposed development. He suggests the applicant have a traffic impact analysis done to ensure that there is not a visibility or safety concern at this location. Mayor Nerbun stated the city will fix the road if there is an issue with the road and not expect the developer to be taxed with this road improvement.

Action
Commissioner Gentges made a motion to approve this item.
Commissioner Stoker seconded the motion.
A roll call vote was taken; vote passed (7-0)

Attachment: PC MInutes_06.24.24_FINAL (9574 : Planning Com Minutes)

RESULT:	**APPROVED [7 TO 0]**
MOVER:	Dan Gentges, Commissioner
SECONDER:	John Stoker, Commissioner
AYES:	Nerbun, Barnes, Gentges, Hawley, Schaefer, Stoker, Urbani
ABSENT:	Choren

5) Policy

1) 2025 City of Mequon Community Survey Topics

Director Kim Tollefson stated that the Public Welfare Committee is requesting ideas from every board and Commission to begin to discuss topics to be included on the 2025 community survey. They have just begun to vet vendors to manage the survey, so it is still early in the process.

She asked for there to be an open dialogue amongst the Commission about ideas for possible topics. She offered that she could share questions from previous surveys as well as the comprehensive plan and what common themes are present that may help generate ideas.

The Commission had a discussion about possible topics to present to the Public Welfare Committee including the following suggested topics:

- Public infrastructure and how to expand and utilize existing amenities such as the city pool, civic center, connections between different neighborhoods, the riverwalk area and city parks.
- Prioritization of capital improvement projects over the next 10 years.
- Identify ideal locations for active senior living housing.
- Preservation of agriculture land through TDR, agrihoods and alternative densities.
- Confirmation of total population while striving to maintain rural character, density and future development.

Mayor Nerbun commented there is time to continue to generate ideas through the summer months.

6) Announcements

The next meeting is Monday, July 22, 2024, at 6:00 p.m.

7) Adjourn

Action
Commissioner Stoker made a motion to adjourn the meeting.
Commissioner Gentges seconded the motion.
A voice vote was taken; vote passed (7-0)

The meeting adjourned at 7:17 p.m.

Respectfully Submitted,
Jac Zader

Attachment: PC Minutes_06.24.24_FINAL (9574 : Planning Com Minutes)

11333 N. Cedarburg Road
Mequon, WI 53092
Phone: 262-236-2941
Fax: 262-242-9655

www.ci.mequon.wi.us
Office of the City Administrator

PUBLIC WELFARE COMMITTEE
Tuesday, June 11, 2024
5:15 PM
Lower Conference Room

Minutes

1) Call to Order, Roll Call

Present:
Chair Dale Mayr
Alderman Gregg Bach
Alderman Brian Parrish -- **Absent**

Also Present: City Attorney Sajdak, Assistant City Administrator Schoenemann, and Executive Assistant Enea

2) Approval of Meeting Minutes
   a. May Meeting Minutes

RESULT:	**Approved by Voice Acclamation [Unanimous]**
MOVED BY:	Alderman Bach
SECONDED BY:	Alderman Mayr

AYES:	Mayr, Bach
ABSENT:	Parrish

3) Polco Presentation

Amy Kavanaugh Flynn, Senior Account Executive from Polco, joined the meeting via Teams to present Polco's proposal to complete the City's next Community Survey. Polco is based in Madison, Wisconsin and is dedicated to building stronger communities through data-driven surveying. Polco has worked with over 500 communities and most of its staff have professional public sector experience. Some nearby communities that have used Polco are West Bend, Waukesha, and Wauwatosa. Ms. Flynn explained the three Polco modules to the Committee, including Assess, Engage, and Track. The statistically valued surveys live in the Assess Module. The National Community Survey was developed in 2001. Polco partnered with ICMA to develop the survey and it features 12 main questions (Governance, Mobility, Parks & Rec, Education & Arts, Community Design, Economy, Natural Environment, Safety, Utilities, Quality of Life, Health & Wellness, and Inclusivity & Engagement) that compares communities

Attachment: Public Welfare 061124 Minutes (9560 : Public Welfare Minutes)

regionally and nationally. It can assess government performance, monitor trends in resident opinion, utilize benchmark comparisons, and inform budget, land use, and strategic plans. There are multiple other surveys available to choose from and to tailor to one's own community. Polco performs a random sampling from a list of household addresses from the USPS. For Mequon, the random sample size would be 3,000 households. For the data collection, a postcard invitation is mailed and then the survey. The survey is then open for six weeks. The final two weeks of data collection are open to the entire community. The survey results for everyone else are kept separate from the random statistical sample. For the data analysis, the results are weighted to match Census data. A report of the results is provided via PDF and an interactive dashboard. Ms. Flynn then shared a sample project timeline. Weeks 1-5 are survey development, weeks 5-7 are printing and mailing, weeks 7-13 are data collection, and weeks 13-17 are analysis and report writing. The Engage Module can be used to ask follow-up questions. The Track Module has 100+ data sources compiled into one place to provide actionable insights and help with Strategic Planning.

4) Work Calendar

At the July meeting, the Committee will discuss the three vendors that presented over the last three months and make a selection on who will conduct the City's next Community Survey.

5) Adjourn

Alderman Bach moved to adjourn at 5:55 P.M. and Alderman Mayr seconded.

Respectfully Submitted,

Carrie Enea
Executive Assistant

Attachment: Public Welfare 061124 Minutes (9560 : Public Welfare Minutes)

11333 N. Cedarburg Road
Mequon, WI 53092
Phone: 262-236-8145
Fax: 262-242-9655

www.ci.mequon.wi.us
Public Works Department

PUBLIC WORKS COMMITTEE
Tuesday, June 11, 2024
6:30 PM
South Conference Room

Minutes

1) Call to Order, Roll Call

Meeting called to order at 6:30 PM.

Present:
Chair Jeffrey Hansher
Alderman Kelly Tolocko
Alderman Peter Bratt

Also present: Director of Public Works/City Engineer Lundeen, Deputy Director of Public Works Weyker, and Administrative Assistant Schlereth.

2) Approval of Minutes

a. May 14, 2024, Minutes

RESULT:	**Approved by Voice Acclamation [Unanimous]**
MOVED BY:	Alderman Tolocko
SECONDED BY:	Alderman Bratt

AYES:	Hansher, Tolocko, Bratt

3) Resolutions

Action requested: review and recommend approval

a. **RESOLUTION 4128** A Resolution Awarding a Design Services Contract for the City Brush Site to The Sigma Group, Milwaukee, Wisconsin, in the Amount of $84,914

RESULT:	**Approved by Voice Acclamation [Unanimous]**
MOVED BY:	Alderman Tolocko
SECONDED BY:	Alderman Bratt

Attachment: 6-11-24 Public Works (9561 : Public Works Minutes)

AYES:	Hansher, Tolocko, Bratt

4) Discussion Items

Discussion and Possible Action

a. Public Works Work Plan (6.11.24)

5) Adjourn

a. Motion to Adjourn

RESULT:	**Approved by Voice Acclamation [Unanimous]**
MOVED BY:	Alderman Bratt
SECONDED BY:	Alderman Tolocko

AYES:	Hansher, Tolocko, Bratt

Respectfully Submitted,

Ren Schlereth
Administrative Assistant

Attachment: 6-11-24 Public Works (9561 : Public Works Minutes)

Southern Ozaukee Fire & EMS Board
MINUTES
DATE: Wednesday, May 8, 2024
LOCATION: 250 Elm Street, Thiensville, WI
TIME: 5:30 PM

Attachment: 5-8-24 Southern Ozaukee Fire & EMS Board Minutes (9552 : SOFD Board)

I. CALL TO ORDER

President Rosing called the meeting to order at 5:30 PM.

II. ROLL CALL

MEQUON MAYOR ANDREW NERBUN
MEQUON ADMINISTRATOR WILL JONES
MEQUON ALDERMAN DALE MAYR
MEQUON ALDERMAN GREG BACH
MEQUON CITIZEN MEMBER LYNN STREETER

THIENSVILLE PRESIDENT JOHN ROSING
THIENSVILLE ADMINISTRATOR COLLEEN LANDISCH-HANSEN
THIENSVILLE TRUSTEE KRISTINA ECKERT
THIENSVILLE CITIZEN MEMBER DOUGLAS CHIMENTI
THIENSVILLE ALTERNATE TRUSTEE DAVID LANGE (ABSENT)

III. NEW BOARD MEMBERS WELCOME

New members, Thiensville President John Rosing and Mequon Alderman Greg Bach, were welcomed by the Board.

IV. APPROVAL OF MINUTES

A. March 13, 2024 (att)

MOTION by Citizen Member Chimenti, **SECONDED** by Mayor Nerbun to approve the March 13, 2024, Minutes. **MOTION CARRIED UNANIMOUSLY.**

V. PERSONAL APPEARANCES AND PUBLIC COMMENT

A. Citizens wishing to address the SOFD Board on any matter not on the agenda may do so at this time. If you desire to be heard on agenda items, you may be heard when that item is considered on the agenda. The time limit is FIVE minutes.

There were no citizens to be heard.

VI. GOVERNANCE

A. Review and Approve Acceptance of $5,570 donation from Thiensville Fire Department Corporation (att)

Chief Bialk noted the donation from the Thiensville Fire Department Corporation is for dive equipment. Trustee Eckert asked how the Thiensville Fire Department Corporation would be thanked. Chief Bialk suggested the donation could be recognized in the News Graphic.

MOTION by Trustee Eckert, **SECONDED** by Citizen Member Chimenti to accept a $5,570 donation from the Thiensville Fire Department Corporation with gratitude. **MOTION CARRIED UNANIMOUSLY.**

B. Discussion of memorandum dated April 10, 2024, from Chief David Bialk regarding private ambulance use of the Thiensville Fire Department building (att)

Chief Bialk noted former Thiensville President Van Mobley requested the Chief to provide his opinion regarding private ambulance use of the Thiensville Fire Department Building. Chief Bialk shared concerns about potential staffing levels of SOFD paid-on-call members if they could earn more working for a private ambulance company.

Alderman Bach inquired if the Thiensville station is still being considered for SOFD use.

Trustee Eckert noted any lease would be short-term. The company is likely going to locate somewhere in the area, so a partnership makes sense to realize revenue from leasing the space. There also is the possibility SOFD could add paid-on-call staff due to the collaboration.

Administrator Jones noted this is a decision for Thiensville to make and suggested the Village consider the potential benefits and also the optics of having a private company operating in a municipal building.

Administrator Landisch-Hansen encouraged Chief Bialk to attend the Thiensville Committee of the Whole meeting to share his opinion.

VII. OPERATIONS

A. Update regarding purchase of replacement ambulance (att)

Attachment: 5-8-24 Southern Ozaukee Fire & EMS Board Minutes (9552 : SOFD Board)

Chief Bialk noted the ambulance purchase was approved at the March 2024 meeting. The ambulance has been ordered with a delivery estimate of fall 2027.

B. Update regarding City of Mequon Public Safety Building

Chief Bialk shared the City of Mequon conducted a strategic planning session on May 2, 2024 and summarized the consultant recommendations related to the fire department, which included an option for a combined Public Safety building.

Citizen Member Chimenti asked why 7 acres of land is necessary. Mayor Nerbun replied that much has to do with parking, having a sufficient turning radius for large fire vehicles and space for training exercises.

Citizen Member Streeter noted there are significant deficits in the condition of the East Side Fire Station, although the site is the appropriate size. Population density, including age and type of housing, should also be studied, particularly forecasts for the next 10 to 15 years.

Administrator Jones noted some of the information from the strategic planning session goes back almost 10 years, when the City of Mequon considered the future of several old buildings, such as the Logemann Center and the Department of Public Works. The City is in a fiscal position where it can continue looking at facility upgrades. This will be an ongoing discussion topic as efforts progress in Mequon.

Trustee Eckert noted it would be helpful to document a starting point for the discussion. Chief Bialk will present a heat map at the next SOFD meeting.

VIII. FINANCE

A. Update regarding Ozaukee County EMS ARPA Grant money (att)

Chief Bialk stated SOFD received a $324,000 ARPA payment in April.

B. Update regarding Fiscal Year 2023 SOFD Annual Comprehensive Fiscal Report (att)

Chief Bialk shared the 2024 budget included funds for an audit from Baker Tilly. The report should be available by late May.

IX. REVIEW DATE OF NEXT MEETING

A. July 10, 2024

X. MOTION TO ADJOURN TO CLOSED SESSION

Attachment: 5-8-24 Southern Ozaukee Fire & EMS Board Minutes (9552 : SOFD Board)

A. Command Staff Performance. The SOFD Board may convene into Closed Session pursuant to Wis. Stat. 19.85(1)(f) for the purpose of considering financial, medical, social or personal histories or disciplinary data of specific persons and/or the preliminary consideration of specific personnel problems which, if discussed in public, would be likely to have a substantial adverse effect upon the reputation of any person referred to in such histories or data, or involved in such problems.

MOTION by Alderman Bach, **SECONDED** by Trustee Eckert to adjourn to Closed Session at 6:10 PM.

1. Roll Call Vote

Ayes: Mayor Nerbun, Alderman Mayr, Alderman Bach, Citizen Member Streeter, President Rosing, Trustee Eckert and Citizen Member Chimenti
Naes: None
MOTION CARRIED.

XI. MOTION TO RECONVENE IN OPEN SESSION

A. Vote of Board to Reconvene

MOTION by Alderman Mayr, **SECONDED** by Mayor Nerbun to reconvene in Open Session at 7:04 PM. **MOTION CARRIED UNANIMOUSLY.**

B. Review and possible action regarding Closed Session topic

MOTION by Mayor Nerbun, **SECONDED** by Trustee Mayr to direct staff to engage in services as discussed in Closed Session. **MOTION CARRIED UNANIMOUSLY.**

XII. ADJOURNMENT

MOTION by Trustee Eckert, SECONDED by Mayor Nerbun to adjourn the meeting at 7:06 PM. MOTION CARRIED UNANIMOUSLY.

Submitted by,

Gary Achterberg
Administrative Assistant
Village of Thiensville

Signed by,

Attachment: 5-8-24 Southern Ozaukee Fire & EMS Board Minutes (9552 : SOFD Board)

Colleen Landisch-Hanbsen
Village Administrator/Village Clerk
Village of Thiensville

Attachment: 5-8-24 Southern Ozaukee Fire & EMS Board Minutes (9552 : SOFD Board)

Southern Ozaukee Fire & EMS Commission
MINUTES

DATE: Wednesday, May 8, 2024

LOCATION: 250 Elm Street, Thiensville, WI

IMMEDIATELY FOLLOWING SOFD BOARD MEETING

TIME: 5:30 PM

I. CALL TO ORDER

President Rosing called the meeting to order at 7:06 PM.

II. ROLL CALL

MEQUON MAYOR ANDREW NERBUN
MEQUON ADMINISTRATOR WILL JONES
MEQUON ALDERMAN DALE MAYR
MEQUON ALDERMAN GREG BACH
MEQUON CITIZEN MEMBER LYNN STREETER

THIENSVILLE PRESIDENT JOHN ROSING
THIENSVILLE ADMINISTRATOR COLLEEN LANDISCH-HANSEN
THIENSVILLE TRUSTEE KRISTINA ECKERT
THIENSVILLE CITIZEN MEMBER DOUGLAS CHIMENTI
THIENSVILLE ALTERNATE TRUSTEE DAVID LANGE (ABSENT)

III. APPROVAL OF MINUTES

A. March 13, 2024 (att)

MOTION by Alderman Bach, **SECONDED** by Alderman Mayr to approve the March 13, 2024 Minutes. **MOTION CARRIED UNANIMOUSLY.**

IV. NEW BUSINESS

A. Review and action regarding Paid-on-Call Hiring applicants

MOTION by Mayor Nerbun, **SECONDED** by Citizen Member Chimenti to approve hiring two paid-on-call applicants. **MOTION CARRIED UNANIMOUSLY.**

Attachment: 5-8-24 Southern Ozaukee Fire & EMS Commission Minutes (9553 : SOFD Com minutes)

V. ADJOURNMENT

MOTION by Trustee Eckert, **SECONDED** by Citizen Member Chimenti to adjourn the meeting at 7:09 PM. **MOTION CARRIED UNANIMOUSLY.**

Submitted by,

Gary Achterberg
Administrative Assistant
Village of Thiensville

Signed by,

Colleen Landisch-Hansen
Village Administrator/Clerk
Village of Thiensville

Attachment: 5-8-24 Southern Ozaukee Fire & EMS Commission Minutes (9553 : SOFD Com minutes)

CODE ENFORCEMENT SUMMARY JULY 1, 2024

	A	B	C	D	E	F	G	I	J	K
1										
2										
3	0									
4	DIST.	PARCEL #	ADDRESS	OWNER	VIOLATION TYPE/COMPLAINT	OTC ISSUED	REQUIREMENT DATE	COURT DATE	COMMENTS (See Key Column)	ACTIVE YES/NO
5	8	151050504000	10843 N PEBBLE LANE	ABBAS OR FATIMA ALI	YARD WASTE LEAVES AND BRANCHES	1/21/2022	6/1/2022	1	1	NO
6	4	140341500100	6110-6112 W COUNTY LINE ROAD	JEFFERY KRETZ	PARKING	12/1/2021	12/15/2021	11/4/2021	#5 CITATION 1,2	NO
7	1	140300600500	12323 W MEQUON ROAD	JONATHON SCHOTTE	PARKING	10/21/2021	11/4/2021	1	1	NO
8	3	140221000600	11512 N WAUWATOSA ROAD	RICK OR PATRICIA FREYMUTH	TEMPORARY STRUCTURE	10/22/2021	11/5/2021	1	1	NO
9	4	EXEMPT	11001O N BUNTROCK AVENUE	WILSON SCHOOL	ELECTRONIC MESSAGE SIGN ILLUMINATION	12/8/2021	12/17/2021	1	1	NO
10	1	141550010000	13760 N BONNIWELL COURT	GALINA OR MISHA SHEPSHELEVICH	PARKING	ONGOING	11/20/2021	NOT SET	#5, CIRCUIT COURT	YES
11	3	RENTAL	6200 W MEQUON ROAD	ST PAULS FISH	BANNER/SIGNS	11/17/2021	11/20/2021	1	1	NO
12	2	140820648000	2916 W SHOLES DRIVE	DAVID OR ELIZABETH SANDE	HOME BUSINESS	11/22/2021	12/5/2021	1	1	NO
13	1	141550011000	13702 N BONNIWELL COURT	MICHAEL OR SHELLEY OLSON	PARKING	11/22/2021	11/5/2021	1	1	NO
14	4	140270101200	10910 INDUSTRIAL DRIVE	SUPER STEEL LLC	BANNER/SIGNS	11/17/2021	11/20/2021	1	1	NO
15	8	RENTAL	10042 N PORT WASHINGTON ROAD	NEARLY NEW CONSIGNMENT SHOP	BANNER	11/17/2021	11/20/2021	1	1	NO
16	4	RENTAL	11035 INDUSTRIAL DRIVE	CENTRAL BARK	BANNER/SIGNS	11/17/2021	11/20/2021	1	1	NO
17	5	EXEMPT	13460 N PORT WASHINGTON ROAD	CHRIST CHURCH	BANNER	11/17/2021	11/20/2021	1	1	NO
18	4	140340500100	6809 W DONGES BAY ROAD	MEQUON LAWN AND GARDEN	BANNER	11/17/2021	11/20/2021	1	1	NO
19	6	150191301600	11357 N PORT WASHINGTON ROAD	KOHLER CREDIT UNION	FLAG	11/17/2021	11/20/2021	1	1	NO
20	8	RENTAL	11018 N PORT WASHINGTON ROAD	MATHNASIUM	BANNER	11/17/2021	11/20/2021	1	1	NO
21	5	150201001800	11522 N PORT WASHINGTON ROAD	SHELL GAS STATION	BANNER	11/17/2021	11/20/2021	1	1	NO
22	6	RENTAL	10945 N PORT WASHINGTON ROAD	SPINE PAIN DIAGNOSTICS ASSOCIATES SUITE 101	BANNER	11/17/2021	11/20/2021	1	1	NO
23	8	RENTAL	10930 N PORT WASHINGTON ROAD	SENDIK'S	BANNER	11/17/2021	11/20/2021	1	1	NO
24	6	RENTAL	10945 N PORT WASHINGTON ROAD	WISCONSIN RADIOLOGY SPECIALISTS	BANNER	11/17/2021	11/20/2021	1	1	NO
25	8	RENTAL	10984 N PORT WASHINGTON ROAD	MARSHALLS	BANNER/SIGNS	11/17/2021	11/20/2021	1	1	NO
26	8	RENTAL	10526 N PORT WASHINGTON ROAD	DERIAH BOUTIQUE	BANNER	11/17/2021	11/20/2021	1	1	NO
27	6	RENTAL	10501 N PORT WASHINGTON ROAD	ALLSTATE INSURANCE	FLAG	11/17/2021	11/20/2021	1	1	NO
28	8	RENTAL	10916 N PORT WASHINGTON ROAD	ELITE NUTRITION	BANNER	11/17/2021	11/20/2021	1	1	NO
29	6	RENTAL	11649 N PORT WASHINGTON ROAD	MEQUON SMILE DESIGN	BANNER	11/17/2021	11/20/2021	1	1	NO
30	6	RENTAL	11042 N PORT WASHINGTON ROAD	X GOLF MEQUON	FLAG	11/17/2021	11/20/2021	1	1	NO
31	8	150290600200	11150 N PORT WASHINGTON ROAD	CULVER'S	BANNER/SIGN	11/17/2021	11/20/2021	1	1	NO
32	4	140270201000	11130 N BUNTROCK AVENUE	ARTESA APARTMENTS	BANNER/SIGN	11/17/2021	11/20/2021	1	1	NO
33	8	RENTAL	10992 N PORT WASHINGTON ROAD	GREAT CLIPS	BANNER	11/17/2021	11/20/2021	1	1	NO
34	3	RENTAL	6330 W SPUR ROAD	SPUR 16	FLAG	11/17/2021	11/20/2021	1	1	NO
35	4	RENTAL	10503 N CEDARBURG ROAD	THE COLOUR BOWL SALON AND WELLNESS	FLAG	11/17/2021	11/20/2021	1	1	NO
36	4	140500612000	5616 W DONGES BAY ROAD	LIBBY MONTANA	BANNER	11/17/2021	11/20/2021	1	1	NO
37	6	150300600500	2635 W MEQUON ROAD	THE RANGE LINE INN	BANNER/SIGN	11/17/2021	11/20/2021	1	1	NO
38	6	151530001000	1505 W MEQUON ROAD	EAST TOWNE SQUARE MALL	FLAG	11/17/2021	11/20/2021	1	1	NO
39	6	RENTAL	1339 W MEQUON ROAD	SOVEREIGN SELECT LLC	BANNER	11/17/2021	11/20/2021	1	1	NO
40	3	RENTAL	7602 W MEQUON ROAD	IN BALANCE YOGA	BANNER	11/17/2021	11/20/2021	1	1	NO
41	6	RENTAL	1340 W MEQUON ROAD	AC ZUKERMAN JEWELERS	BANNER	11/17/2021	11/20/2021	1	1	NO
42	6	RENTAL	1300 W MEQUON ROAD	PANERA BREAD	BANNER/SIGNS	11/17/2021	11/20/2021	1	1	NO
43	6	RENTAL	1424 W MEQUON ROAD	NORTH SHORE COMPUTER	BANNER	11/17/2021	11/20/2021	1	1	NO
44	6	RENTAL	1402 W MEQUON ROAD	KUMON MATH AND READING	BANNER	11/17/2021	11/20/2021	1	1	NO
45	8	RENTAL	10530 N PORT WASHINGTON ROAD	FIDDLEHEADS COFFEE	BANNER/SIGNS	11/17/2021	11/20/2021	4/6/2022	#5, CITATION 1	NO
46	6	RENTAL	11525 N PORT WASHINGTON ROAD	JIMMY JOHNS	BANNER/FLAGS	11/17/2021	11/20/2021	3/2/2022	#5, CITATION 1	NO
47	6	RENTAL	11511 N PORT WASHINGTON ROAD	TACO BELL	BANNER	11/17/2021	11/20/2021	4/6/2022	#5, CITATION 1,2	NO
48	4	140500903002	10360 N CEDARBURG ROAD	KWIK TRIP	TRASH/LITTER	12/23/2021	12/27/2021	4/6/2022	#5, CITATIONS 1,2,3	NO
49	4	140500903002	10360 N CEDARBURG ROAD	KWIK TRIP	BANNER/FLAGS	11/17/2021	11/20/2021	3/2/2022	#5, CITATION 1,2,	NO
50	8	150291100500	10500 N PORT WASHINGTON ROAD	HOLD HOLDINGS	PUBLIC NUISANCE	4/14/2021	4/23/2021	4/6/2022	#5, CITATIONS 1,2,3	NO
51	4	140840107000	9712 N MEQUON PLACE	TOUA YANG	PARKING	10/25/2021	11/5/2021	4/6/2022	#5 CITATIONS 1, 2,3,4, 5,6	YES
52	7	140250600600	11050 N RIVER ROAD	ROBERT STERN	OUTSIDE STORAGE	11/17/2021	11/24/2021		#5 CITATION 1	NO
53	4	140501204000	10056 N CEDARBURG ROAD	WILLIAM WISTH	OUTSIDE STORAGE	ONGOING	ONGOING	NOT SET	#5 CIRCUIT COURT	NO
54	3	140870850000	11715 N SILVER AVENUE	LUJESS	PARKING	ONGOING	ONGOING	NOT SET	#5 CIRCUIT COURT	YES
55	6	151000203000	12539 N ISLAND DRIVE	WILLIAM WISTH	OUTSIDE STORAGE	ONGOING	ONGOING	NOT SET	#5 CIRCUIT COURT	YES
56	8	151070412000	819 W SIERRA LANE	VANN FAMILY TRUST	OUTSIDE STORAGE	2/25/2022	3/11/2022	1	1	NO
57	8	151070412000	819 W SIERRA LANE	VANN FAMILY TRUST	PARKING	2/25/2022	3/11/2022	1	1	NO
58	2	140241201000	11249 N RIVERLAND ROAD	PAUL FREDERICK	OUTSIDE STORAGE	2/25/2022	3/11/2022	1	1	NO
59	2	140241201000	11249 N RIVERLAND ROAD	PAUL FREDERICK	PARKING	2/25/2022	3/11/2022	1	#5 CITATION 1	NO
60	1	140121200300	3500 W HIGHLAND ROAD	THOMAS LEMENS	OUTSIDE STORAGE	2/25/2022	3/11/2022	1	1	NO
61	1	140121200300	3500 W HIGHLAND ROAD	THOMAS LEMENS	PARKING	2/25/2022	3/11/2022	1	1	NO

	A	B	C	D	E	F	G	I	J	K
1		14019150020	11206-11210 W MEQUON ROAD	JORDON OR KRISTY LARSON	PARKING	2/25/2022	3/11/2022		1	NO
63	1	14019150020	11206- 11210 W MEQUON ROAD	JORDON OR KRISTY LARSON	OUTSIDE STORAGE	2/25/2022	3/11/2022		1	NO
64	1	14019150020	11206-11210 W MEQUON ROAD	JORDON OR KRISTY LARSON	OUTSIDE MAINTANCE	2/25/2022	5/30/2022		1	NO
65	2	14095060700	3033 W RENEE COURT	IGOR OR MARGARITA LETKIN	PARKING	3/8/2022	3/22/2022		1	NO
66	6	15030808040	10841 N ORIOLE LANE	NICHOLAS OR LAURA MEYER	OUTSIDE STORAGE	3/14/2022	3/31/2022		1	NO
67	6	15030808040	10841 N ORIOLE LANE	NICHOLAS OR LAURA MEYER	GENERAL MAINTENANCE	3/14/2022	5/30/2022		1	NO
68	6	14095060700	2030 W SUNNYDALE LANE	DIANNE MCCLELLAN	PARKING	3/14/2022	3/31/2022		1	NO
69	6	14095060700	2030 W SUNNYDALE LANE	DIANNE MCCLELLAN	OUTSIDE STORAGE	3/14/2022	3/31/2022		1	NO
70	4	14027120040	6926 W DONGES BAY ROAD	GO RITEWAY	PARKING	3/17/2022	3/21/2022		1	NO
71	4	14027120040	6926 W DONGES BAY ROAD	GO RITEWAY	ADVERTISING FLAG	3/17/2022	3/21/2022		1	NO
72	4	14084020500	9612 W MEQUON PLACE	LEWIS OR JEAN BIRKEL	OUTSIDE MAINTENANCE	3/23/2022	6/1/2022		1	NO
73	7	15085000002	3100 W COUNTRY CLUB DRIVE	NORTH SHORE COUNTRY CLUB	LANDSCAPING	3/23/2022	6/1/2022		1	NO
74	4	14050070001	1863/461 N 1/2 LOT 9 BLK 7 CEDARBURG ROAD	WILLIAM CONLEY	MAINTENANCE	3/24/2022	7/1/2022		1	NO
75	4	14027090120	10541-10601 N COMMERCE STREET	MEGAL DEVELOPMENT CORPORATION	BUSINESS OCCUPANCY PERMIT	3/31/2022	4/8/2022		1	NO
76	2	14024070120	11610 N RIVER ROAD	MARILYN MANKE	OUTSIDE STORAGE	3/31/2022	4/7/2022		1	NO
77	5		11700 N PORT WASHINGTON ROAD	MARCUS NORTH SHORE CINEMA	LITTER	4/6/2022	4/13/2022		1	NO
78	5	15020070110	11616 N PORT WASHINGTON ROAD	ELITE HIGHLANDER MEQUON INC	LITTER	4/6/2022	4/13/2022		1	NO
79	5	RENTAL	11558 N PORT WASHINGTON ROAD	METRO MARKET	LITTER	4/6/2022	4/13/2022		1	NO
80	3	14086020700	11345 N SOLAR AVE	JEFFREY MCCLONE	PARKING	4/21/2022	4/28/2022		#5 CITATION 1,2	NO
81	3	14089240200	11425 N VEGA AVE	DENNIS HERRERA	PARKING	4/21/2022	4/28/2022		1	NO
82	3	14021010000	11932 N VEGA AVE	JOHN OR STACEY MURRAY	PARKING	4/21/2022	4/28/2022		1	NO
83	3	14122000400	11912 N SOLAR AVE	JAMES MCNICHOL	PARKING	4/21/2022	4/28/2022		#5 CITATION 1,2	NO
84	3	14087070800	11625 N VEGA AVE	ROBERT MACKIEWICZ	PARKING	4/21/2022	4/28/2022		1	NO
85	3	14088140200	8509 W POPLAR DR	WILLIAM BLATZ	PARKING	4/21/2022	4/28/2022		1	NO
86	4	14084050900	4808 W HIAWATHA DR	PAUL SCHUMACHER	HOOP HOUSE	4/21/2022	5/5/2022		1	NO
87	2	14116001000	12335 N WOODFIELD CT	JEFFREY OR SUSAN POMERANTZ	OUTSIDE STORAGE	4/22/2022	4/29/2022		1	NO
88	3	14050010200	6714 W MEQUON ROAD	MICHAEL OR TRACY LALONDE	OUTSIDE STORAGE	4/28/2022	5/13/2022		#5 CITATION 1,2	NO
89	7	15056020500	1425 W ZEDLER LANE	BRADFORD FIGG	GARBAGE	5/10/2022	5/13/2022		#5 CITATION 1	NO
90	2	14116001000	12335 N WOODFIELD COURT	JEFFERY OR SUSAN POMERANTZ	PARKING	5/17/2022	5/24/2022		1	NO
91	5	RENTAL	11740 N PORT WASHINGTON ROAD	BANK FIRST	BANNER	5/17/2022	5/21/2022		1	NO
92	5	EXEMPT	13800 N PORT WASHINGTON ROAD	UNITARIAN CHURCH	BANNER/FLAG	5/17/2022	5/21/2022		1	NO
93	3	RENTAL	6006 W MEQUON ROAD	SPUR 16	BANNER/FLAG	5/17/2022	5/21/2022		1	NO
94	8	RENTAL	10900 N PORT WASHINGTON ROAD	THE FEED BAG	BANNER	5/17/2022	5/21/1955		1	NO
95	2	EXEMPT	3906 W MEQUON ROAD	ST BONIFACE CHURCH	BANNER	5/17/2022	5/21/2022		1	NO
96	5	15100121400	1630 W DOROTHY PLACE	DAVID OR SHELLY HAUGH	OUTSIDE MAINTENANCE	5/25/2022	6/18/2022		1	NO
97	5	15100121400	1630 W DOROTHY PLACE	DAVID OR SHELLY HAUGH	OUTSIDE STORAGE	5/25/2022	7/1/2022		1	NO
98	3	14087050400	11733 N WAUWATOSA ROAD	DELORES FILLAFER	OUTSIDE STORAGE	5/25/2022	6/15/2022		1	NO
99	3	14087050400	11733 N WAUWATOSA ROAD	DELORES FILLAFER	OUTSIDE MAINTENANCE	5/25/2022	7/5/2022		1	NO
100	4	14034160200	BAEHR AND COUNTY LINE/ NO ADDRESS	BILL FINE/COUNTY LINE HOLDINGS	PARKING	6/13/2022	6/29/2022		#5 CITATION 1,2	NO
101	6	15057060200	1424 W ZEDLER LANE	ROSEMARY KOLLER	GRASS	6/15/2022	6/22/2022		1	NO
102	8	15107041200	819 SIERRA LANE	VANN FAMILY TRUST	GRASS	6/15/2022	6/22/2022		1	NO
103	7	14151000500	9853 N RANGE LINE ROAD	CYNTHIS COAKLEY	OUTSIDE STORAGE	6/15/2022	6/29/2022		1	NO
104	5	15103021400	12707 N EAST SHORELAND DRIVE	GARMAN LIVING TRUST	PARKING	6/15/2022	6/29/2022		1	NO
105	5	15103021100	12731 N EAST SHORELAND DRIVE	TED RUEHL	OUTSIDE STORAGE	6/15/2022	6/29/2022		1	NO
106	4	14064020200	10811 N SHERWOOD DRIVE	CHARLES CONRAD	YARD WASTE BRANCHES	6/21/2022	6/28/2022		1	NO
107	8	15107041200	819 W SIERRA LANE	VANN FAMILY TRUST	TRASH/LITTER	6/21/2022	6/28/2022		1	NO
108	6	15071041100	11604 N HILLSIDE LANE	MICHAEL GMIREK OR SUZANNE PEPLINSKI	TURF GRASS	6/21/2022	6/28/2022		1	NO
109	6	15071040500	11433 N COUNTRY LANE	WILLIAM GENSRICK	TEMPORARY STRUCTURE	6/21/2022	6/28/2022		1	NO
110	6	15071040500	11433 N COUNTRY LANE	WILLIAM GENSRICK	PARKING	6/21/2022	6/28/2022		1	NO
111	6	15063108000	11320 N VALLEY DRIVE	JONATHAN SCHULTZ	PARKING	6/21/2022	6/28/2022		1	NO
112	7	14070008000	3927 BURGANDY COURT	LYNN VORBECK	PARKING	6/21/2022	6/28/2022		1	NO
113	6	15099070100	12345 N EAST SHORELAND DRIVE	ANDREW OR WENDY PETZOLD	OUTSIDE MAINTENANCE	6/23/2022	7/29/2022		1	NO
114	6	15099070100	12345 N EAST SHORELAND DRIVE	ANDREW OR WENDY PETZOLD	TURF GRASS	6/23/2022	7/14/2022		1	NO
115	5	15006090100	13804 N MARTIN WAY SUITE 2400	13804 N MARTIN WAY LLC	POOL FENCE	6/23/2022	7/29/2022		#5 CITATION 1	YES
116	5	15006150900	1908 W BONNIWELL ROAD	RAVI NARAYAN OR SOWMYA SUBRAMANIAN	POOL FENCE	8/11/2021	8/26/2022		1	YES
117	2	15091100100	2517 W CHESTNUT ROAD	TAOFIKI OR KERRY ALABI	PARKING	7/15/2022	7/22/2022		1	NO
118	4	14050130500	9807 N CEDARBURG ROAD	RYAN OR KATHERINE KAUTZER	TURF GRASS	7/15/2022	7/22/2022		1	NO
119	6	XXXXXXXXX	NORTH SHORE ESTATES	DEBRA NEWELL PRESIDENT	OUTSIDE STORAGE	7/14/2022	8/5/2022		1	NO
120	3	14201005100	10879 N WILDCAT WAY	AMBER SCHROEDER	FENCE	5/16/2022	5/27/2022		#5 CITATION 1,2	YES
121	3	14086020500	11413 N SOLAR AVENUE	DUANE OR JULIE WAGNER	PARKING	7/21/2022	8/4/2022		1	NO
122	8	RENTAL	10930 N PORT WASHINGTON ROAD	SENDIKS	BANNERS	7/21/2022	7/28/2022		1	NO

	A	B	C	D	E	F	G	I	J	K
123	1	XXXXXXXXXX	HIGHLANDS LOT 8	KINGS WAY HOMES	OUTSIDE MAINTENANCE	7/22/2022	7/29/2022		1	NO
124	4	14027020015000	6835 W MEQUON ROAD	RESERVE FRONT LOT	LANDSCAPING	7/22/2022	8/15/2022		1	NO
125	4	14027020030000	6729 W MEQUON ROAD	STORYPOINT SENIOR LIVING	SIGNS	7/22/2022	8/19/2022		1	NO
126	7	15085000000200	3100 W COUNTRY CLUB DRIVE	NORTH SHORE COUNTRY CLUB	LANDSCAPING	7/22/2022	10/5/2022		1	NO
127	8	XXXXXXXXXX	10930 N PORT WASHINGTON ROAD	MEQUON PAVILIONS	FLAGS	7/22/2022	7/29/2022		1	NO
128	2	14082021000100	3015 W SHOLES DRIVE	THOMAS OR CAPITOLA BACHER	2 SHEDS	8/11/2022	9/11/2022		1	NO
129	5	15112020300000	13837 N LAKE SHORE DRIVE	GREGORY OR NICOLE PATERSON	OUTDOOR STORAGE	8/11/2022	8/26/2022		1	NO
130	6	15030080230000	2212 W SUNNYDALE LANE	AARON OR PETER KINNEY	POOL FENCE	8/11/2022	8/26/2022		1	NO
131	8	RENTAL	10806 N PORT WASHINGTON ROAD	NORTH SHORE BANK	BANNER	8/19/2022	8/25/2022		1	NO
132	6	RENTAL	1505 W MEQUON ROAD	EAST TOWNE SQUARE MALL	FLAGS	8/19/2022	8/25/2022		1	NO
133	6	RENTAL	1505 W MEQUON ROAD	FAYE'S MEQUON	FLAGS	8/19/2022	8/25/2022		1	NO
134	6	RENTAL	1505 W MEQUON ROAD	THE LEMON TREE	FLAGS	8/19/2022	8/25/2022		1	NO
135	6	RENTAL	1515 W MEQUON ROAD	ZARLETTI MEQUON	FLAGS	8/19/2022	8/25/2022		1	NO
136	6	RENTAL	1330 W MEQUON ROAD	COCOA TREE CONFECTIONARY	BANNER	8/19/2022	8/25/2022		1	NO
137	6	RENTAL	1402 W MEQUON ROAD	KUMON MATH AND READING	BANNER	8/19/2022	8/25/2022		1	NO
138	6	RENTAL	1550 W MEQUON ROAD	FIFTH MAIN	A FRAME	8/19/2022	8/25/2022		1	NO
139	6	RENTAL	11035 N PORT WASHINGTON ROAD	PICARDY SHOE PARLOUR	BANNER	8/19/2022	8/25/2022		1	NO
140	4	14027160120000	10433 N BAEHR ROAD	NORTH SHORE DANCE	SIGNS	7/7/2022	7/29/2022		#5 CITATION 1	NO
141	1	14144022001	7421 RIDGEVIEW DRIVE	YOUSSEF BERRADA	PLUMBING PERMIT	8/24/2022	9/7/2022		EXTENSION	YES
142	1	14144022001	7421 RIDGEVIEW DRIVE	YOUSSEF BERRADA	EIECTRIC PERMIT	8/24/2022	9/7/2022		EXTENSION	YES
143	1	14144022001	7421 RIDGEVIEW DRIVE	YOUSSEF BERRADA	BUILDING PERMIT	8/24/2022	9/7/2022		EXTENSION	YES
144	1	14144022001	7421 RIDGEVIEW DRIVE	YOUSSEF BERRADA	FILL PERMIT	8/24/2022	9/7/2022		EXTENSION	YES
145	1	14144022001	7421 RIDGEVIEW DRIVE	YOUSSEF BERRADA	SURVEY	8/24/2022	9/7/2022		EXTENSION	YES
146	7	15050011600	1828 W FIESTA LANE	CHARLES MAYER	GRASS	8/31/2022	9/8/2022		1	NO
147	7	14070014500	3531 W LEGRANDE BLVD	WILLIAM GRUBER	HOME BUSINESS	9/6/2022	9/16/2022		1	NO
148	4	RENTAL	10601 N COMMERCE STREET	GOOD LAND PREMIUM FOODS PROVISIONS INC	BUILDING AND SITE PLAN AMENDMENT	9/6/2022	9/19/2022		1	NO
149	6	RENTAL	1339 W MEQUON ROAD	REMAX LAKESIDE	WALL SIGN	9/8/2022	10/28/2022		1	NO
150	5	15101010600100	12656 N SHORELAND PARKWAY	NANCY TOLOCKO	DECK	9/13/2022	12/14/2022		1	NO
151	5	15097001900000	12648 N RIVER FOREST CIRCLE	JOHN OR JULIE HENNINGS	PARKING	9/13/2022	9/23/2022		1	NO
152	5	15097001900000	12648 N RIVER FOREST CIRCLE	JOHN OR JULIE HENNINGS	OUTSIDE MAINTENANCE	9/13/2022	9/27/2022		1	NO
153	8	EXEMPT	10370 N WILDWOOD COURT	OZAUKEE WASHINGTON COUNTY LAND TRUST	OUTSIDE MAINTENANCE	9/14/2022	10/14/2022		1	NO
154	3	RENTAL	7160 W DONGES BAY ROAD	WARREN BARNETT INTERIORS	CONDITIONAL USE GRANT	9/20/2022	10/4/2022	#5 CITATION 1	NO	NO
155	6	15019040040000	11743 N PORT WASHINGTON ROAD LOT 1	SHELY 2012 IRREVOCABLE TRUST	GRASS	9/22/2022	10/7/2022	1	NO	NO
156	6	15019040050000	11743 N PORT WASHINGTON ROAD LOT 2	SHELY 2012 IRREVOCABLE TRUST	GRASS	9/22/2022	10/7/2022	1	NO	NO
157	6	15019040060000	11743 N PORT WASHINGTON ROAD LOT 3	SHELY 2012 IRREVOCABLE TRUST	GRASS	9/22/2022	10/7/2022	1	NO	NO
158	6	RENTAL	1550 W MEQUON ROAD	FIFTH-MAIN	MONUMENT SIGN	9/29/2022	10/13/2022	#5 CITATION 1,2,3	NO	NO
159	8	15074012000000	317 E CIRCLE ROAD	JEFFREY OR JENNIFER PARULSKI	PARKING	9/29/2022	10/13/2022	#5 CITATION 1	NO	NO
160	4	14084036000000	4904 W COUNTY LINE ROAD	SHAWN OR RUTH RUBINSTEIN	SUMP PUMP	9/29/2022	10/7/2022	1	NO	NO
161	6	RENTAL	11431 N PORT WASHINGTON ROAD SUITE 207	DAYALUV COSMETICS	CONDITIONAL USE GRANT	10/5/2022	11/14/2022	1	NO	NO
162	6	RENTAL	11431 N PORT WASHINGTON ROAD SUITE 135	EMBRACE YOUR FACE	CONDITIONAL USE GRANT	10/5/2022	11/14/2022	1	NO	NO
163	6	RENTAL	11431 N PORT WASHINGTON ROAD SUITE 101E	CEDAR CREEK MASSAGE	CONDITIONAL USE GRANT	10/5/2022	11/14/2022	1	NO	NO
164	6	RENTAL	11431 N PORT WASHINGTON ROAD SUITE 106A	JANET HALONEN-ACUESTICS	CONDITIONAL USE GRANT	10/5/2022	11/14/2022	1	NO	NO
165	6	RENTAL	11431 N PORT WASHINGTON ROAD SUITE 108	DRAGON FLY MEDITATION AND WELLNESS	CONDITIONAL USE GRANT	10/5/2022	11/14/2022	1	NO	NO
166	6	RENTAL	11431 N PORT WASHINGTON ROAD SUITE 101	THERPUTIC MASSAGE AND WELLNESS CENTER	CONDITIONAL USE GRANT	10/5/2022	11/14/2022	1	NO	NO
167	6	RENTAL	11431 N PORT WASHINGTON ROAD SUITE 212	WYNTER CO. BEAUTY	CONDITIONAL USE GRANT	10/5/2022	11/14/2022	1	NO	NO
168	6	15030060900000	2505 W MEQUON ROAD	NORTH SHORE DENTAL	BANNER	10/6/2022	10/13/2022	1	NO	NO
169	3	RENTAL	7606 W MEQUON ROAD	HOMESTEAD FAMILY DENTISTRY	BANNER	10/6/2022	10/13/2022	1	NO	NO
170	6	15071040500000	11433 N COUNTRY LANE	WILLIAM OR CAROL GENSRICK	OUTSIDE STORAGE	10/6/2022	10/27/2022	1	NO	NO
171	6	15071040500000	11433 N COUNTRY LANE	WILLIAM OR CAROL GENSRICK	OUTSIDE MAINTENANCE	10/6/2022	11/10/2022	1	NO	NO
172	6	15031010110000	10355 N PORT WASHINGTON ROAD	CLARK GAS STATION	OUTSIDE MAINTENANCE	10/12/2022	11/12/2022	1	#5 CITATION 1	NO
173	1	14020060700000	10505 W FREISTADT ROAD	HERMAN OR SANDRA STERN	PARKING	10/19/2022	11/11/2022	1	NO	NO
174	1	14017110110000	10516 W FREISTADT ROAD	JENNIFER JOHNSON OR JOSHUA COMFORT	PARKING	10/19/2022	11/11/2022	1	NO	NO
175	4	14050040400000	11155 N CEDARBURG ROAD	MEQUON AUTO TECH	WATER TO FACILITY	10/19/2022	11/25/2022	#5 CITATION 1	YES	YES
176	5	15017080050000	12531 N LAKESHORE DRIVE	STEVEN OR KIMBERLY BROWN	SHED PERMIT	10/19/2022	11/4/2022	1	NO	NO
177	4	14027160120000	10433 N BAEHR ROAD	NORTH SHORE DANCE STUDIO	MONUMENT SIGN	10/21/2022	11/30/2022	1	NO	NO
178	4	RENTAL	11120 N BUNTROCK AVENUE	PRESTIGE AUTO SERVICE	PARKING COMMERCIAL	10/26/2022	11/2/2022	1	EXTENSION	YES
179	5	15092020100000	11404 N PINEHURST CIRCLE	US BANK	GRASS	10/27/2022	11/4/2022	1	NO	NO
180	5	15092020100000	11404 N PINEHURST CIRCLE	US BANK	OUTSIDE MAINTENANCE	10/27/2022	11/27/2022	1	NO	NO
181	8	15107011200200	1027 W DONGES BAY	MARY JOHNSON	OUTSIDE MAINTENANCE	10/27/2022	11/27/2022	1	NO	NO
182	6	15126010500000	10451 N STRATFORD PLACE	STEFAN OR SARAH GENDELMAN	BUILDING PERMIT	10/28/2022	11/21/2022	1	NO	NO
183	5	15120001700000	11633 N LAKE SHORE DRIVE	BARBARA PFAFF	OUTSIDE MAINTENANCE	1/19/2022	5/30/2022	# 5 CITATION 1	YES	YES

	A	B	C	D	E	F	G	I	J	K
row	5	15120001017000	11633 N LAKE SHORE DRIVE	BARBARA PFAFF	OUTSIDE STORAGE	1/19/2022	2/9/2022		#5 CITATION 1	YES
185	1	14003030020	14015 N CEDARBURG ROAD	WHITE RABBIT RESTAURANT	MONUMENT SIGNS	11/9/2022	11/23/2022		1	NO
186	6	15019160220	1400 W MEQUON ROAD	CONCORD 37 LLC	OUTSIDE MAINTENANCE	11/10/2022	12/2/2022		1	NO
187	6	15019160230	1350 W MEQUON ROAD	CONCORD 37 LLC	OUTSIDE MAINTENANCE	11/10/2022	12/2/2022		1	NO
188	8	15032070020	10000 N PORT WASHINGTON ROAD	PARK AVENUE PLAZA OF MEQUON	OUTSIDE MAINTENANCE	11/10/2022	12/2/2022		1	NO
189	6	15185000100	1511 MARKET STREET	LAKESIDE DEVELOPMENT COMPANY	OUTSIDE MAINTENANCE	11/10/2022	12/2/2022	1		NO
190	5	15020110100	11300 N PORT WASHINGTON ROAD	(PNS) SCHMIDT MEQUON LLC	OUTSIDE MAINTENANCE	11/15/2022	12/16/2022		EXTENSION NEW OWNER	YES
191	7	14050140300	10015 N RIVER ROAD	JEFF OR BETH ASTEMBORSKI	OUTSIDE STORAGE	11/17/2022	12/2/2022	1		NO
192	4	14034110040	9716 N WAUWATOSA ROAD	ANDREW BERGMAN	PARKING	11/17/2022	12/2/2022	1		NO
193	4	14034110040	9716 N WAUWATOSA ROAD	ANDREW BERGMAN	OUTSIDE STORAGE	11/17/2022	12/2/2022	1		NO
194	4	14034050080	10146 N WAUWATOSA ROAD	ROBERT PETZOLD JR	PARKING	11/17/2022	12/2/2022	1		NO
195	4	14034050080	10146 N WAUWATOSA ROAD	ROBERT PETZOLD JR	OUTSIDE STORAGE	11/17/2022	12/2/2022	1		NO
196	1	14018130080	12031 N GRANVILLE ROAD	LINDENWOOD FARMS	PARKING	11/17/2022	12/2/2022	1		NO
197	1	14018130080	12031 N GRANVILLE ROAD	LINDENWOOD FARMS	OUTSIDE STORAGE	11/17/2022	12/2/2022	1		NO
198	8	RENTAL	10840 N PORT WASHINGTON ROAD	TOBIN JEWELERS	BANNER	11/30/2022	12/8/2022	1		NO
199	6	15153000100	1505 W MEQUON ROAD	EAST TOWNE SQUARE MALL	BANNER/FLAGS	11/30/2022	12/8/2022	1		NO
200	3	14086021900	11428 N VEGA AVENUE	MARK KRUEGER	OUTSIDE STORAGE	12/6/2022	12/20/2022	1		NO
201	3	14086021900	11428 N VEGA AVENUE	MARK KRUEGER	PARKING	12/6/2022	12/20/2022	1		NO
202	3	14086022000	7907 W WILLOWBROOK DRIVE	BENJAMIN AHANGER	OUTSIDE STORAGE	12/6/2022	12/20/2022	1		NO
203	6	15019150300	1836 W MEQUON ROAD	REGINALD FLETCHER	OUTSIDE STORAGE	12/6/2022	12/20/2022	1		NO
204	3	14088160400	11329 N MEADOWBROOK DRIVE	JEREMY GONZALES	PARKING	12/7/2022	12/14/2022	1		NO
205	3	14088160200	11309 N MEADOWBROOK DRIVE	KIMBERLY SCIDMORE OR KERRY HANSEN	PARKING	12/7/2022	12/14/2022	1		NO
206	3	14087080700	11730 N RIDGEWAY AVENUE	DAVID WOZNIAK	PARKING	12/7/2022	12/14/2022	1		NO
207	3	14088170800	11310 N MEADOWBROOK DRIVE	GREEN HILL PROPERTIES	PARKING	12/7/2022	12/14/2022	1	#5 CITATION 1,2	NO
208	3	14087110100	11932 N SILVER AVENUE	DANIEL MUELLER	PARKING	12/7/2022	12/14/2022	1		NO
209	4	14027020120	11030 N BUNTROCK AVENUE	SANG WOO NAM	PARKING	12/9/2022	12/16/2022	1		NO
210	5	15083001300	13560 N LAKESHORE DRIVE	MICHAEL COLE	PARKING	12/13/2022	12/27/2022	1		NO
211	2	15018060050	12750 N SHORELAND PARKWAY	GRANTIT REMODELS LLC	PARKING	12/14/2022	12/29/2022	1		NO
212	8	RENTAL	10038 N PORT WASHINGTON ROAD	MOMS ALTERATIONS	BANNER	12/22/2022	12/30/2022	1	#5 CITATION 1,	NO
213	2	14014040100	12435 N RIVER ROAD	JOSEPH OR MELANIE DEVORKIN	BUILDING PERMIT	12/22/2022	1/6/2023	1	#5 CITATION 1	NO
214	1	14144022001	7421 RIDGEVIEW DRIVE	YOUSSEF BERRADA	ACCESSORY STRUCTURE (2)	12/29/2022	1/27/2023	1	#5 CITATION 1	YES
215	1	14144022001	7421 RIDGEVIEW DRIVE	YOUSSEF BERRADA	SURVEY	12/29/2022	1/12/2023	1		NO
216	6	15060021600	10212 SUNNYCREST DRIVE	HPA III ACQUISITIONS 1 LLC	PARKING	1/6/2023	1/19/2023	1		NO
217	4	14034060900	7227 W DONGES BAY ROAD	ANTOINETTE JACKSON	PARKING	1/11/2023	1/27/2023	1		NO
218	4	14034060900	7227 W DONGES BAY ROAD	ANTOINETTE JACKSON	OUTSIDE STORAGE	1/11/2023	1/27/2023	1		NO
219	3	14051010400	11201 N SOLAR AVENUE	CHRISTOPHER BESLER	OUTSIDE MAINTENANCE	1/12/2023	1/19/2023	1	#5 CITATION #1	NO
220	8	15179000100	10526 N PORT WASHINGTON ROAD	CONCORD 34 LLC	ELECTRIC	1/19/2023	2/17/2023	1		NO
221	8	15179000100	10526 N PORT WASHINGTON ROAD	CONCORD 34 LLC	DUMPSTER DOORS	1/19/2023	4/15/2023	1		NO
222	8	15179000100	10526 N PORT WASHINGTON ROAD	CONCORD 34 LLC	STORAGE CONTAINER	1/19/2023	2/17/2023	1		NO
223	4	14050050600	11100 N GREEN BAY ROAD	EW DEVELOPMENT CORP	REFUSE	1/20/2023	2/3/2023	1	#5 CITATION 1	NO
224	4	14050050600	11100 N GREEN BAY ROAD	EW DEVELOPMENT CORP	OUTSIDE MAINTENANCE	1/20/2023	5/1/2023	1		NO
225	6	15019040040	11743 N PORT WASHINGTON ROAD	SHELY 2012 IRREVOCABLE TRUST	OUTSIDE MAINTENANCE	1/26/2023	2/7/2023	1	#5 CITATION 1,2	NO
226	3	14051010400	11201 N SOLAR AVENUE	CHRISTOPHER BESLER	PARKING	2/2/2023	2/9/2023	1		NO
227	6	15129000100	11001 N PORT WASHINGTON ROAD	ACE HARDWARE	COMMUNITY SPIRIT LETTER	2/9/2023	OPEN	1		NO
228	6	15030010070	1425 W MEQUON ROAD	BMO HARRIS BANK	COMMUNITY SPIRIT LETTER	2/9/2023	OPEN	1		NO
229	6	15129001700	1317 W TOWNE SQUARE ROAD	MEQUON UNIT 17 LLC	COMMUNITY SPIRIT LETTER	2/9/2023	OPEN	1		NO
230	8	15175001014	10144 N PORT WASHINGTON ROAD	SSRF LLC	COMMUNITY SPIRIT LETTER	2/9/2023	OPEN	1		NO
231	6	15171000200	10602 N PORT WASHINGTON ROAD	PJL 10335 LLC	COMMUNITY SPIRIT LETTER	2/9/2023	OPEN	1		NO
232	5	15020060100	1025 W GLEN OAKS LANE	GLEN OAKS OFFICE PARK LLC	COMMUNITY SPIRIT LETTER	2/9/2023	OPEN	1		NO
233	3	14050020001	6200 W MEQUON ROAD	ST PAULS FISH COMPANY	OUTSIDE STORAGE	2/14/2023	2/28/2023	1		NO
234	4	14027160060	6130 W DONGES BAY ROAD	JWI LLC	OUTSIDE STORAGE	2/16/2023	3/10/2023	1		NO
235	4	14026110070	10412 N BAEHR ROAD	MEHTA PROPERTIES LLC	COMMUNITY SPIRIT LETTER	2/16/2023	OPEN	1		NO
236	4	RENTAL	5900 W MEQUON ROAD	CAFÉ HOLLANDER	BANNER	2/21/2023	2/28/2023	1		NO
237	6	15100131000	12510 N PILOT DRIVE	JEAN GORSKI	OUTSIDE MAINTENANCE	2/22/2023	5/31/2023	1		NO
238	1	14144022001	7421 RIDGEVIEW DRIVE	YOUSSEF BERRADA	BUILDING PERMIT	2/27/2023	3/14/2023	1		YES
239	3	14089230200	11433 N TOWER LANE	JULIS OR ALICE HOLDEN	SUMP PUMP	2/28/2023	3/8/2023	1	EXTENSION	NO
240	1	14017110200	10545 W HEATHER DRIVE	STEPHANIE WELDON	BUILDING PERMIT	3/1/2023	3/14/2023	1		NO
241	6	15029110070	10510 N PORT WASHINGTON ROAD	PETU	HVAC AND ELECTRIC PERMITS	3/7/2023	4/7/2023	1		NO
242	2	14013060800	12602 N RIVER ROAD	GARY OR JUNE GEIGER	BASKETBALL COURT	3/9/2023	5/31/2023	1		NO
243	8	15029110200	10404 N PORT WASHINGTON ROAD	FERRANTES PIZZA	OUTSIDE MAINTENANCE	3/16/2023	7/28/2023	1		NO
244	8	RENTAL	10972 N PORT WASHINGTON ROAD	THE JOINT CHIROPRATIC	SIGN	3/16/2023	3/23/2023	1		NO

	A	B	C	D	E	F	G	I	J	K
245	8	RENTAL	10916 N PORT WASHINGTON ROAD	ELITE NUTRITION	SIGN	3/16/2023	3/23/2023		1	NO
246	8	RENTAL	10902 N PORT WASHINGTON ROAD	NEROLI SALON	SIGN	3/16/2023	3/23/2023		1	NO
247	8	151060024000	429 W THORNAPPLE LANE	FRANK TRUST	PARKING	4/4/2023	4/11/2023		1	NO
248	8	RENTAL	10984 N PORT WASHINGTON ROAD	MARSHALLS MEQUON	COMMUNITY SPIRIT LETTER	4/10/2023	OPEN		1	NO
249	8	RENTAL	10964 N PORT WASHINGTON ROAD	PET SUPPLIES PLUS MEQUON	COMMUNITY SPIRIT LETTER	4/10/2023	OPEN		1	NO
250	8	RENTAL	10930 N PORT WASHINGTON ROAD	SENDIKS MARKET MEQUON	COMMUNITY SPIRIT LETTER	4/10/2023	OPEN		1	NO
251	8	150290601000	10930 N PORT WASHINGTON ROAD	BRIXMOR MEQUON	COMMUNITY SPIRIT LETTER	4/10/2023	OPEN		1	NO
252	4	140710027000	4807 W ELMDALE ROAD	OLEG KONOVCHKO	PARKING	4/18/2023	5/31/2023	#5 CITATION 1,2,3		NO
253	6	151230502000	12010 N RIVER GLENN LANE	KENNETH R NASON OR LESLEY A SCHWARTZ-NASON	OUTSIDE STORAGE	4/18/2023	4/26/2023		1	NO
254	4	140500905004	10240 N CEDARBURG ROAD	SYBARIS	OUTSIDE MAINTENANCE	4/26/2023	4/26/2023		1	NO
255	4	140501001000	10365 N CEDARBURG ROAD	TAYLOR AND DUNNS	OUTSIDE MAINTENANCE	4/26/2023	5/15/2023		1	NO
256	2	140950404000	3403 W COLETTE COURT	PAWEL WYDRA	OUTSIDE STORAGE	5/1/2023	5/15/2023	#5 CITATION 1		NO
257	8	150291100500	10500 N PORT WASHINGTON ROAD	LISA HOLDEN	PARKING	5/10/2023	OPEN	#5 CITATION 1		NO
258	1	140300600500	12323 W MEQUON ROAD	JONATHAN SCHOTTE	PARKING	5/12/2023	5/19/2023	1		NO
259	8	150320600200	10353 N PORT WASHINGTON ROAD	SOBELMANS 10352 LLC	OUTSIDE MAINTENANCE	5/12/2023	EXTENSION	#5 CITATION 1,2,3		YES
260	7	140250600800	11152 N RIVER ROAD	STROLI REAL ESTATE LLC	OUTSIDE MAINTENANCE	5/12/2023	5/22/2023	1		NO
261	1	140300500400	11805-11807 W MEQUON ROAD	MAE BRIELMAIER	PARKING	5/16/2023	5/26/2023	1		NO
262	1	140300500400	11805-11807 W MEQUON ROAD	MAE BRIELMAIER	OUTSIDE STORAGE	5/16/2023	5/26/2023	1		NO
263	2	140230400100	11761 N RIVER ROAD	EVAN OR SANDRA MORGAN	OUTSIDE LIGHTING	5/23/2023	6/2/2023	#5 CITATION		NO
264	5	150170800500	12531 N LAKE SHORE DRIVE	STEVEN OR KIMBERLY BROWN	GARBAGE	5/23/2023	5/30/2023	1		NO
265	5	150170200200	12730 N LAKE SHORE DRIVE	FREDRICK REED	GARBAGE	5/23/2023	5/30/2023	1		NO
266	7	140250700700	109062 N RIVER ROAD	JEFFREY OR JAMY LEVESQUE	SUMP PUMP	5/24/2023	6/2/2023	1		NO
267	2	140240200500	11808 N RIVERLAND ROAD	BORIS PERMITIN	OUTSIDE STORAGE	6/8/2023	7/7/2023	1		NO
268	4	140501304006	9839 N ARROWWOOD ROAD	THOMAS OR MARY CONNOLLY	PARKING	6/8/2023	6/23/2023	1		NO
269	2	140820648000	2916 W SHOLES DRIVE	DAVID OR ELIZABETH SANDE	PARKING	6/8/2023	6/16/2023	1		NO
270	2	140820214000	2911 W SHOLES DRIVE	JOHN OR BARBARA MULGREW	PARKING	6/8/2023	6/16/2023	1		NO
271	2	140820101000	11855 N AUER LANE	JAMES OR JOANNE GUTHRIE PETERSON	PARKING	6/8/2023	6/16/2023	1		NO
272	3	141220007000	11909 N SOLAR AVENUE	BRANDON OR SARAH ZELAZOSKI	PARKING	6/8/2023	6/16/2023	1		NO
273	2	141160018000	3134 W WOODFIELD DRIVE	SCOTT EDISON	GRASS	6/8/2023	6/16/2023	1		NO
274	7	140700145000	3531 W LE GRANDE BLVD	LAC DU GRUBER LLC	OUTSIDE MAINTENANCE	6/8/2023	6/29/2023	1		NO
275	7	150560205000	1425 W ZEDLER LANE	BRADFORD FIGG	GRASS	6/19/2023	6/26/2023	1		NO
276	5	150051400200	13920 N LAKE SHORE DRIVE	RAPHAEL OR IRENE BRUNETTE	OUTSIDE STORAGE	6/21/2023	7/12/2023	1		NO
277	1	RENTAL	14015 N CEDARBURG ROAD	THE WHITE RABBIT	CONDITIONAL USE GRANT	6/21/2023	6/29/2023	1		NO
278	6	RENTAL	1402 W MEQUON ROAD	KUMON MATH AND READING	BANNER	6/28/2023	7/1/2023	1		NO
279	6	RENTAL	1340 W MEQUON ROAD	NORTH SHORE JEWELERS	BANNER	6/28/2023	7/1/2023	1		NO
280	6	RENTAL	1406 W MEQUON ROAD	LITTLE SPROUTS PLAY CAFE	BANNER	6/28/2023	7/1/2023	1		NO
281	6	RENTAL	1330 W MEQUON ROAD	COCOA TREE CONFECTIONARY	BANNER	6/28/2023	7/1/2023	1		NO
282	6	RENTAL	1300 W MEQUON ROAD	PANERA BREAD	BANNER	6/28/2023	7/1/2023	1		NO
283	4	140560305000	5103 W WESTFIELD ROAD	DAVID KRIEGEL	OUSIDE STORAGE	6/29/2023	7/6/2023	1		NO
284	4	140560305000	5103 W WESTFIELD ROAD	DAVID KRIEGEL	PARKING	6/29/2023	7/13/2023	1		NO
285	4	140840205000	9612 N MEQUON PLACE	JUSTIN BIRKEL	OUTSIDE STORAGE	6/29/2023	7/6/2023	1		NO
286	4	140840205000	9612 N MEQUON PLACE	JUSTIN BIRKEL	GRASS	6/29/2023	7/6/2023	1		NO
287	6	150900603000	11541 N LAGUNA DRIVE	INA PETROVICI	PARKING	7/6/2023	7/20/2023	1		NO
288	6	140771401000	2716 W CHESTNUT ROAD	HOWARD DUBOFF	PERMITS	7/19/2023	8/20/2023	1		NO
289	6	150830002000	13418 LAKEWOOD DRIVE	SAMUAL OR NINA KIRK	OUTSIDE MAINTENANCE	8/4/2023	9/4/2023	1		NO
290	6	150200200700	326 SEACROFT COURT	DANIEL DOMAGALA	PARKING	8/4/2023	8/11/2023	#5 CITATION 1		NO
291	8	150540506000	10903 N SAN MARINO DRIVE	KARSTEN OR KELLY HUTTELMAIER	OUTSIDE MAINTENANCE	8/4/2023	8/18/2023	1		NO
292	4	140710007000	4707 W ELMDALE ROAD	MALACHY TOAL	OUTSIDE MAINTENANCE	8/4/2023	8/18/2023	1		NO
293	5	150180600500	12750 N SHORELAND PARKWAY	GRANTIT REMODELS LLC	GRASS	8/9/2023	8/19/2023	1		NO
294	8	151060024000	429 W THORNAPPLE LANE	FRANK TRUST	OUTSIDE STORAGE	8/9/2023	8/19/2023	1		NO
295	7	140250601000	11006 N RIVER ROAD	JUAN OR DANA OZOZCO	PARKING	8/23/2023	9/1/2023	1		NO
296	1	140300100700	11031 N GRANVILLE ROAD	MIROSLAW OR IWONA PAWELEC	HOME OCCUPATION BUSINESS	8/23/2023	9/1/2023	1		NO
297	8	150320600200	10352 N PORTWASHINGTON ROAD	GUZAM PROPERTIES LLC	COMMUNITY SPIRIT LETTER	8/31/2023	10/1/2023	1		NO
298	4	140501305007	9807 N CEDARBURG ROAD	RYAN OR KATHERINE KAUTZER	GRASS	9/14/2023	9/14/2023	1		NO
299	4	140501001000	10365 N CEDARBURG ROAD	10365 LLC	OUTSIDE STORAGE	9/1/2023	9/14/2023	1		NO
300	7	140850103000	4429 W TARRYTOWN LANE	THOMAS OR RUBY AHMANN	PARKING	9/1/2023	9/14/2023	1		NO
301	6	150300200600	11122 N ORIOLE LANE	NICOLAS ERDMANN	SHED PERMIT	9/1/2023	9/14/2023	1		NO
302	4	140501305006	9809 N CEDARBURG ROAD	BONNIWELL 9807 LLC	GRASS	9/6/2023	9/20/2023	1		NO
303	6	CONDO ASSN	IVY COURT GREENBRIER CONDO ASSN	HUNT MANAGEMENT	COMMUNITY SPIRIT LETTER	10/5/2023	OPEN	1		YES
304	2	140230400100	11761 N RIVER ROAD	SANDRA MORGAN	LIGHTING	10/25/2023	11/1/2023	#5 CITATION 1,2,3		NO
305	3	140500108001	6614 W MEQUON ROAD	ERIKA JANIK	LIGHTING	10/25/2023	11/1/2023	1		NO

	A	B	C	D	E	F	G	I	J	K
7		15085000002	3100 W COUNTRY CLUB DRIVE	NORTH SHORE COUNTRY CLUB	COMMUNITY SPIRIT LETTER	10/25/2024	OPEN		1	NO
307	6	15030010150	11147 N PORT WASHINGTON ROAD	BP GAS STATION	COMMUNITY SPIRIT LETTER	11/2/2023	OPEN		1	NO
308	6	15020110120	11210 N PORT WASHINGTON ROAD	MOBIL GAS STATION	COMMUNITY SPIRIT LETTER	11/2/2023	OPEN		1	NO
309	5	15031010110	10355 N PORT WASHINGTON ROAD	CLARK GAS STATION	COMMUNITY SPIRIT LETTER	11/2/2023	OPEN		1	NO
310	3	RENTAL	6000 W MEQUON ROAD	RUBY TAP	LETTER WINE TASTING	11/15/2023	OPEN		1	NO
311	1	14002120010	5320 W BONNIWELL ROAD	PETER OR KRISTA BEAUDOIN	LETTER WINE TASTING	11/15/2023	OPEN		1	NO
312	3	14088161800	11344 N GLENWOOD DRIVE	DEXTER OR CYNTHIA JONES	OUTDOOR LIGHTING	11/16/2023	11/23/2016		1	NO
313	6	RENTAL	1400 W MEQUON ROAD	GF SMOOTHIES ALAN MC FADYEN	BANNER	5/1/2023	11/26/2023		#5 CITATION 1,2,3	YES
314	6	15019160030	1550 W MEQUON ROAD	FIFTH-MAIN	BANNER	11/29/2023	12/7/2023		1	NO
315	5	15092020100	11404 N PINEHURST CIRCLE	EMMA LASKOWSKI	OUTSIDE MAINTENANCE	11/29/2023	4/1/2024		1	NO
316	2	14074011000	5310 W HILLCREST DRIVE	PATRICK OHARE	GRASS	11/29/2023	5/1/2024		1	NO
317	2	14074011000	5310 W HILLCREST DRIVE	PATRICK OHARE	OUTSIDE STORAGE	11/29/2023	12/10/2023		1	NO
318	4	14027020100	6751 W MEQUON ROAD	STORYPOINT SENIOR LIVING	FLAGS	12/7/2023	12/14/2023		1	NO
319	6	15030010150	11147 N PORT WASHINGTON ROAD	BP GAS STATION	FLAG	12/7/2023	12/14/2023		#5 CITATION 1	YES
320	3	RENTAL	6200 W MEQUON ROAD	ST PAULS FISH COMPANY	FLAG	12/7/2023	12/14/2023		1	NO
321	6	15030040200	10911 N PORT WASHINGTON ROAD	ARBYS	FLAG	12/7/2023	12/14/2023		1	NO
322	8	RENTAL	10930 N PORT WASHINGTON ROAD	JERSEY MIKE'S SUBS	FLAG/BANNER	12/7/2023	12/14/2023		1	NO
323	6	15153000200	1505 W MEQUON ROAD	MIDLAND MANAGEMENT	FLAGS/BANNER	12/7/2023	12/14/2023		#5 CITATION 1	YES
324	3	RENTAL	5900 W MEQUON ROAD	CAFÉ HOLLANDER	BANNER	12/7/2023	12/14/2023		1	NO
325	3	14020150300	11246 N FARMDALE ROAD	DENNIS OR MARIE MYLER	PARKING	12/7/2023	12/14/2023		1	NO
326	1	14017090500	12243 N FARMDALE ROAD	GREGORY OR SUSAN ERNST	PARKING	12/7/2023	12/14/2023		1	NO
327	1	14020070300	11713 N FARMDALE ROAD	PAUL OR MARY BRISKI	PARKING	12/7/2023	12/14/2023		1	NO
328	6	15019120010	2110 W MEQUON ROAD	DOUGLAS KOLLER	PARKING	12/7/2023	12/14/2023		1	NO
329	3	14022100600	11512 N WAUWATOSA ROAD	RICK OR PATRICIA FREYMUTH	PARKING	12/7/2023	12/14/2023		#5 CITATION 1	YES
330	6	15090011300	11336 N ARBOR LANE	JOSHUA BRUCKNER	PARKING	12/7/2023	12/14/2023		#5 CITATION 1	NO
331	8	15032060020	10352 N PORTWASHINGTON ROAD	GUZAM PROPERTIES LLC	OUTSIDE MAINTENANCE	12/11/2023	2/29/2024		#5 CITATION 1, 2, 3	YES
332	8	15076010500	221 E MEQUON ROAD	CHARLES MITCH	BUILDING PERMIT	12/21/2023	1/15/2024		1	NO
333	8	15076010700	11115 N LAKESHORE DRIVE	NICOLAS PASCHKE	BUILDING PERMIT	12/21/2023	1/15/2024		1	NO
334	8	15020020140	428 W SEACROFT COURT	JOHN LINSCOTT	POD	12/26/2023	1/10/2024		#5 CITATION 1	YES
335	6	15019050060	1714 W MEQUON ROAD	JOE WALTER PROPERTIES LLC	LANDSCAPING TREE	1/3/2024	1/31/2024		1	NO
336	4	14084010700	9712 N MEQUON PLACE	TOUA YANG	OUTSIDE STORAGE	1/5/2024	1/12/2024		1	NO
337	4	14103032800	9939 N CONCORD DRIVE	PAUL DOMAZ	PARKING	1/5/2024	1/19/2024		1	NO
338	2	14073001000	11339 N PARKVIEW DRIVE	PLANTINUM POINT PROPERTIES LLC	OUTSIDE LIGHTING	1/11/2024	1/25/2024		1	NO
339	2	14074031000	5520 W PLEASANT DRIVE	PHILIP NUELK	OUTSIDE LIGHTING	1/11/2024	1/25/2024		1	NO
340	1	14164000100	14195 N TWIN OAKS LANE	ENID TROTMAN ANYANWU	BUILDING PERMIT	10/6/2023	10/23/2023		#5 CITATION 1	YES
341	2	14094021500	3217 W FLEUR DE LIS DRIVE	ADEEB OR SIBA RAHMAN	STRUCTURE	1/31/2024	2/7/2024		1	NO
342	2	14094021500	3217 W FLEUR DE LIS DRIVE	ADEEB OR SIBA RAHMAN	PARKING	1/31/2024	2/7/2024		1	NO
343	7	14025070700	10962 N RIVER ROAD	JEFFREY OR JAMY LEVESQUE	PARKING	2/13/2024	27-Feb		1	NO
344	6	RENTAL	1402 W MEQUON ROAD	KUMON MATH AND READING	BANNER	2/20/2024	2/27/2024		#5 CITATION 1	YES
345	6	15019160030	1550 W MEQUON ROAD	FIFTH-MAIN	BANNER	2/20/2024	2/27/2024		1	NO
346	8	15134002500	211 W TRILLIUM ROAD	SCOTT OR SANDRA STERN	OUTSIDE STORAGE	2/22/2024	3/1/2024		1	NO
347	3	14087080500	11750 N SILVER AVENUE	LUESS LLC - JESSE HYCHE	OUTSIDE MAINTENANCE	2/27/2024	3/14/2024		EXTENSION	YES
348	5	15017080500	12531 N LAKE SHORE DRIVE	STEVEN BROWN	REFUSE CONTAINER	3/7/2024	3/12/2024		1	NO
349	3	14028060200	4618 W GRACE AVENUE	TOULOUPE OLANDINI OR VICTORIA HANNEMAN	OUTSIDE STORAGE	3/22/2024	4/5/2024		1	NO
350	2	14058040100	1027 W DONGES BAY ROAD	GAIL SKIFF	BUILDING PERMITS	3/22/2024	4/5/2024		1	NO
351	8	15107012002	11307 N RIVER ROAD	MARY JOHNSON	OUTSIDE MAINTENANCE	4/2/2024	4/30/2024		EXTENSION	YES
352	2	14023160300	11307 N RIVER ROAD	JOHN OR KATHLEEN LEFEBER NELSON	OUTSIDE STORAGE	4/18/2024	4/25/2024		EXTENSION	YES
353	2	14023160300	11307 N RIVER ROAD	JOHN OR KATHLEEN LEFEBER NELSON	OUTSIDE MAINTENANCE	4/18/2024	5/18/2024		1	NO
354	2	14024070120	11610 N RIVER ROAD	MARILYN MANKE	OUTSIDE MAINTENANCE	4/18/2024	5/18/2024		EXTENSION	YES
355	2	14024070140	11611 N GRACE COURT	MARY JO JANSEN OR STEVEN SHAPSON	OUTSIDE MAINTENANCE	4/18/2024	5/18/2024		EXTENSION	YES
356	8	15029060100	10930 N PORT WASHINGTON ROAD	BRIXMOR GROUP	OUTSIDE MAINTENANCE	4/25/2024	5/31/2024		EXTENSION	YES
357	6	XXXXXXXXXX	224 N 76TH STREET	BRIARWOOD CONDO ASSOCIATION	OUTSIDE MAINTENANCE	5/3/2024	6/3/2024		EXTENSION	YES
358	6	15031010100	10355 N PORT WASHINGTON ROAD	CLARK GAS STATION	TEMPORARY STRUCTURE	5/3/2024	5/31/2024		1	NO
359	8	15020110120	11210 N PORT WASHINGTON ROAD	MOBIL GAS STATION	TEMPORARY STRUCTURE	5/3/2024	5/31/2024		1	NO
360	6	15030010150	11147 N PORT WASHINGTON ROAD	BP GAS STATION	TEMPORARY STRUCTURE	5/3/2024	5/31/2024		1	NO
361	4	RENTAL	5401 W DONGES BAY ROAD	ALMO DISTRIBUTING	BOP	5/7/2024	5/21/2024		1	NO
362	6	15019150060	1714 W MEQUON ROAD	STATE FARM INSURANCE	MONUMENT SIGN	5/7/2024	5/31/2024		1	NO
363	4	XXXXXXXXXX	10033 N PORT WASHINGTON ROAD	LAKESIDE DEVELOPMENT COMPANY	DEVELOPMENT SIGN	5/8/2024	5/17/2024		1	NO
364	4	14084020400	4725 W CHIPPEWA DRIVE	BRIAN OR JENNIFER KUSCH	YARD WASTE	5/8/2024	5/15/2024	EXTENSION	1	YES
365	2	14074030400	5417 W ELMHURST DRIVE	STARK REVOCABLE TRUST	PARKING	5/8/2024	5/22/2024		1	NO
366	6	15019160140	11223 N PORT WASHINGTON ROAD	ASSOCIATED BANK	COMMERCIAL LIGHTING	5/15/2024	5/22/2024		1	NO

Attachment: 20240730_Code Enforcement Summary (9571 : Zoning Enforcement and Site Compliance Report Through July 24, 2024)

	A	B	C	D	E	F	G	I	J	K
367	3	14051010400	11201 N SOLAR AVENUE	CHRISTOPHER BESLER	PARKING	5/17/2024	5/24/2024		#5 CITATION 1	YES
368	2	14058020500	4430 W GRACE AVENUE	HOMEME LLC	GRASS	5/17/2024	5/24/2024		1	NO
369	2	14058020500	4430 W GRACE AVENUE	HOMEME LLC	OUTSIDE STORAGE	5/17/2024	6/7/2024		#5 CITATION 1	YES
370	8	15074014000	10522 N CIRCLE ROAD	MDM 20 LLC	SHORT TERM RENTAL	5/22/2024	6/5/2024		#5 CITATION 1	NO
371	6	15087010400	1342 HOMESTEAD TRAIL	GRACEFUL LIVING	BUILDING PERMIT	5/3/2024	5/13/2024		#5 CITATION 1	YES
372	3	14051010300	7816 W MEQUON ROAD	JOHN MOORE	PARKING	5/23/2024	6/6/2024		#5 CITATION 1	YES
373	3	14051010300	7816 W MEQUON ROAD	JOHN MOORE	OUTSIDE STORAGE	5/23/2024	6/6/2024		1	NO
374	3	RENTAL	11215 N CEDARBURG ROAD	ELEMENTS MASSAGE	WINDOW SIGNS/DISPLAY	6/1/2024	7/1/2024		1	NO
375	3	RENTAL	11235 N CEDARBURG ROAD	MITCH'S SPORTS CARDS	WINDOW SIGNS/DISPLAY	6/1/2024	7/1/2024		1	NO
376	3	RENTAL	6048 W MEQUON ROAD	FORWARD DENTAL	AWNINGS	6/1/2024	8/1/2024		EXTENSION	YES
377	2	14051010300	11611 N MULBERRY DRIVE	RICHARD OR LISA SADIQ	GRASS	6/7/2024	6/14/2024		1	NO
378	2	14051010300	11611 N MULBERRY DRIVE	RICHARD OR LISA SADIQ	PARKING	6/7/2024	6/21/2024		1	NO
379	8	15076107000	11115 N LAKESHORE DRIVE	NICHOLAS PASCHE	OUTSIDE STORAGE	6/11/2024	6/21/2024		1	NO
380	4	14067002300	9914 W HUNTINGTON DRIVE	KENWOOD OR KRISTIE DAYTON	PARKING	6/21/2024	6/28/2024		1	NO
381	5	15080011000	11216 N PRAIRIE VIEW DRIVE	HUBERN OR MALLORY JOHNSON	GRASS	6/21/2024	6/28/2024		1	NO
382	8	15076107000	11032 N HIGHVIEW DRIVE	LDH PROPERTY MANAGEMENT LLC	BUILDING PERMIT	6/1/2024	7/1/2024		#5 CITATION 1	YES
383	2	15076107000	3800 W MARSELILLES DRIVE	JOSEPH OR ERIN STANTON	SHORT TERM RENTAL	7/11/2024	7/15/2024		1	NO
384	2	14024070700	4105 W GRACE AVENUE	JILL BOULIER-SMITH	GRASS	7/18/2024	7/25/2024			YES
385	1	14060002000	10510 N COUNCIL HILLS DRIVE	SAMUAL OR DANIELLE BRAMSTEDT	GRASS	7/18/2024	7/25/2024			YES
386	1	14126001700	12422 N MADERO DRIVE	BRIAN OR JANET FUSSELL	OUTSIDE MAINTENANCE	7/24/2024	8/24/2024			YES
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11333 N. Cedarburg Road
Mequon, WI 53092-1930
Phone: 262-236-2934
Fax: 262-242-9655

www.ci.mequon.wi.us **Office of Engineering**

TO: **Common Council**
FROM: **Cole McCraw, Assistant City Engineer**
DATE: **August 14, 2024**
SUBJECT: **ORDINANCE 2024-1667 An Ordinance Amending Chapter 58 of the Mequon Municipal Code Relating to WDNR MS4 Stormwater Permit Conditions**

Background

The Wisconsin Department of Natural Resources (WDNR) issued a new Municipal Separate Storm Sewer System (MS4) permit to the City in 2022. These permits regulate stormwater discharges from municipalities into waters of the state and are mandated by the Clean Water Act, as the Milwaukee River is listed as an impaired waterway.

Mequon's stormwater ordinances are found in Chapter 58 - Planning and Development Regulations. Changes to this section require Planning Commission approval and a public hearing, which will be held during the second reading by the Common Council.

The primary goal of the MS4 permit is to improve water quality by reducing the amount of pollutants carried by stormwater runoff into rivers, lakes, and other water bodies. This helps to protect aquatic ecosystems, public health, and the overall environment. The most recent permit is posted on the City website here:

<https://www.ci.mequon.wi.us/sites/default/files/fileattachments/public_works/page/1041/mequon_theinsville_ms4_permit_8.1.22_7.31.2027.pdf>.

Analysis

MS4 permits are reissued every five years to keep up with new water quality standards. The current 2022 permit contains requirements to:

1. Revise and adopt illicit discharge, erosion control, and post-construction stormwater management ordinances (Sections II.C.1.d, II.D.1.d, and II.E.1.f)
2. Remove barriers to green infrastructure (Section II.E.4)

Staff has reviewed the City's current ordinances and proposed updates to meet the above requirements. Furthermore, the 1,000 Friends of Wisconsin group provided the City with an ordinance review in 2014 to remove barriers to green infrastructure. Staff has included those comments in the update as well. Please note that these changes are required to meet the permit conditions described above.

Staff also included updates to better enforce the Metropolitan Milwaukee Sewerage District's (MMSD) Chapter 13 Green Infrastructure (GI) Plan Requirement, as it relates to residential home construction. For homes adding 5,000 square feet or more of impervious surface and not located within a subdivision that maintains a stormwater management plan, the owner is required to install GI. The update will require property owners to install and have the GI certified prior to issuance of occupancy, and within 18 months of building permit issuance.

Mequon's MS4 permit will require more stringent stormwater requirements in the future, which will warrant additional changes to City ordinances. This may include more impactful additional requirements on development and redevelopment standards, to further reduce total suspended solids discharge and reduce total phosphorus discharge.

Fiscal Impact

The fiscal impact of the code change is neutral to the City. There may be additional costs to developers or landowners to comply with the state mandates.

Recommendation

On July 22, 2024, the Planning Commission approved a recommendation in favor of adopting the proposed ordinance amendments by a vote of 7-0. A recommendation is forthcoming from the Public Works Committee on August 14, 2024.

Attachments:
CH_58 - Tracked Changes (PDF)

COMMON COUNCIL
OF THE
CITY OF MEQUON

ORDINANCE 2024-1667

An Ordinance Amending Chapter 58 of the Mequon Municipal Code Relating to WDNR MS4 Stormwater Permit Conditions

RECITALS

A. The Common Council previously adopted Chapter 58 of the Mequon Municipal Code, which includes regulations concerning stormwater management practices.

B. The Planning Commission and the Common Council desire that the City of Mequon regulations concerning stormwater management practices be consistent with other regulatory agencies.

C. The regulation of stormwater management practices is reasonable and necessary to protect the health, safety and welfare of the residents and the community.

BASED UPON THE FOREGOING RECITALS, the Common Council of the City of Mequon, Wisconsin, do ordain as follows:

SECTION I

Article VII of Chapter 58 of the Mequon Municipal Code is hereby amended to read as follows (NOTE: Added text is bold underlined; Deleted text is ~~struck through~~):

ARTICLE VIII. EROSION AND STORMWATER RUNOFF CONTROL

Sec. 58-671. Findings and purpose.

(a) The city finds that urbanizing land uses have contributed a significant amount of sediment to waters of the state, county, and City of Mequon.

(b) It is declared to be the purpose of this article to protect the quality of waters of the state, county and City of Mequon, to minimize flooding as a result of increased urbanization, and to protect and promote the health, safety, and welfare of the people, to the extent practicable by minimizing the amount of sediment and other pollutants carried by runoff or discharged from construction sites to lakes, streams and wetlands.

Sec. 58-672. Applicability of article provisions. This article applies to land disturbing and land developing activities on lands within the boundaries and jurisdiction of the City of Mequon and public and private lands subject to extraterritorial review under Wis. Stat~~s~~. ch. 236. All state funded or conducted

construction is exempt from this article.

Sec. 58-673. Definitions. The following words, terms and phrases, when used in this article, shall have the meanings ascribed to them in this section, except where the context clearly indicates a different meaning:

Agricultural land use means use of land for planting, growing, cultivating, and harvesting of crops for human or livestock consumption and pasturing or yarding of livestock.

Average annual rainfall means a calendar year of precipitation, excluding snow, which is considered typical. In this article for nonpoint source pollution loadings, the following year and location has been selected as average annual rainfall: Milwaukee, 1969 (March 28-December 6).

Best management practices (BMPs) means structural or non-structural measures, practices, techniques or devices, as approved by ~~the Wisconsin department of natural resources (~~WDNR~~)~~, that are employed to avoid or minimize sediments or pollutants carried in runoff to waters of the state or, to manage the rate or volume of runoff.

Bioswale means a vegetated, mulched, or xeriscaped channel that provides treatment and retention as it moves stormwater from one place to another.

City engineer means any person working in the capacity of the city engineer or any person designated to represent the city engineer.

Cleaning means removing and disposing of debris in an approved manner and location versus flushing which would wash debris off a roadway and onto the shoulder or into the ditch and watercourse.

Commercial land use means the use of land for the retail or wholesale of goods or services.

Control measure means a practice or combination of practices to control erosion and attendant pollution.

Control plan means a written description of the number, locations, sizes and other pertinent information of control measures designed to meet the requirements of this article submitted by the applicant, or a qualified representative, for review and approval by the city engineer.

Detention storage ~~is~~means the temporary holding or storage of stormwater in reservoirs, under predetermined and controlled conditions, with the rate of discharge regulated by installed outflow devices.

Downspout disconnection means rerouting of rooftop drainage pipes to drain rainwater to rain barrels, cisterns, or permeable areas instead of the storm sewer.

Erosion means the detachment and movement of soil, sediment or rock fragments by water, wind, ice or gravity.

Final stabilization means that all land disturbing construction activities at the construction site have been completed and that a uniform, perennial, vegetative cover has been established, with a density of at least 70 percent of the cover, for the unpaved areas and areas not covered by permanent structures, or employment of equivalent permanent stabilization measures.

Financial guarantee means an escrow, performance bond, maintenance bond, surety bond, irrevocable letter of credit, or similar guarantees submitted to the city by the responsible party to assure that requirements of the ordinance are carried out in compliance with the stormwater management plan.

Flushing means washing debris off a roadway and onto the shoulder or into the ditch and watercourse.

Green Infrastructure means a BMP consisting of a runoff management system that uses vegetation, soils, and natural processes to mimic nature's ability to soak up and store storm water. Example green infrastructure BMPs include downspout disconnection, rainwater harvesting, rain gardens, planter boxes, bioswales, permeable pavement, green alleys and streets, green parking, green roofs, urban tree canopy, amended soils, and land conservation.

Green roof means a roof covered with growing media and vegetation that enables rainfall infiltration and evapotranspiration of storm water.

Illicit connections ~~is defined as~~means either of the following:

(a) Any drain or conveyance, whether on the surface or subsurface, which allows an illegal discharge to enter the storm drain system including but not limited to any conveyances which allow any non-stormwater discharge including sewage, process wastewater, and wash water to enter the storm drain system and any connections to the storm drain system from indoor drains and sinks, regardless of whether said drain or connection had been previously allowed, permitted, or approved by an authorized enforcement agency; or~~,~~

~~(b) a~~Any drain or conveyance connected from a commercial or industrial land use to the storm drain system which has not been documented in plans, maps, or equivalent records and approved by an authorized enforcement agency.

Illicit discharge means any direct or indirect non-stormwater discharge to

the storm drain system, except as exempted in this chapter.

Land developing activity means activities associated and in conjunction with the construction of buildings, roads, parking lots, paved storage areas, and utilities (including sanitary and storm sewer, water, electric, gas, telephone, cable, etc.) and similar facilities.

Land disturbing activity means any manmade change of the land surface including removing vegetative cover, excavating, filling, and grading, but not including agricultural land uses such as planting, growing, cultivating and harvesting of crops.

Land user means any person operating, leasing, renting or having made other arrangements with the landowner by which the landowner authorizes use of land.

Landowner means any person holding title to or having an interest in land.

Maintenance declaration means a legal document that provides for long-term maintenance of stormwater management practices.

Municipal separate storm sewer system (MS4) ~~is defined as~~means the conveyance or system of conveyances including roads with drainage systems, streets, catchbasins, curbs, gutters, ditches, constructed channels or storm drains.

Peak flow ~~is~~means the maximum rate of flow of water at a given point in a channel, watercourse, or conduit resulting from a predetermined storm or flood.

Permeable pavement means improved hard surfaces that infiltrate, treat, and/or store rainwater where it falls. Permeable pavement may be constructed from pervious concrete, porous asphalt, permeable interlocking pavers, or similar materials that allow rainwater to pass through from the top surface to the soil below.

Planter Box means an urban rain garden with vertical walls and open or closed bottoms that collect and absorb runoff from sidewalks, pavements, and other impervious surfaces.

Pre-settlement condition ~~is~~means the undeveloped condition or natural grade and vegetated state of the land that existed prior to European settlement.

Protective area ~~is~~means an area of land that commences at the top of the bank of lakes, streams and rivers, or at the delineated boundary of wetlands, that serves to reduce the velocity of flow, filter and infiltrate runoff prior to entering the waters.

Rain Garden means a shallow, vegetated basin that collects and absorbs runoff from rooftops, pavements, and other impervious surfaces.

Rainwater Harvesting means collecting and storing rainfall for later use.

Redevelopment means areas where development is replacing older development. For the purposes of this ordinance a site is considered a redevelopment site when all of the following are met: the site has an existing building, parking lot, or other impervious area and the site is in a zoning district other than agricultural or residential.

Runoff ~~is~~means the portion of rainfall, melted snow or irrigation water that flows across the ground surface.

Sediment ~~is~~means solid material, both mineral and organic, that is in suspension, is being transported, or has been moved from its site of origin.

Site means the entire area included in the legal description of the land on which the land disturbing or land development activity is proposed in the permanent application. This may or may not include more than the area being disturbed.

Storm probability ~~is~~means the likelihood a storm of a given duration and intensity that can be expected to be equaled or exceeded in any given 365-day period. A one-percent/24-hour storm event would have a one-percent probability of occurring in any given year. The one-percent probability storm is equivalent to the previously defined 100-year storm.

WDNR means the Wisconsin Department of Natural Resources.

Sec. 58-674. Land disturbing activities subject to erosion, sediment, on-site detention and runoff control.

(a) General requirement. Any owner, occupant or user who undertakes, commences, or performs land disturbing activities; or who permits another person to do the same, on land subject to this section, shall be made to comply with this section. Agricultural land uses are exempt from this section unless state and county agencies fail to gain compliance with accepted standards. Unless more stringent criteria is specified in this section, all property development disturbing one or more acres or that increases impervious surface by one-half acre or more must comply with this section.

(b) Land disturbing activities subject to erosion and sediment control are as follows:

(1) All subdivisions, land divisions, condominium developments and/or the construction of residential, commercial, industrial or

institutional buildings.

(2) All grading, removal of protective ground cover or vegetation, excavation, land filling or other land disturbing activity affecting a surface area of 4,000 square feet or more.

(3) Any excavation or filling or a combination of excavation and filling.

(4) Any street, highway, road, or bridge construction, enlargement, relocation or reconstruction.

(5) Any laying, repairing, replacing or enlarging of an underground pipe or facility for a distance of 300-feet or more.

(c) Land disturbing activities subject to on-site detention and runoff control are as follows:

(1) Development having a gross aggregate area of one acre, or more; or developments of less than one acre if they are part of a larger common plan of development or sale within City jurisdiction; or

(2) Development that involves the increase of one-half acre or more of impervious surface; or

(3) Developments where, in the opinion of the city engineer, the runoff from the activity will exceed the safe capacity of the existing drainage facilities and/or receiving water body; or cause undue channel erosion; or increase water pollution by scour and transport of particles; or negatively impact the downstream property.

(d) Development or redevelopment that will increase impervious surface by an area equal to or greater than 5,000 square feet but less than 21,780 square feet (one-half acre), on a net basis, shall include green infrastructure as required by MMSD Rules Chapter 13: Surface Water and Stormwater. If the new impervious surface is within a residential subdivision for which MMSD has approved a stormwater runoff management plan, then no additional stormwater runoff management is required.

(e) Erosion and sediment control regulations for lands not otherwise subject to this section. Any owner, occupant or user who permits erosion, sediment deposits, tracking or dropping of dirt on adjacent land, public streets or bodies of water from land not otherwise subject to this section, shall be deemed in violation of this section ~~and subject to the penalties provided in chapter 2 of this Code of Ordinances~~.

Sec. 58-675. Standards, specifications and design criteria.

(a) *Site erosion control.* Plans will not be approved nor permits issued unless erosion and sedimentation leaving the site during and after the land disturbance will not exceed that which would have been eroded if the land had been left in its undisturbed state and are controlled in accordance with procedures established within the most current version of the standard

specifications for land development in the City of Mequon, ~~the Wisconsin department of natural resources (~~WDNR~~)~~ Stormwater Management Technical Standards, the Wisconsin Stormwater Manual, the Soil Conservation Service Technical Guide, and the Ozaukee County Land Conservation Guidelines. In addition to these guidelines, the following requirements apply:

(1) All activities on the site shall be conducted in a logical sequence to minimize the area of unstabilized soil at any one time. The limits of disturbance must be demarcated prior to the commencement of land disturbing activity and remain throughout construction.

(2) Unstabilized soil may not be left over the winter months. If construction is not anticipated to be completed in the existing season, temporary annual seed or sod, or equivalent control measures approved by the city engineer must be installed prior to September 30 on all areas that have bare soil.

(3) All disturbed ground left exposed and inactive for seven or more calendar days shall be stabilized by seeding and mulching or sodding, or other equivalent control measure approved by the city engineer.

(4) For sites with more than one acre disturbed at one time, or if a channel originates in the disturbed area, one or more sedimentation basins, or other erosion control measures approved by the city engineer, shall be constructed to minimize channelized flow and erosion. The control measures shall be constructed to the specifications as outlined in the above referenced publications.

(5) For sites with less than one acre disturbed at one time, filter fences, straw bales, or equivalent control measures approved by the city engineer, shall be placed along the perimeter of all undisturbed side slope and down slope sides of the site. If a channel or area of concentrated runoff passes through the site, erosion control measures, including protective areas as defined in this article shall be employed to ensure that no sediment reaches the channel.

(6) Any soil or dirt storage shall not be located with a down slope drainage length across a fully vegetated area of less than 25 feet to a roadway, drainage channel, or body of water. If remaining for more than 30 days, the soils should be stabilized with mulch, vegetative cover, tarps or other means. Erosion from soils in existence less than 30 days shall be controlled by placing straw bales, filter fence barrier, or other erosion control measures approved by the city engineer, around the soils.

(7) Erosion control measures shall remain in place and be maintained until such time when construction has been completed and final stabilization has been established.

(b) *Drain inlet protection.* All storm drain inlets shall be protected during the construction and vegetation growth periods with a straw bale, filter fabric,

or equivalent barrier meeting accepted design criteria, standards and specifications as outlined in the above referenced publications.

(c) *Site dewatering.* Water pumped from the site shall be treated by temporary sedimentation basins, grit chambers, sand filters, or other controls designed to limit discharge of total suspended solids (TSS) to 40 mg/l for the highest dewatering pumping rate. Water may not be discharged in a manner that causes erosion of the site or receiving channels, or in any manner that may cause damage to property as a result of concentrated water flow.

(d) *Tracking.* Each site shall have graveled roads, access drives and parking areas of sufficient width and length to prevent sediment from being tracked onto public or private roadways. Any sediment reaching a public or private road shall be removed by street cleaning (not flushing) before the end of each workday. Construction of a gravel/stone tracking area shall comply with the most current versions of the WDNR Stormwater Management Technical Standards, the Wisconsin Stormwater Manual and Mequon standard specifications.

(e) *On-site detention and runoff control.* Activities subject to on-site detention and runoff control regulation under the ordinance from which this article is derived shall comply with the following standards:

(1) The one-percent/24-hour storm; ten-percent/24-hour storm; and 50-percent/24-hour storm peak rate of runoff after the proposed and finalized development activities may not exceed the peak rate of runoff which would have resulted from the one-percent/24-hour storm; ten-percent/24-hour storm; and 50-percent/24-hour storm event respectively occurring over the site with the land in its pre-settlement condition.

a. For redevelopment, by design, the one-percent/24-hour storm; ten-percent/24-hour storm; and 50-percent/24-hour storm peak rate of runoff after the proposed and finalized development activities may not exceed the peak rate of runoff which would have resulted from the one-percent/24-hour storm; ten-percent/24-hour storm; and 50-percent/24-hour storm event respectively occurring over the site with the land in its existing condition. Redevelopments are exempt from the pre-settlement requirements.

b. The maximum pre-settlement runoff curve numbers being no greater than:
30 for hydrologic soil group A,
55 for hydrologic soil group B,
70 for hydrologic soil group C,
77 for hydrologic soil group D.

(2) Where on-site detention is required for runoff control, the

detention facilities shall safely contain the runoff of a one-percent/24-hour storm event of any duration and safely pass/release the detained water at the rates as defined in subsection (e)(1) above through a v-notch weir control structure or other outlet control device as approved by the city engineer.

(3) Compliance with the latest edition of the state resources conservation practice standard for wet detention basin design shall be used as a guide and set the minimum standards for the construction of all stormwater detention facilities.

(4) All stormwater runoff calculations and detention basin design shall be performed by a professional engineer licensed in the state to practice in the respective field.

(f) *Total suspended solids (TSS).* BMPs shall be designed, installed and maintained to control suspended solids carried in runoff as follows:

(1) For new development, by design, reduce to the maximum extent practicable, the total suspended solid load by 80 percent, based on the average annual rainfall, as compared to no runoff management controls.

(2) For redevelopment, by design, reduce to the maximum extent practicable, the total suspended solid load by 40 percent, based on the average annual rainfall, as compared to no runoff management controls.

(g) *Infiltration.* BMPs shall be designed, installed and maintained to infiltrate runoff so that post-development infiltration volume shall be at least that of the pre-settlement infiltration volume based on the average annual rainfall. The city engineer may determine exceptions based on site history, land use and soil conditions.

(h) *BMP design.* All BMPs shall be designed and stamped by a professional engineer licensed in the state to practice in the respective field, applying the most current technology and information available as accepted by the WDNR or the Milwaukee ~~m~~Metropolitan ~~s~~Sewerage ~~d~~District (MMSD) and approved by the city engineer. BMPs may not be altered from the original city approved design without prior written approval by the city engineer.

(i) *Protective areas.* A set-back distance of natural, vegetated areas of land, that are the greatest of the following widths as measured horizontally from the top of the channel or delineated wetland boundary to the closest impervious surface, shall exist to protect the following resource waters. However, in this subsection, "protective area" does not include any area of land adjacent to any stream enclosed within a pipe or culvert, such that runoff cannot enter the enclosure at this location.

(1) For outstanding resource waters and exceptional resource waters,

~~and for wetlands in areas of special natural resource interest as specified in Wis. Admin. Code § NR 103.04,~~ 75 feet.

(2) For perennial and intermittent streams identified on a United States geological survey 7.5-minute series topographic map, or a county soil survey map, whichever is more current, 50 feet.

(3) For lakes, 50 feet.

(4) For highly susceptible wetlands, 50 feet. Highly susceptible wetlands include the following types: calcareous fens, sedge meadows, open and coniferous bogs, low prairies, coniferous swamps, ~~shrub~~ lowland hardwood swamps, and ephemeral ponds ~~other forested wetlands, fresh wet meadows, shallow marshes, deep marshes and seasonally flooded basins. Wetland boundary delineations shall be made in accordance with Wis. Admin. Code § NR 103.08(1m). This subsection does not apply to wetlands that have been completely filled in accordance with all applicable state and federal regulations. The protective area for wetlands that have been partially filled in accordance with all applicable state and federal regulations shall be measured from the wetland boundary delineation after fill has been placed~~.

(5) For less susceptible wetlands, ten percent of the average wetland width, but no less than ten feet nor more than 30 feet. Less susceptible wetlands include degraded wetlands dominated by invasive species such as reed canary grass, cultivated hydric soils, and any gravel pits, dredged material, or fill material disposal sites that take on the attributes of a wetland.

(6) In this section, determinations of the extent of the protective area adjacent to wetlands shall be made on the basis of the sensitivity and runoff susceptibility of the wetland in accordance with the standards and criteria in Wis. Admin. Code § NR 103.03.

(7) For concentrated flow channels with drainage areas greater than 130 acres, ten feet.

(8) Where there are contiguous areas requiring protection under (1) through (7) above, this section shall be interpted in a manner such that the greatest protective area width shall apply.

(9) Wetland boundary delineation shall be made in accordance with Wis. Admin. Code § NR 103.08(1m). This paragraph does not apply to wetlands that have been completely filled in compliance with all applicable state and federal regulations. The protective area for wetlands that have been partially filled in compliance with all applicable state and federal regulations shall be measured from the wetland boundary delineation after fill has been placed.

(j) Construction Site Waste. Construction site operators shall manage waste including, but not limited to, discarded building materials, concrete truck washout, chemicals, litter, and sanitary waste at the construction site in a manner that reduces adverse impacts to waters of the state.

Sec. 58-676. Application and issuance of permits. No landowner or land user may commence land disturbance activity or land developing activity, as those terms are defined and used in section 58-675 of this chapter, without receiving prior approval of a control plan for the site and a permit from the city engineer. At least one landowner or land user, controlling or using the site and desiring to undertake a land disturbing or land developing activity subject to this section shall submit an application for a permit and a control plan and pay an application fee to the city engineer. By submitting an application, the applicant is authorizing the city engineer to enter the site to obtain information required for the review of the control plan.

(~~1~~a) *Content of control plan required.* For land disturbing activities covering one acre or more.

~~a.~~(1) Site boundaries and adjacent lands.

~~b.~~(2) A map showing existing topography of the proposed site and 200 feet onto adjacent properties. Site contour interval shall be a two-foot minimum.

~~c.~~(3) Vegetative cover and soil type.

~~d.~~(4) Limits of 100-year floodplain and all watercourses, whether or not it is affected by the proposed development.

~~e.~~(5) Location and dimensions of stormwater drainage systems and natural drainage patterns on and 200 feet adjacent to the site.

~~f.~~(6) Locations and dimensions of existing; utilities, structures, roads, highways, paving, lot lines and outlots.

~~g.~~(7) Proposed conditions of the site shall include:

~~1~~a. Locations and dimensions of all proposed land disturbing activities, including finished topography at a minimum two-foot intervals.

~~2~~b. Location and dimensions of all temporary soil and dirt stockpiles.

~~3~~c. Location and dimensions of all construction site best management practice control measures necessary to meet the requirements of this section. All construction details should be shown on the plan.

~~4~~d. Location, dimensions and description of all channels, pipes, structures, basins or reservoirs, or other conveyances proposed to carry runoff to the nearest adequate outlet, including applicable design assumptions and computations. The applicable design discharge rate, in cubic feet per second, for each structure, pipe, channel, or conveyance. Design flow velocity for all channels and outlets shall be indicated.

~~5~~e. Areas to be sodded or seeded and mulched or otherwise stabilized with vegetation, describing type of final vegetative cover, including the location and type of all vegetated stormwater management measures. Type and

quality of mulch and method of anchoring shall be indicated, as well as seeding mixtures, rates, lime and fertilizer application rate for temporary or permanent seeding.

~~6~~f. Schedule of anticipated starting and completion date of each land disturbing and land developing activity including the installation of construction site best management practice control measures needed to meet the requirements of this section.

~~7~~g. Provisions for maintenance of the construction site best management practice control measures during construction.

(~~2~~b) *Content of control plan required.* For land disturbing activities covering less than one acre, but meeting applicability requirements provided in this section of this chapter an erosion control plan statement, with an included map illustrating existing and proposed topography, areas of disturbance and erosion control measures, shall be submitted to briefly describe the site and erosion controls that will be used to meet the requirements of this section.

(~~3~~c) *Review of control plan.*

~~a.~~(1) Within 30 days of receipt of the application, control plan, or control plan statement and fee, the city engineer shall review the application and control plan to determine if the requirements of this section are met. The city engineer may request comments from other departments or agencies. If the requirements of this section are met, the city engineer shall approve the plan, inform the applicant and issue a permit upon receipt of the fee payment.

~~b.~~(2) If the conditions are not met, the city engineer shall inform the applicant in writing and may either require additional information or disapprove the plan. Within 15 days of receipt of needed information, the city engineer shall again determine if the plan meets the requirements of this section. If the plan is disapproved, the city engineer shall inform the applicant in writing of the reasons for the disapproval.

Sec. 58-677. Permits.

(a) *Duration.* Permits shall be valid for a period of 180 days, or the length of a building permit, whichever is longer. The city engineer may extend the period one or more times for up to a total of 180 days. The city engineer may require additional control measures as a condition of the extension if they are necessary to ensure compliance with the requirements of this section. If proposed conditions change, and are deemed significant, the city engineer has the authority to declare the permit null and void. The city engineer shall notify the applicant in writing within 15 days of the decision and will request that another permit be submitted with the revised

control plan.

(b) *Drainage financial guarantee.*

(1) Establishment of the guarantee.

a. The city engineer shall require the submittal of a financial guarantee, the form and type of which shall be acceptable to the city.

b. The financial guarantee shall give the city the authorization to use the funds to complete the stormwater management practices if the responsible party defaults or does not properly implement the approved stormwater management plan, upon written notice to the responsible party by the city that the requirements of this ordinance have not been met.

c. For land disturbing activities listed in section 58-674(c): The financial guarantee shall be in an amount equal to 125 percent of the estimated cost of construction and maintenance of the stormwater management practices, as determined by the city, during the period which the designated party in the maintenance agreement has maintenance responsibility. The applicant shall provide to the city engineer the estimated costs of construction and maintenance which shall be calculated, stamped and signed by a professional engineer registered in the State of Wisconsin.

d. For land disturbing activities listed in section 58-674(d): The financial guarantee shall be in the amount listed in the annual fee resolution.

(2) Conditions for release.

a. The city shall release the portion of the financial guarantee established under this section, less any costs incurred by the city to complete installation of practices, upon submission of a certification in accordance with section 58-678(h). The city may make provisions for a partial pro-rata release of the financial guarantee based on the completion of various development stages.

b. The city shall release the portion of the financial guarantee established under this section to assure maintenance of BMPs, less any costs incurred by the city, at such time that the responsibility for practice maintenance is passed on to another entity via an approved maintenance declaration agreement.

(c) *Permit conditions.*

(1) Land disturbing activities may not commence until all conditions

of the permit and items on the control plan are carried out, inspected and approved by the city engineer.

(2) The city engineer must be notified 48 hours prior to commencing land disturbing activities.

(3) The city engineer shall be notified after control measures are installed, and prior to land disturbing activities so that he may conduct a field inspection to confirm that all proposed measures are installed according to the control plan. Written authorization to proceed with land disturbing activities must be obtained from the city engineer prior to commencement of construction.

(4) Written permission shall be obtained from the city engineer prior to modifying the control plan.

(5) All control measures as identified in the approved control plan shall be installed by the applicant.

(6) All road drainage systems, stormwater drainage systems, control measures and other facilities identified in the control plan shall be maintained by the applicant.

(7) Any siltation or erosion damage to adjoining surfaces and drainage ways resulting from land developing or disturbing activities shall be repaired by the applicant.

(8) Erosion control measures and the limits of disturbance shall be inspected by the applicant, and necessary repairs made after each rain of one-half inches or more and at least once a week.

(9) The city engineer, or an agent thereof, shall be allowed to enter the site for the purpose of inspecting compliance with the control plan or for performing any work necessary to bring the site into compliance with the control plan.

(10) A copy of the control plan shall always be kept on site.

(11) Upon written notification by the city engineer, the applicant shall remove specified erosion control measures after the site has been deemed stabilized.

(d) Inspection.

(1) The city engineer, or an agent thereof, shall inspect construction sites at least once ~~a month~~ every 45 days for active sites, 60 days for inactive sites, or after a rainfall of one-half inch or more during the period starting March 1 and ending October 31, and at least two times during the period starting November 1 and ending February 28 to ensure compliance with the control plan.

(2) If land disturbing or land development activities are being carried out without a permit, the city engineer shall have authority to enter the land pursuant to the provisions of Wis. Stats. § 66.0119.

(e) Enforcement.

(1) The city engineer may post a stop work order if:

a. Any land disturbing or land developing activity regulated

under this section is being undertaken without a permit.

b. The control plan is not being implemented in a good faith manner.

c. The conditions of the permit are not being met.

d. Control measures and the limits of disturbance are not being maintained in a good faith manner.

(2) If the permittee does not cease the activity or comply with the control plan or permit conditions within seven days, the city engineer may revoke the permit.

(3) If the landowner or land user where no permit has been issued does not cease the activity within seven days, the city engineer may request the city attorney to obtain a cease and desist order.

(4) The city engineer or board of appeals may retract the stop work order or the revocation.

(5) Five work days after posting a stop work order, the city engineer may issue a notice of intent to the permittee or landowner or land user of the city engineer's intent to perform work necessary to comply with this section. The city engineer may go on the land and commence the work five working days from issuing the notice of intent. The cost of the work performed by the city engineer, plus interest is to be billed to the permittee or the landowner. In the event a permittee or landowner fails to pay the amount due, the clerk shall enter the amount due on the tax rolls and collect as a special assessment against the property pursuant to Wis. Stats. § 66.60(16).

~~(6) Any person violating any of the provisions of this ordinance shall be subject to a forfeiture as provided in chapter 2 of this Code of Ordinances, and the city may recover all attorneys' fees, court costs, and other expenses associated with enforcement of this section, including sampling and monitoring expenses. Each day a violation exists shall constitute a separate offense.~~

Sec. 58-678. Best management practice ("BMP") maintenance.

(a) All BMPs shall be maintained and cared for by the developer and subsequently, at such time as the developer passes control of the property and responsibility for general maintenance to a homeowner's association, condominium association, or owner(s) (the "responsible party"), by such responsible party. If a homeowner's association or condominium association is not created or later ceases to exist, and no specific owner(s) are specified in any recorded document as the responsible party, the responsible party shall be each lot in the subdivision or each condominium unit. If a subdivision or condominium was created in phases, all phases shall collectively be considered one subdivision or condominium for purposes of this section.

(b) If, in the opinion of the City of Mequon, the developer and the responsible

party fail to maintain such BMP, the city is authorized to give the developer and/or the responsible party written notice requiring either or both within 30 days thereafter to cure the failure and to maintain and to provide the required care. If the developer and/or the responsible party fails to comply with the demands of the notice, the city shall have the right to provide the required maintenance and to include in the annual tax bill for each lot in the subdivision or condominium unit a proportionate share of the cost of such maintenance.

(c) A homeowner's association or condominium association created by the developer shall be a non-profit, non-stock, Wisconsin corporation; the members of which will be the individual owners of the lots in the subdivision or condominium units.

(d) The developer or responsible party shall, at its expense, provide normal, visual and customary cleaning, maintenance and certification to the BMPs located in subdivision/property, which may include weed and algae control, dam stabilization, outlet structure (including trash rack), dredging and biological control.

(e) Dredging of the detention basin/pond requires approval under Wis. Stat~~s~~. § 30.20, a permit to remove materials from the bed of a pond ultimately connected to the Milwaukee River from ~~the Wisconsin Department of Natural Resources (~~WDNR~~)~~.

(f) The application of EPA/state registered chemicals to detention basins/ponds or lakes is regulated by the WDNR. With few exceptions, a permit must be filed with, and approved by the WDNR, prior to chemical treatment. In certain circumstances, a representative of the department will monitor or supervise the chemical treatment. Contact the department for additional information.

(g) BMPs shall be inspected and checked by an independent engineer or licensed land surveyor and recertified that the BMP complies with the original design standards before transfer to the homeowner's association or condominium association for residential development, or prior to an occupancy permit for commercial development. Thereafter, the responsible party would be responsible to recertify the BMP as follows:

(1) All initially constructed BMPs must be inspected within two years from the date of adoption of the ordinance from which this section is derived;

(2) Thereafter, all BMPs constructed prior to January 1, 1994, shall be required to be inspected and recertified every five years;

(3) All BMPs constructed after January 1, 1994, shall be inspected and recertified in one additional two-year cycle and every five years thereafter. Any deficiencies shall be corrected immediately. The city engineering department shall be notified three working days in

advance of the inspection and no more than five working days after corrections have been made. A written report, not limited to photographs or diagrams of the deficiency and corrections with the certification, shall be submitted to the city engineering department for review and approval. Specific areas shall include, but not be limited to:

- Pond containment berms are stable and free of animal burrowings
- Detention storage
- Erosion
- Vegetative cover
- Sediment accumulation
- Trash rack/culvert functions
- Outlet flow

(h) BMPs may not be altered from the original city approved design without prior written approval by the city engineer. Failure to comply will result in the issuance of a municipal citation as in this section.

(i) The city engineer has the authority to stop work, amend, or alter remediation measures to the detention basins/ponds. ~~Any person violating any of the provisions of this section shall be subject to a forfeiture as provided in chapter 2 of this Code of Ordinances, and the city may recover all attorneys' fees, court costs, and other expenses associated with enforcement of this section, including sampling and monitoring expenses. Each day a violation exists shall constitute a separate offense.~~

(j) If a homeowner's association or condominium association does not exist, the city shall require recertification of the detention basin/pond to the time just prior to the city's release of the developer's drainage financial guarantee.

Sec. 58-679. Clear water discharge; sump pumps.

(a) All other rulings pertaining to rain water connections shall be as per state code.

(b) Clear water discharge and sump pumps shall also adhere to article IV, Plumbing Code of the City of Mequon Code of Ordinances.

(c) Sump pump discharge.

(1) All sump pumps installed for the purpose of discharging clear waters from foundation drains and ground infiltration must:

a. Be directly connected to a storm sewer when available.

b. Where the building is not serviced by a storm sewer, the sump pump shall discharge to the roadside drainage ditch. The discharge location shall be at the top of the ditch or as

approved by the City Engineer or his/her designee.

c. Where a storm sewer or roadside drainage ditch is unavailable, the sump pump discharge may be made to an approved drainage facility only with the approval of the City Engineer or his/her designee.

d. Sump discharge shall not be allowed to drain onto a paved roadway or curb and gutter.

e. In no case shall the sump pump discharge be directed towards or onto adjacent properties or create a nuisance.

(2) Sump pump discharge pipes at the structure shall be located above the permanent ground grade unless otherwise approved by the City Engineer or his/her designee. A pipe disconnect coupling shall be installed so that the above ground portion of the discharge pipe can be disconnected from the underground portion if necessary during freezing weather.

(d) Buildings in existence prior to July 1, 1973, and having sump pumps installed for the purpose of discharging clear water from foundation drains and ground infiltration may discharge either into a storm sewer lateral leading to a storm sewer, drainage ditch or onto the ground.

(e) Any new sump pump crocks installed shall adhere to section 58-679(c).

(f) The plumbing inspector or his designated agent may complete inspections in accordance with section 10-115.

Sec. 58-680. Penalties. Any person violating any of the provisions of this ordinance shall be subject to a forfeiture as provided in section 1-7, and the city may recover all attorneys' fees, court costs, and other expenses associated with enforcement of this section, including sampling and monitoring expenses. Each day a violation exists shall constitute a separate offense. In addition to any forfeiture provided for above, in the event that any violation of this ordinance results in another regulatory body assessing a financial penalty against the city or if the city incurs any costs and expenses to avoid such financial penalty, any person violating the provisions of this ordinance shall also be liable to the city in the amount of any such financial penalty, costs or expenses.

SECTION II

Section 58-706 of the Mequon Municipal Code is hereby amended to read as follows (NOTE: Added text is bold underlined; Deleted text is ~~struck through~~):

Sec. 58-706. Notification of spills. Notwithstanding other requirements of law, as soon as any person responsible for a facility or operation, or responsible for emergency response for a facility or operation has information of any known or suspected release of materials which are resulting or may result in illegal

discharges or pollutants discharging into stormwater, the storm drain system, or water of the U.S. said person, shall take all necessary steps to ensure the discovery, containment, and cleanup of such release. In the event of such a release of hazardous materials, said person shall immediately notify emergency response agencies of the occurrence via emergency dispatch services. In the event of a release of non-hazardous materials, said person shall notify the city in person or by phone or facsimile no later than the next business day. Notifications in person or by phone shall be confirmed by written notice addressed and mailed to the city within three business days of the phone notice. If the discharge of prohibited materials emanates from a commercial or industrial establishment, the owner or operator of such establishment shall also retain an on-site written record of the discharge and the actions taken to prevent its recurrence. Such records shall be retained for at least ~~three~~five years. If the spill threatens waters of the state, the spill hotline should be notified at 1-800-943-0003.

SECTION III

The terms and provisions of this ordinance are severable. Should any term or provision of this ordinance be found to be invalid by a court of competent jurisdiction, the remaining terms and provisions shall remain in full force and effect.

SECTION IV

All ordinances and parts of ordinances in contravention to this ordinance are hereby repealed.

SECTION V

This ordinance shall be in full force and effect upon its passage and on the day after its publication.

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Approved by: Andrew Nerbun, Mayor

Date Approved: August 14, 2024

I certify that the foregoing Ordinance was adopted by the Common Council of the City of Mequon, Wisconsin, at a meeting held on August 14, 2024.

_____

Caroline Fochs, City Clerk

Published: _____

Sec. 58-673. Definitions.

The following words, terms and phrases, when used in this article, shall have the meanings ascribed to them in this section, except where the context clearly indicates a different meaning:

Agricultural land use means use of land for planting, growing, cultivating, and harvesting of crops for human or livestock consumption and pasturing or yarding of livestock.

Average annual rainfall means a calendar year of precipitation, excluding snow, which is considered typical. In this article for nonpoint source pollution loadings, the following year and location has been selected as average annual rainfall: Milwaukee, 1969 (March 28—December 6).

Best management practices (BMPs) means structural or non-structural measures, practices, techniques or devices, as approved by the Wisconsin department of natural resources (WDNR), that are employed to avoid or minimize sediments or pollutants carried in runoff to waters of the state or, to manage the rate or volume of runoff.

Bioswale means a vegetated, mulched, or xeriscaped channel that provides treatment and retention as it moves stormwater from one place to another.

City engineer means any person working in the capacity of the city engineer or any person designated to represent the city engineer.

Cleaning means removing and disposing of debris in an approved manner and location versus flushing which would wash debris off a roadway and onto the shoulder or into the ditch and watercourse.

Commercial land use means the use of land for the retail or wholesale of goods or services.

Control measure means a practice or combination of practices to control erosion and attendant pollution.

Control plan means a written description of the number, locations, sizes and other pertinent information of control measures designed to meet the requirements of this article submitted by the applicant, or a qualified representative, for review and approval by the city engineer.

Critical Time means the period starting at the time of peak rainfall intensity with a duration equal to the time of concentration of the watershed.

Detention storage is the temporary holding or storage of stormwater in reservoirs, under predetermined and controlled conditions, with the rate of discharge regulated by installed outflow devices.

Downspout Disconnection means rerouting of rooftop drainage pipes to drain rainwater to rain barrels, cisterns, or permeable areas instead of the storm sewer.

Erosion means the detachment and movement of soil, sediment or rock fragments by water, wind, ice or gravity.

Final stabilization means that all land disturbing construction activities at the construction site have been completed and that a uniform, perennial, vegetative cover has been established, with a density of at least 70 percent of the cover, for the unpaved areas and areas not covered by permanent structures, or employment of equivalent permanent stabilization measures.

Financial guarantee means an escrow, performance bond, maintenance bond, surety bond, irrevocable letter of credit, or similar guarantees submitted to the city by the responsible party to assure that requirements of the ordinance are carried out in compliance with the stormwater management plan.

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Flushing means washing debris off a roadway and onto the shoulder or into the ditch and watercourse.

Green Infrastructure means a runoff management system that uses vegetation, soils, and natural processes to mimic nature's ability to soak up and store storm water. Example green infrastructure BMPs include downspout disconnection, rainwater harvesting, rain gardens, planter boxes, bioswales, permeable pavements, green alleys and streets, green parking, green roofs, urban tree canopy, amended soils, and land conservation.

Green Roof means a roof covered with growing media and vegetation that enables rainfall infiltration and evapotranspiration of storm water.

Illicit connections is defined as either of the following: Any drain or conveyance, whether on the surface or subsurface, which allows an illegal discharge to enter the storm drain system including but not limited to any conveyances which allow any non-stormwater discharge including sewage, process wastewater, and wash water to enter the storm drain system and any connections to the storm drain system from indoor drains and sinks, regardless of whether said drain or connection had been previously allowed, permitted, or approved by an authorized enforcement agency or, any drain or conveyance connected from a commercial or industrial land use to the storm drain system which has not been documented in plans, maps, or equivalent records and approved by an authorized enforcement agency.

Illicit discharge means any direct or indirect non-stormwater discharge to the storm drain system, except as exempted in this chapter.

In-Fill Area means an undeveloped area of land located within an existing urban sewer service area, surrounded by development or development and natural man-made features where development cannot occur. "In-fill" does not include any undeveloped area that was part of a larger new development for which a notice of intent to apply for a storm water permit in accordance with Wis. Adm. Code Chm NR 216 Subch. III was required to be submitted after October 1, 2004.

Land developing activity means activities associated and in conjunction with the construction of buildings, roads, parking lots, paved storage areas, and utilities (including sanitary and storm sewer, water, electric, gas, telephone, cable, etc.) and similar facilities.

Land disturbing activity means any manmade change of the land surface including removing vegetative cover, excavating, filling, and grading, but not including agricultural land uses such as planting, growing, cultivating and harvesting of crops.

Land user means any person operating, leasing, renting or having made other arrangements with the landowner by which the landowner authorizes use of land.

Landowner means any person holding title to or having an interest in land.

Maintenance Declaration means a legal document that provides for long-term maintenance of stormwater management practices.

Municipal separate storm sewer system (MS4) is defined as the conveyance or system of conveyances including roads with drainage systems, streets, catchbasins, curbs, gutters, ditches, constructed channels or storm drains.

Peak flow is the maximum rate of flow of water at a given point in a channel, watercourse, or conduit resulting from a predetermined storm or flood.

Permeable Surfacing means improved surfaces that infiltrate, treat, and/or store rainwater where it falls. Permeable surfacing may be constructed from pervious concrete, porous asphalt, permeable interlocking pavers, and several other materials.

Planter Box means an urban rain garden with vertical walls and open or closed bottoms that collect and absorb runoff from sidewalks, pavements, and other impervious surfaces.

Pre-settlement condition is the undeveloped condition or natural grade and vegetated state of the land that existed prior to European settlement.

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Protective area is an area of land that commences at the top of the bank of lakes, streams and rivers, or at the delineated boundary of wetlands, that serves to reduce the velocity of flow, filter and infiltrate runoff prior to entering the waters.

Rain Garden means a shallow, vegetated basin that collects and absorbs runoff from rooftops, pavements, and other impervious surfaces.

Rainwater Harvesting means collecting and storing rainfall for later use.

Redevelopment means areas where development is replacing older development. For the purposes of this ordinance a site is considered a redevelopment site when all of the following are met: the site has an existing building, parking lot, or other impervious area and the site is in a zoning district other than agricultural or residential.

Runoff is the portion of rainfall, melted snow or irrigation water that flows across the ground surface.

Runoff Release Rate means the volume of storm water flowing off of development per unit of time and area.

Sediment is solid material, both mineral and organic, that is in suspension, is being transported, or has been moved from its site of origin.

Site means the entire area included in the legal description of the land on which the land disturbing or land development activity is proposed in the permanent application. This may or may not include more than the area being disturbed.

Storm probability is the likelihood a storm of a given duration and intensity that can be expected to be equaled or exceeded in any given 365-day period. A one-percent/24-hour storm event would have a one-percent probability of occurring in any given year. The one-percent probability storm is equivalent to the previously defined 100-year storm.

Time of Concentration means the time required for the point furthest from the outlet of the watershed to contribute to flow at the outlet of the watershed.

(Code 1957, § 3.17(3); Ord. No. 2004-1117, § I, 12-20-2004; Ord. No. 2015-1453, § II, 7-14-2015; Ord. No. 2017-1511, § I, 1-9-2018)

Cross reference(s)—Definitions generally, § 1-2.

Sec. 58-674. Land disturbing activities subject to erosion, sediment, on-site detention and runoff control.

(a) General requirement. Any owner, occupant or user who undertakes, commences, or performs land disturbing activities; or who permits another person to do the same, on land subject to this section, shall be made to comply with this section. Agricultural land uses are exempt from this section unless state and county agencies fail to gain compliance with accepted standards. Unless more stringent criteria is specified in this section, all property development disturbing one or more acres or that increases impervious surface by one-half acre or more must comply with this section.

(b) Land disturbing activities subject to erosion and sediment control are as follows:

(1) All subdivisions, land divisions, condominium developments and/or the construction of residential, commercial, industrial or institutional buildings.

(2) All grading, removal of protective ground cover or vegetation, excavation, land filling or other land disturbing activity affecting a surface area of 4,000 square feet or more.

(3) Any excavation or filling or a combination of excavation and filling.

(4) Any street, highway, road, or bridge construction, enlargement, relocation or reconstruction.

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(5) Any laying, repairing, replacing or enlarging of an underground pipe or facility for a distance of 300-feet or more.

(c) Land disturbing activities subject to on-site detention and runoff control are as follows:

(1) Development having a gross aggregate area of one acre, or more; or developments of less than one acre if they are part of a larger common plan of development or sale within City jurisdiction; or

(2) Development that involves the increase of one-half acre or more of impervious surface; or

(3) Developments where, in the opinion of the city engineer, the runoff from the activity will exceed the safe capacity of the existing drainage facilities and/or receiving water body; or cause undue channel erosion; or increase water pollution by scour and transport of particles; or negatively impact the downstream property.

(d) Development or redevelopment that will increase impervious surface by an area equal to or greater than 5,000 square feet but less than 21,780 square feet (one-half acre), on a net basis, shall include green infrastructure as required by MMSD Rules Chapter 13: Surface Water and Stormwater. If the new impervious surface is within a residential subdivision for which MMSD has approved a stormwater runoff management plan, then no additional stormwater runoff management is required.

(e) Erosion and sediment control regulations for lands not otherwise subject to this section. Any owner, occupant or user who permits erosion, sediment deposits, tracking or dropping of dirt on adjacent land, public streets or bodies of water from land not otherwise subject to this section, shall be deemed in violation of this section and subject to the penalties provided in chapter 2 of this Code of Ordinances.

(Code 1957, § 3.17(4); Ord. No. 98-965, 9-17-1999; Ord. No. 2004-1117, § I, 12-20-2004; Ord. No. 2022-1625, § I, 8-10-2022)

Sec. 58-675. Standards, specifications and design criteria.

(a) *Site erosion control.* Plans will not be approved nor permits issued unless erosion and sedimentation leaving the site during and after the land disturbance will not exceed that which would have been eroded if the land had been left in its undisturbed state and are controlled in accordance with procedures established within the most current version of the standard specifications for land development in the City of Mequon, the Wisconsin department of natural resources (WDNR) Stormwater Management Technical Standards, the Wisconsin Stormwater Manual, the Soil Conservation Service Technical Guide, and the Ozaukee County Land Conservation Guidelines. In addition to these guidelines, the following requirements apply:

(1) All activities on the site shall be conducted in a logical sequence to minimize the area of unstabilized soil at any one time. Limits of disturbance must be demarcated prior to the commencement of land disturbance activity and remain throughout construction.

(2) Unstabilized soil may not be left over the winter months. If construction is not anticipated to be completed in the existing season, temporary annual seed or sod, or equivalent control measures approved by the city engineer must be installed prior to September 30 on all areas that have bare soil.

(3) All disturbed ground left exposed and inactive for seven or more calendar days shall be stabilized by seeding and mulching or sodding, or other equivalent control measure approved by the city engineer.

(4) For sites with more than one acre disturbed at one time, or if a channel originates in the disturbed area, one or more sedimentation basins, or other erosion control measures approved by the city engineer, shall be constructed to minimize channelized flow and erosion. The control measures shall be constructed to the specifications as outlined in the above referenced publications.

(5) For sites with less than one acre disturbed at one time, filter fences, straw bales, or equivalent control measures approved by the city engineer, shall be placed along the perimeter of all undisturbed side slope and down slope sides of the site. If a channel or area of concentrated runoff passes through the

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site, erosion control measures, including protective areas as defined in this article shall be employed to ensure that no sediment reaches the channel.

(6) Any soil or dirt storage shall not be located with a down slope drainage length across a fully vegetated area of less than 25 feet to a roadway, drainage channel, or body of water. If remaining for more than 30 days, the soils should be stabilized with mulch, vegetative cover, tarps or other means. Erosion from soils in existence less than 30 days shall be controlled by placing straw bales, filter fence barrier, or other erosion control measures approved by the city engineer, around the soils.

(7) Erosion control measures shall remain in place and be maintained until such time when construction has been completed and final stabilization has been established.

(b) *Drain inlet protection.* All storm drain inlets shall be protected during the construction and vegetation growth periods with a straw bale, filter fabric, or equivalent barrier meeting accepted design criteria, standards and specifications as outlined in the above referenced publications.

(c) *Site dewatering.* Water pumped from the site shall be treated by temporary sedimentation basins, grit chambers, sand filters, or other controls designed to limit discharge of total suspended solids (TSS) to 40 mg/l for the highest dewatering pumping rate. Water may not be discharged in a manner that causes erosion of the site or receiving channels, or in any manner that may cause damage to property as a result of concentrated water flow.

(d) *Tracking.* Each site shall have graveled roads, access drives and parking areas of sufficient width and length to prevent sediment from being tracked onto public or private roadways. Any sediment reaching a public or private road shall be removed by street cleaning (not flushing) before the end of each workday. Construction of a gravel/stone tracking area shall comply with the most current versions of the WDNR Stormwater Management Technical Standards, the Wisconsin Stormwater Manual and Mequon standard specifications.

(e) *On-site detention and runoff control.* Activities subject to on-site detention and runoff control regulation under the ordinance from which this article is derived shall comply with the following standards:

(1) The one-percent/24-hour storm; ten-percent/24-hour storm; and 50-percent/24-hour storm peak rate of runoff after the proposed and finalized development activities may not exceed the peak rate of runoff which would have resulted from the one-percent/24-hour storm; ten-percent/24-hour storm; and 50-percent/24-hour storm event respectively occurring over the site with the land in its pre-settlement condition.

a. For redevelopment, by design, the one-percent/24-hour storm; ten-percent/24-hour storm; and 50-percent/24-hour storm peak rate of runoff after the proposed and finalized development activities may not exceed the peak rate of runoff which would have resulted from the one-percent/24-hour storm; ten-percent/24-hour storm; and 50-percent/24-hour storm event respectively occurring over the site with the land in its existing condition. Redevelopments are exempt from the pre-settlement requirements.

b. The maximum pre-settlement runoff curve numbers being no greater than:

30 for hydrologic soil group A,

55 for hydrologic soil group B,

70 for hydrologic soil group C,

77 for hydrologic soil group D.

(2) Where on-site detention is required for runoff control, the detention facilities shall safely contain the runoff of a one-percent/24-hour storm event of any duration and safely pass/release the detained water at the rates as defined in subsection (e)(1) above through a v-notch weir control structure or other outlet control device as approved by the city engineer.

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(3) Compliance with the latest edition of the state resources conservation practice standard for wet detention basin design shall be used as a guide and set the minimum standards for the construction of all stormwater detention facilities.

(4) All stormwater runoff calculations and detention basin design shall be performed by a professional engineer licensed in the state to practice in the respective field.

(f) *Total suspended solids (TSS).* BMPs shall be designed, installed and maintained to control suspended solids carried in runoff as follows:

(1) For new development, by design, reduce to the maximum extent practicable, the total suspended solid load by 80 percent, based on the average annual rainfall, as compared to no runoff management controls.

(2) For redevelopment, by design, reduce to the maximum extent practicable, the total suspended solid load by 40 percent, based on the average annual rainfall, as compared to no runoff management controls.

(g) *Infiltration.* BMPs shall be designed, installed and maintained to infiltrate runoff so that post-development infiltration volume shall be at least that of the pre-settlement infiltration volume based on the average annual rainfall. The city engineer may determine exceptions based on site history, land use and soil conditions.

(h) *BMP design.* All BMPs shall be designed and stamped by a professional engineer licensed in the state to practice in the respective field, applying the most current technology and information available as accepted by the WDNR or the Milwaukee metropolitan sewerage district (MMSD) and approved by the city engineer. BMPs may not be altered from the original city approved design without prior written approval by the city engineer.

(i) *Protective areas.* A set-back distance of natural, vegetated areas of land, that are the greatest of the following widths as measured horizontally from the top of the channel or delineated wetland boundary to the closest impervious surface, shall exist to protect the following resource waters. However, in this subsection, "protective area" does not include any area of land adjacent to any stream enclosed within a pipe or culvert, such that runoff cannot enter the enclosure at this location.

(1) For outstanding resource waters and exceptional resource waters, ~~and for wetlands in areas of special natural resource interest as specified in Wis. Admin. Code § NR 103.04,~~ 75 feet.

(2) For perennial and intermittent streams identified on a United States geological survey 7.5-minute series topographic map, or a county soil survey map, whichever is more current, 50 feet.

(3) For lakes, 50 feet.

(4) For highly susceptible wetlands, 50 feet. Highly susceptible wetlands include the following types: Calcareous fens, sedge meadows, open and coniferous bogs, low prairies, coniferous swamps~~, shrub~~ lowland hardwood swamps, and ephemeral ponds. ~~other forested wetlands, fresh wet meadows, shallow marshes, deep marshes and seasonally flooded basins. Wetland boundary delineations shall be made in accordance with Wis. Admin. Code § NR 103.08(1m). This subsection does not apply to wetlands that have been completely filled in accordance with all applicable state and federal regulations. The protective area for wetlands that have been partially filled in accordance with all applicable state and federal regulations shall be measured from the wetland boundary delineation after fill has been placed.~~

(5) For less susceptible wetlands, ten percent of the average wetland width, but no less than ten feet nor more than 30 feet. Less susceptible wetlands include degraded wetlands dominated by invasive species such as reed canary grass, cultivated hydric soils, and any gravel pits, dredged material, or fill material disposal sites that take on the attributes of a wetland. ~~.~~

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(6) In this section, determinations of the extent of the protective area adjacent to wetlands shall be made on the basis of the sensitivity and runoff susceptibility of the wetland in accordance with the standards and criteria in Wis. Admin. Code § NR 103.03.

(7) For concentrated flow channels with drainage areas greater than 130 acres, ten feet.

(8) Wetland boundary delineation shall be made in accordance with s. Wis. Adm. Code [NR] 103.08(1m). This paragraph does not apply to wetlands that have been completely filled in compliance with all applicable state and federal regulations. The protective area for wetlands that have been partially filled in compliance with all applicable state and federal regulations shall be measured from the wetland boundary delineation after fill has been placed. Where there is a legally authorized wetland fill, the protective area standard need not be met in that location.

(9) Notwithstanding (1) through (7) above, the greatest protective area width shall apply where rivers, streams, lakes, and wetlands are contiguous.

(j) *Construction Site Waste*. Construction site operators shall manage waste such as discarded building materials, concrete truck washout, chemicals, litter, and sanitary waste at the construction site so to reduce adverse impacts to waters of the state.

(Code 1957, § 3.17(5); Ord. No. 98-965, 9-17-1999; Ord. No. 2004-1117, § I, 12-20-2004; Ord. No. 2017-1511, § II, 1-9-2018)

Sec. 58-676. Application and issuance of permits.

No landowner or land user may commence land disturbance activity or land developing activity, as those terms are defined and used in section 58-675 of this chapter, without receiving prior approval of a control plan for the site and a permit from the city engineer. At least one landowner or land user, controlling or using the site and desiring to undertake a land disturbing or land developing activity subject to this section shall submit an application for a permit and a control plan and pay an application fee to the city engineer. By submitting an application, the applicant is authorizing the city engineer to enter the site to obtain information required for the review of the control plan.

(1) *Content of control plan required.* For land disturbing activities covering one acre or more.

a. Site boundaries and adjacent lands.

b. A map showing existing topography of the proposed site and 200 feet onto adjacent properties. Site contour interval shall be a two-foot minimum.

c. Vegetative cover and soil type.

d. Limits of 100-year floodplain and all watercourses, whether or not it is affected by the proposed development.

e. Location and dimensions of stormwater drainage systems and natural drainage patterns on and 200 feet adjacent to the site.

f. Locations and dimensions of existing; utilities, structures, roads, highways, paving, lot lines and outlots.

g. Proposed conditions of the site shall include:

1. Locations and dimensions of all proposed land disturbing activities, including finished topography at a minimum ~~two foot~~two-foot intervals.

2. Location and dimensions of all temporary soil and dirt stockpiles.

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3. Location and dimensions of all construction site best management practice control measures necessary to meet the requirements of this section. All construction details should be shown on the plan.

4. Location, dimensions and description of all channels, pipes, structures, basins or reservoirs, or other conveyances proposed to carry runoff to the nearest adequate outlet, including applicable design assumptions and computations. The applicable design discharge rate, in cubic feet per second, for each structure, pipe, channel, or conveyance. Design flow velocity for all channels and outlets shall be indicated.

5. Areas to be sodded or seeded and mulched or otherwise stabilized with vegetation, describing type of final vegetative cover, including the location and type of all vegetated stormwater management measures~~r~~. Type and quality of mulch and method of anchoring shall be indicated, as well as seeding mixtures, rates, lime and fertilizer application rate for temporary or permanent seeding.

6. Schedule of anticipated starting and completion date of each land disturbing and land developing activity including the installation of construction site best management practice control measures needed to meet the requirements of this section.

7. Provisions for maintenance of the construction site best management practice control measures during construction.

(2) *Content of control plan required.* For land disturbing activities covering less than one acre, but meeting applicability requirements provided in this section of this chapter an erosion control plan statement, with an included map illustrating existing and proposed topography, areas of disturbance and erosion control measures, shall be submitted to briefly describe the site and erosion controls that will be used to meet the requirements of this section.

(3) *Review of control plan.*

a. Within 30 days of receipt of the application, control plan, or control plan statement and fee, the city engineer shall review the application and control plan to determine if the requirements of this section are met. The city engineer may request comments from other departments or agencies. If the requirements of this section are met, the city engineer shall approve the plan, inform the applicant and issue a permit upon receipt of the fee payment.

b. If the conditions are not met, the city engineer shall inform the applicant in writing and may either require additional information or disapprove the plan. Within 15 days of receipt of needed information, the city engineer shall again determine if the plan meets the requirements of this section. If the plan is disapproved, the city engineer shall inform the applicant in writing of the reasons for the disapproval.

(Code 1957, § 3.17(6); Ord. No. 2004-1117, § I, 12-20-2004)

Sec. 58-677. Permits.

(a) *Duration.* Permits shall be valid for a period of 180 days, or the length of a building permit, whichever is longer. The city engineer may extend the period one or more times for up to a total of 180 days. The city engineer may require additional control measures as a condition of the extension if they are necessary to ensure compliance with the requirements of this section. If proposed conditions change, and are deemed significant, the city engineer has the authority to declare the permit null and void. The city engineer shall notify the applicant in writing within 15 days of the decision and will request that another permit be submitted with the revised control plan.

(b) *Drainage financial guarantee.*

(1) *Establishment of the guarantee.*

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a. The city engineer shall require the submittal of a financial guarantee, the form and type of which shall be acceptable to the city.

b. The financial guarantee shall give the city the authorization to use the funds to complete the stormwater management practices if the responsible party defaults or does not properly implement the approved stormwater management plan, upon written notice to the responsible party by the city that the requirements of this ordinance have not been met.

c. For land disturbing activities listed in section 58-674(c): The financial guarantee shall be in an amount equal to 125 percent of the estimated cost of construction and maintenance of the stormwater management practices, as determined by the city, during the period which the designated party in the maintenance agreement has maintenance responsibility. The applicant shall provide to the city engineer the estimated costs of construction and maintenance which shall be calculated, stamped and signed by a professional engineer registered in the State of Wisconsin.

d. For land disturbing activities listed in section 58-674(d): The financial guarantee shall be in the amount listed in the annual fee resolution.

(2) *Conditions for release.*

a. The city shall release the portion of the financial guarantee established under this section, less any costs incurred by the city to complete installation of practices, upon submission of a certification in accordance with section 58-678(h). The city may make provisions for a partial pro-rata release of the financial guarantee based on the completion of various development stages.

b. The city shall release the portion of the financial guarantee established under this section to assure maintenance of BMPs, less any costs incurred by the city, at such time that the responsibility for practice maintenance is passed on to another entity via an approved maintenance declaration agreement.

(c) *Permit conditions.*

(1) Land disturbing activities may not commence until all conditions of the permit and items on the control plan are carried out, inspected and approved by the city engineer.

(2) The city engineer must be notified 48 hours prior to commencing land disturbing activities.

(3) The city engineer shall be notified after control measures are installed, and prior to land disturbing activities so that he may conduct a field inspection to confirm that all proposed measures are installed according to the control plan. Written authorization to proceed with land disturbing activities must be obtained from the city engineer prior to commencement of construction.

(4) Written permission shall be obtained from the city engineer prior to modifying the control plan.

(5) All control measures as identified in the approved control plan shall be installed by the applicant.

(6) All road drainage systems, stormwater drainage systems, control measures and other facilities identified in the control plan shall be maintained by the applicant.

(7) Any siltation or erosion damage to adjoining surfaces and drainage ways resulting from land developing or disturbing activities shall be repaired by the applicant.

(8) Erosion control measures and limits of disturbance shall be inspected by the applicant, and necessary repairs made after each rain of one-half inches or more and at least once a week.

(9) The city engineer, or an agent thereof, shall be allowed to enter the site for the purpose of inspecting compliance with the control plan or for performing any work necessary to bring the site into compliance with the control plan.

(10) A copy of the control plan shall always be kept on site.

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(11) Upon written notification by the city engineer, the applicant shall remove specified erosion control measures after the site has been deemed stabilized.

(d) *Inspection.*

(1) The city engineer shall inspect construction sites at least once ~~a month~~every 45 days for active sites, 60 days for inactive sites, or after a rainfall of one-half inch or more during the period starting March 1 and ending October 31, and at least two times during the period starting November 1 and ending February 28 to ensure compliance with the control plan.

(2) If land disturbing or land development activities are being carried out without a permit, the city engineer shall have authority to enter the land pursuant to the provisions of Wis. Stats. § 66.0119.

(e) *Enforcement.*

(1) The city engineer may post a stop work order if:

a. Any land disturbing or land developing activity regulated under this section is being undertaken without a permit.

b. The control plan is not being implemented in a good faith manner.

c. The conditions of the permit are not being met.

d. Control measures and limits of disturbance are not being maintained in a good faith manner.

(2) If the permittee does not cease the activity or comply with the control plan or permit conditions within seven days, the city engineer may revoke the permit.

(3) If the landowner or land user where no permit has been issued does not cease the activity within seven days, the city engineer may request the city attorney to obtain a cease and desist order.

(4) The city engineer or board of appeals may retract the stop work order or the revocation.

(5) Five work days after posting a stop work order, the city engineer may issue a notice of intent to the permittee or landowner or land user of the city engineer's intent to perform work necessary to comply with this section. The city engineer may go on the land and commence the work five working days from issuing the notice of intent. The cost of the work performed by the city engineer, plus interest is to be billed to the permittee or the landowner. In the event a permittee or landowner fails to pay the amount due, the clerk shall enter the amount due on the tax rolls and collect as a special assessment against the property pursuant to Wis. Stats. § 66.60(16).

(6) Within 18 months of building permit issuance and prior to issuance of the certificate of occupancy, submission of a certification in accordance with section 58-678(h) and acceptance by the city engineer is required.

~~(6)~~(7) Any person violating any of the provisions of this ordinance shall be subject to a forfeiture as provided in chapter 2 of this Code of Ordinances, and the city may recover all attorneys' fees, court costs, and other expenses associated with enforcement of this section, including sampling and monitoring expenses. Each day a violation exists shall constitute a separate offense. Any financial penalties issued to the City by regulatory bodies due to any person violating the provisions of this ordinance, the person shall be subject to a forfeiture in amount of the financial penalties.

(Code 1957, § 3.17(7); Ord. No. 90-708, 5-8-1990; Ord. No. 2002-1044, § I(A), 6-11-2002; Ord. No. 2004-1117, § I, 12-20-2004; Ord. No. 2015-1453, § III, 7-14-2015; Ord. No. 2022-1625, § III, 8-10-2022)

Sec. 58-706. Notification of spills.

Notwithstanding other requirements of law, as soon as any person responsible for a facility or operation, or responsible for emergency response for a facility or operation has information of any known or suspected release of materials which are resulting or may result in illegal discharges or pollutants discharging into stormwater, the

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storm drain system, or water of the U.S. said person, shall take all necessary steps to ensure the discovery, containment, and cleanup of such release. In the event of such a release of hazardous materials, said person shall immediately notify emergency response agencies of the occurrence via emergency dispatch services. In the event of a release of non-hazardous materials, said person shall notify the city in person or by phone or facsimile no later than the next business day. Notifications in person or by phone shall be confirmed by written notice addressed and mailed to the city within three business days of the phone notice. If the discharge of prohibited materials emanates from a commercial or industrial establishment, the owner or operator of such establishment shall also retain an on-site written record of the discharge and the actions taken to prevent its recurrence. Such records shall be retained for at least ~~three~~ five years. If the spill threatens waters of the state, the spill hotline should be notified at 1-800-943-0003.

(Ord. No. 2004-1117, § I, 12-20-2004)

Attachment: CH_58 - Tracked Changes (ORDINANCE 2024-1667 : Text Amendment: Stormwater Ordinances)

11333 N. Cedarburg Road
Mequon, WI 53092-1930
Phone: 262-236-2902
Fax: 262-242-9655

www.ci.mequon.wi.us **Office of Community Development**

TO: **Common Council**
FROM: **Kim Tollefson, Director of Community Development**
DATE: **July 9, 2024**
SUBJECT: **ORDINANCE 2024-1664 An Ordinance Amending Chapter 58 of the Mequon Municipal Code Related to Specific Development Standards for Distilleries**

Background

The Town Center (TC) District allows for a micro-distillery use provided that the distillery includes certain ancillary amenities such as a tasting room, retail sales, etc. The purpose of these ancillary amenities is to avoid having a purely manufacturing use within the TC District, and to also activate the public component of the district to meet the goals of creating an active and pedestrian-focused neighborhood.

Foxtown Distillery previously approached City staff indicating that there were conflicts between the City's requirements for ancillary amenities and the federal regulations related to distilled spirit premises. In short, Foxtown indicates that federal regulations prohibit it from providing other uses on the same premises that are used for production. Additionally, the Wisconsin legislature enacted 2023 Wis. Act 73 which made significant changes to the regulation of alcohol production, sales and consumption. After reviewing both the Federal regulations and Act 73, the City Attorney has prepared the proposed ordinance amendment to harmonize these various regulations while continuing to allow for distillery uses within the TC District.

Analysis

The proposed ordinance has multiple sections. The first section provides an amendment that further defines the scope of the distillery use. As mentioned above, one of the goals is to preserve the active, pedestrian-focused nature of the TC District. A large manufacturing facility with no public access obviously does not accomplish this task. Limiting the total floor area is another method of ensuring that the use does not overtake the district.

Sections two and three are not directly related to distillery use, although they apply to the use just as it would all uses in the district. This section further expands on some of the policy choices designed to accomplish the goals of the District.

The final substantive sections are changes designed to address conflicts in distillery regulations. These changes effectively retain the requirement for ancillary amenities but allow a distillery to meet that requirement by using two different premises within the TC District. Accordingly, the proposed ordinance amendments add express language that a stand-alone production facility is

not allowed.

Fiscal Impact

The proposed ordinance is fiscally neutral.

Recommendation

On June 24, 2024, the Planning Commission approved a recommendation in favor of adopting the proposed ordinance amendments by a vote of 7-0. A recommendation is forthcoming from the Public Welfare Committee on August 14, 2024.

COMMON COUNCIL
OF THE
CITY OF MEQUON

ORDINANCE 2024-1664

An Ordinance Amending Chapter 58 of the Mequon Municipal Code Related to Specific Development Standards for Distilleries

RECITALS

A. Pursuant to the authority granted to it under Section 62.23(7) of the Wisconsin Statues, the City of Mequon previously adopted a comprehensive Zoning Code for the City which includes Sections 58-301, 58-302, and 58-303 of the Municipal Code related to certain development in the Town Center and Arrival Corridor Districts.

B. The Planning Commission, by a majority vote, adopted a recommendation to approve a text amendment changing some definitions, design standards and locational standards for development on June 24, 2024.

C. The Public Welfare Committee recommended approval of the text amendment changing some definitions, design standards and locational standards for development on August 14, 2024.

D. Following a public hearing on the proposed changes, and based upon all available information before it, the Common Council desires to amend the regulations for certain commercial properties in the form attached hereto.

E. The zoning regulations, including the regulation of design and location, furthers the health, safety, and welfare of the community.

BASED UPON THE FOREGOING RECITALS, the Common Council of the City of Mequon, Wisconsin, do ordain as follows:

SECTION I

The Food and Beverage section of Table 58-301-1 of the Mequon Municipal Code is amended to read as follows (NOTE: deleted text is ~~struck-through~~; added text is **bold-underlined**):

Town center breweries, micro-distilleries, micro-wineries**; limited to a total of 4,000 square feet or less of gross floor area devoted to production**	C	✓

SECTION II

Section 58-301(l) of the Mequon Municipal Code is amended to read as follows (NOTE: deleted text is ~~struck-through~~; added text is bold-underlined):

(l) *Building composition.*

(1) *General design.* All buildings shall be designed with four-sided detail, have a distinct base, middle and top and contain features and proportions that are scaled to pedestrians. The base of the building shall be articulated with a horizontal expression line creating a distinct ground level zone of the building. The middle, or mid-section, of the building shall be articulated by surface variations of depth through windows and architectural elements and form an expression line which sets up the building's top. The top portion of the building shall include architectural features of form that provide distinction. In addition to the required windows and principal~~e~~ entrance, the front façade shall include architectural features which emphasize it as the front façade. First floor façades shall maintain open, transparent storefronts and windows subject to technical standards established by the department of community development.

(2) *Floor plan.* The principal operations of any use shall be located in a manner that promotes street level activity and interest and shall serve as the principal features within view from the public to reinforce maximum visibility into and out of the building and tenant space.

Service areas are functions that are permitted only as ancillary operations to the principal use. Service areas shall be limited in scale and location within the building and tenant space, Service areas, including but not limited to, bathrooms, mechanical and storage rooms, closets, staircases, elevators, hallways, private office space and production areas shall be located to the interior of the floor plan as defined by staff. The service area functions do not qualify to activate and engage the public.

~~(2)~~(3) *Window area.* Required window areas have the following purpose:

a. Contribute to the overall building composition
b. Enhance curb appeal and neighborhood value
c. Promote natural surveillance
d. Reduce energy consumption through the use of passive solar design
e. Display business products and services

Required window areas shall remain transparent with windows that allow two-way views into first floor occupant spaces, working areas, lobbies or pedestrian entrances, as applicable, except for the following permitted window area obstructions.

1. Window area obstructions. The following are permitted window area obstructions:

i. Permitted window signage. Window signage is a permitted window area obstruction and shall comply with the following design standards:

- Window signage shall be limited to 33 percent of each individual window area in the occupant's space.
- Window signage shall not obstruct more than 30 percent of the window area measured between four and eight feet in height above the adjacent walkway level.
- The front of the signage shall face the adjacent walkway.
- Window signage shall be consistent with and relate to the products, services and brand elements of the occupant's use.

ii. Window shelving. Window shelving located within four feet from the surface of the window is a permitted window area obstruction and shall comply with the following design standards:

- Window shelving units shall be limited to 33 percent of the use's aggregate window area as defined in section 58-301(l)(2).
- Window shelving units and product display shall not obstruct more than 30 percent of the window area measured between four and eight feet in height above the adjacent walkway level.
- Window shelving units shall be set back eight inches from the surface of the window.
- The front of the shelving units and products displayed on shelving shall face the adjacent walkway.

iii. Enclosed window displays. Enclosed window displays have a full background and sides that completely separate the interior of the store from the display window. Enclosed window displays are permitted window area obstructions and shall comply with the following design standards:

- Enclosed window displays shall be limited to 33 percent of the use's aggregate window area as defined in section 58-301(l)(2).
- Only one window pane per use shall be permitted as an enclosed window display.
- Enclosed window displays shall be internally lit during evening business operating hours. Lighting

is subject to the approval of the department of community development.

• Enclosed window displays shall have a minimum depth of three feet.

• Enclosed window displays shall be designed to relate to the scale of the window area and be consistent with and relate to the products, services and the brand elements of the associated occupant's use.

• Displays shall change:

• At a minimum, seasonally, unless approved by the department of community development.

• When products or display elements begin to fade or deteriorate in appearance.

• Enclosed window displays shall be maintained in a clean, clutter free manner.

• All mechanical equipment shall be disguised from public view.

2. Prohibited window area obstructions. The following window area obstructions and obstructions similar to the following as determined by the planning commission, are prohibited:

• Protective grilles

• Window bars

• Metal or similar material roll down screens or gates reflective, dark tinted or frosted glass

• Materials not otherwise permitted in this section that block visibility through windows into first floor occupant spaces along streets, walkways, plazas or parking areas.

• Backs of signs or backs of shelving units

3. Exceptions to window area obstructions. The planning commission may approve window area obstructions of types and amounts not specified in section 58-301(1)(2)a. for first floor windows for the following uses upon finding that strict compliance is impractical under the circumstances and the proposal includes amenities that address the adverse effects, if any, of the exception:

• Medical and institutional uses

• Specialty food retailers

• Theatres

• Parking garages

• Others as approved by planning commission

~~(3)~~(4) *Primary and secondary materials.* Table 58-301-2, Building Materials in the Town Center District, lists all permitted and not allowed primary and secondary building materials. Primary material shall be applied to at least 80 percent of the opaque portion of the façade which is visible from a public space.

Secondary material shall be applied to not more than 20 percent of the opaque portion of the façade which is visible from a public space.

~~(4)~~(5) *Awnings and canopies*. Awning and canopies are encouraged in order to provide protection for pedestrians and shall be placed to emphasize individual uses and entrances. Back-lighted, plastic, vinyl or similar material awnings and canopies shall be prohibited.

SECTION III

Section 58-302(l) of the Mequon municipal code is amended to read as follows (NOTE: deleted text is ~~struck-through~~; added text is bold-underlined):

(l) *Building composition*.
(1) *General design*. All buildings shall be designed with four-sided detail, have a distinct base, middle and top and contain features and proportions that are scaled to pedestrians. The base of the building shall be articulated with a horizontal expression line creating a distinct ground level zone of the building. The middle, or mid-section, of the building shall be articulated by surface variations of depth through windows and architectural elements and form an expression line which sets up the building's top. The top portion of the building shall include architectural features of form that provide distinction. In addition to the required windows and principa~~l~~e entrance, the front facade shall include architectural features which emphasize it as the front facade. First floor façades shall maintain open, transparent storefronts and windows subject to technical standards established by the department of community development.

(2) *Floor plan*. The principal operations of any use shall be located in a manner that promotes street level activity and interest and shall serve as the principal features within view from the public to reinforce maximum visibility into and out of the building and tenant space.

Service areas are functions that are permitted only as ancillary operations to the principal use. Service areas shall be limited in scale and location within the building and tenant space, Service areas, including but not limited to, bathrooms, mechanical and storage rooms, closets, staircases, elevators, hallways, private office space and production areas shall be located to the interior of the floor plan as defined by staff. The service area functions do not qualify to activate and engage the public.

(3)~~(2)~~ *Window area*. Required window areas have the following purpose:
a. Contribute to the overall building composition
b. Enhance curb appeal and neighborhood value
c. Promote natural surveillance
d. Reduce energy consumption through the use of passive solar design
e. Display business products and services

Required window areas shall remain transparent with windows that allow two-way views into first floor occupant spaces, working areas, lobbies or pedestrian entrances, as applicable, except for the following permitted window area obstructions.

1. *Window area obstructions*. The following are permitted window area obstructions:

i. Permitted window signage. Window signage is a permitted window area obstruction and shall comply with the following design standards:

- Window signage shall be limited to 33 percent of each individual window area in the occupant's space.
- Window signage shall not obstruct more than 30 percent of the window area measured between four and eight feet in height above the adjacent walkway level.
- The front of the signage shall face the adjacent walkway.
- Window signage shall be consistent with and relate to the products, services and brand elements of the occupant's use.

ii. Window shelving. Window shelving located within four feet from the surface of the window is a permitted window area obstruction and shall comply with the following design standards:

- Window shelving units shall be limited to 33 percent of the use's aggregate window area as defined in section 58-302(l)(2).
- Window shelving units and product display shall not obstruct more than 30 percent of the window area measured between four and eight feet in height above the adjacent walkway level.
- Window shelving units shall be set back eight inches from the surface of the window.
- The front of the shelving units and products displayed on shelving shall face the adjacent walkway.

iii. Enclosed window displays. Enclosed window displays have a full background and sides that completely separate the interior of the store from the display window. Enclosed window displays are permitted window area obstructions and shall comply with the following design standards:

• Enclosed window displays shall be limited to 33 percent of the use's aggregate window area as defined in section 58-302(l)(2).

• Only one window pane per use shall be permitted as an enclosed window display.

• Enclosed window displays shall be internally lit during evening business operating hours. Lighting is subject to the approval of the department of community development.

• Enclosed window displays shall have a minimum depth of three feet.

• Enclosed window displays shall be designed to relate to the scale of the window area and be consistent with and relate to the products, services and the brand elements of the associated occupant's use.

• Displays shall change:

• At a minimum, seasonally, unless approved by the department of community development.

• When products or display elements begin to fade or deteriorate in appearance.

• Enclosed window displays shall be maintained in a clean, clutter free manner.

• All mechanical equipment shall be disguised from public view.

2. *Prohibited window area obstructions*. The following window area obstructions and obstructions similar to the following as determined by the planning commission, are prohibited:

• Protective grilles

• Window bars

• Metal or similar material roll down screens or gates Reflective, dark tinted or frosted glass

• Materials not otherwise permitted in this section that block visibility through windows into first floor occupant spaces along streets, walkways, plazas or parking areas.

• Backs of signs or backs of shelving units

3. *Exceptions to window area obstructions*. The planning commission may approve window area obstructions of types and amounts not specified in section 58-302(1)(2)a. for first floor windows for the following uses upon finding that strict compliance is impractical under the circumstances and the proposal includes amenities that address the adverse effects, if any, of the exception:

• Medical and institutional uses

• Specialty food retailers

• Theatres

• Parking garages

• Others as approved by planning commission

(4)~~(3)~~ *Primary and secondary materials*. Table 58-302-2, Building Materials in the Arrival Corridor District, lists all the permitted and not allowed primary and secondary building materials. Primary material shall be applied to at least 80 percent of the opaque portion of the facade which is visible from a public space. Secondary material shall be applied to not more than 20 percent of the opaque portion of the facade which is visible from a public space.

(5)~~(4)~~ *Awnings and canopies*. Awning and canopies are encouraged in order to provide protection for pedestrians and shall be placed to emphasize individual uses and entrances. Back-lighted, plastic, vinyl or similar material awnings and canopies shall be prohibited.

SECTION IV

Section 58-303(b) of the Mequon municipal Code relating to specific development standards for micro-distilleries is amended to read as follows (NOTE: deleted text is ~~struck-through~~; added text is bold-underlined):

Micro-distillery. A micro-distillery ~~is an establishment that produces less than 10,000 gallons of spirits on site per year. Distilleries~~ shall provide the following operations and features:

a. The ~~M~~manufacturing/production/processing~~e~~, bottling~~e~~, packing, ~~and~~ storing~~e~~ and shipping of spirits ~~on premise and ship spirits~~ from the bonded premises of the distilled spirits plant.

b. Retail sale of spirits on the general premises of the distilled spirits plant, on a separate premises as may be authorized by law that is located within the same zoning district, or both.

c. Consumption of spirits on the general premises of the distilled spirits plant, on a separate premises as may be authorized by law that is located within the same zoning district, or both.

d. A ~~T~~tasting room for samples of spirits on the general premises of the distilled spirits plant.

e. Indoor and outdoor event space on the general premises of the distilled spirits plant, on a separate premises as may be authorized by law that is located within the same zoning district, or both.

The operations and features associated with the bonded premises of the distilled premises plant ~~section a.~~ listed above~~,~~ shall not exceed 60 percent of the total floor area of the full micro-distillery operations ~~on~~

~~premise~~within the zoning district. A micro-distillery use which consists solely of manufacturing or production facilities shall not be permitted.

In addition to the required operations and features listed above, a ~~M~~micro-distillery~~ies~~ may provide the following operations:

a. Sit-down restaurant on premises.

b. Delicatessen on premises.

~~c. Similar ancillary uses on premises as approved by the Planning Commission.~~

A ~~M~~micro-distillery~~ies~~ shall not conduct the following operations:

a. Fast food restaurant ~~on premises~~.

b. Drive thru services.

SECTION V

Section 58-303(c) of the Mequon Municipal Code is created to read as follows:

(c) *Definitions*. The following words, terms and phrases, when used in this Article IV, shall have the meanings ascribed to them below, except where the context clearly indicates a different meaning:

Micro-distillery. A micro-distillery is a use that includes both the distilling and/or rectifying of less than 10,000 gallons of distilled spirits on site per year, and additional amenities as may be further required by this code. [1]

Footnotes:
--- [1] ---
Federal Law reference— Distilled Spirits Plants - Definitions, 27 C.F.R. § 19.1

SECTION VI

The terms and provisions of this ordinance are severable. Should any term or provision of this ordinance be found to be invalid by a court of competent jurisdiction, the remaining terms and provisions shall remain in full force and effect.

SECTION VII

All ordinances and parts of ordinances in contravention to this ordinance are hereby repealed.

SECTION VIII

This Ordinance shall be in full force and effect upon its passage and on the day after its publication.

Approved by: Andrew Nerbun, Mayor

Date Approved: August 14, 2024

I certify that the foregoing Ordinance was adopted by the Common Council of the City of Mequon, Wisconsin, at a meeting held on August 14, 2024.

Caroline Fochs, City Clerk

Published: _____

AMERICAN BAR ASSOCIATION

STANDING COMMITTEE ON ETHICS AND PROFESSIONAL RESPONSIBILITY

Formal Opinion 511 **May 8, 2024**

Confidentiality Obligations of Lawyers Posting to Listservs

Rule 1.6 prohibits a lawyer from posting questions or comments relating to a representation to a listserv, even in hypothetical or abstract form, without the client's informed consent if there is a reasonable likelihood that the lawyer's questions or comments will disclose information relating to the representation that would allow a reader then or later to infer the identity of the lawyer's client or the situation involved. A lawyer may, however, participate in listserv discussions such as those related to legal news, recent decisions, or changes in the law, without a client's informed consent if the lawyer's contributions will not disclose, or be reasonably likely to lead to the disclosure of, information relating to a client representation.

Introduction

This opinion considers whether, to obtain assistance in a representation from other lawyers on a listserv discussion group, or post a comment, a lawyer is impliedly authorized to disclose information relating to the representation of a client or information that could lead to the discovery of such information.[1] Without the client's informed consent, Rule 1.6 forbids a lawyer from posting questions or comments relating to a representation—even in hypothetical or abstract form—if there is a reasonable likelihood that the lawyer's posts would allow a reader then or later to infer the identity of the lawyer's client or the particular situation involved, thereby disclosing information relating to the representation. A lawyer may, however, participate in listserv discussions such as those related to legal news, recent decisions, or changes in the law, if the lawyer's contributions do not disclose information relating to any client representation. The principles set forth in this opinion regarding lawyers' confidentiality obligations when they communicate on listservs apply equally when lawyers communicate about their law practices with individuals outside their law firms by other media and in other settings, including when lawyers discuss their work at in-person gatherings.[2]

Relevant Principles Regarding the Duty of Confidentiality

Subject to exceptions not applicable here,[3] ABA Model Rule of Professional Conduct 1.6(a) provides that: "A lawyer shall not reveal information relating to the representation of a client unless the client gives informed consent, the disclosure is impliedly authorized in order to carry

[1] This opinion is based on the ABA Model Rules of Professional Conduct as amended by the ABA House of Delegates through August 2023.

[2] *See* ABA Comm. on Ethics & Prof'l Responsibility Formal Op. 480 (2018) for a discussion of other forms of lawyer public commentary including blogs, writings, and educational presentations.

[3] This opinion does not discuss the exceptions to the confidentiality obligation provided for in paragraph (b) because we cannot envision a recurring situation in which any of the exceptions are likely to authorize disclosures of information relating to a representation on a lawyer's listserv.

Attachment: ABA Formal Opinion 511 (ORDINANCE 2024-1665 : City Attorney Informed Consent)

out the representation or the disclosure is permitted by paragraph (b).”[4] Comment 3 explains that Rule 1.6 protects “all information relating to the representation, whatever its source” and is not limited to communications protected by attorney-client privilege.[5] A lawyer may not reveal even publicly available information, such as transcripts of proceedings in which the lawyer represented a client. As noted in ABA Formal Opinion 04-433 (2004), “the protection afforded by Model Rule 1.6 is not forfeited even when the information is available from other sources or publicly filed, such as in a malpractice action against the offending lawyer.” Among the information that is generally considered to be information relating to the representation is the identity of a lawyer’s clients.[6]

Because Rule 1.6 restricts communications that “could reasonably lead to the discovery of” information relating to the representation,[7] lawyers are generally restricted from disclosing such information even if the information is anonymized, hypothetical, or in abstracted form, if it is reasonably likely that someone learning the information might then or later ascertain the client’s identity or the situation involved.[8] Comment 4 explains, that without client consent, Rule 1.6 prohibits:

> disclosures by a lawyer that do not in themselves reveal protected information but could reasonably lead to the discovery of such information by a third person. A lawyer’s use of a hypothetical to discuss issues relating to the representation is permissible so long as there is no reasonable likelihood that the listener will be able to ascertain the identity of the client or the situation involved.

The breadth of Rule 1.6 was emphasized in ABA Formal Opinion 496 (2021), which cautioned lawyers about responding to online criticism: Lawyers “who choose to respond online must not disclose information that relates to a client matter *or that could reasonably lead to the discovery of confidential information by another*.” (Emphasis added).

Lawyers may disclose information relating to the representation with the client’s informed consent. “Informed consent” is defined in Rule 1.0(e) to denote “the agreement by a person to a

[4] Comment 2 to Model Rule 1.6(a) emphasizes that a “fundamental principle in the client-lawyer relationship is that, in the absence of the client’s informed consent, the lawyer must not reveal information relating to the representation.”

[5] The attorney-client privilege is an evidentiary rule applicable to judicial and other proceedings in which a lawyer may be called as a witness or otherwise required to produce evidence about a client. The duty of client-lawyer confidentiality is not limited to those circumstances, nor is it limited to matters communicated in confidence by the client. MODEL RULES OF PROF’L CONDUCT R. 1.6, cmt. [3].

[6] Comment 2 to Rule 7.2, for example, notes that in lawyer advertising, client consent is required before naming regularly represented clients. *See also* Wis. Formal Op. EF-17-02 (2017) (lawyer may not disclose current or former client’s identity without informed consent; not relevant that representation is matter of public record or case is long closed); Ill. State Bar Ass’n Advisory Op. 12-03 (2012) (lawyer must obtain informed consent before disclosing client names to professional networking group); Ill. State Bar Ass’n Advisory Op. 12-15 (2012) (lawyer may take part in an online discussion group if no information relating to the representation is disclosed and there is no risk that the client could be identified); ABA ANNOTATED MODEL RULES OF PROFESSIONAL CONDUCT 133-134 (10th ed. 2023).

[7] MODEL RULES OF PROF’L CONDUCT R. 1.6 cmt. [4].

[8] *See, e.g.*, Colo. Bar Ass’n Formal Op. 138 (2019) (“Consultations using hypotheticals do not implicate [Rule] 1.6 provided that the hypotheticals do not create a ‘reasonable likelihood that the listener will be able to ascertain the identity of the client or the situation involved.’”).

Attachment: ABA Formal Opinion 511 (ORDINANCE 2024-1665 : City Attorney Informed Consent)

proposed course of conduct after the lawyer has communicated adequate information and explanation about the material risks of and reasonably available alternatives to the proposed course of conduct." Comments 6 and 7 to Rule 1.0 advise that the necessary communication will ordinarily require the lawyer to confer with the client and explain the advantages and disadvantages of the proposed course of conduct. And obtaining consent will usually require a client's affirmative response; a lawyer generally may not assume consent from a client's silence.[9]

Additionally, Rule 1.6(a) permits a lawyer to reveal information relating to the representation of a client if "the disclosure is impliedly authorized in order to carry out the representation."[10] Comment 5 to Rule 1.6 explains that "[l]awyers in a firm may, in the course of the firm's practice, disclose to each other information relating to a client of the firm, unless the client has instructed that particular information be confined to specified lawyers." Conversely, lawyers are generally not authorized to disclose information relating to the representation to lawyers outside the firm, including lawyers from whom the engaged lawyers seeks assistance. Rather, as a general matter, lawyers must obtain the client's informed consent before engaging lawyers in the representation other than lawyers in their firm.[11]

[9] Lawyers who anticipate using listservs for the benefit of the representation may seek to obtain the client's informed consent at the outset of the representation, such as by explaining the lawyer's intention and memorializing the client's advance consent in the lawyer's engagement agreement. Rule 1.0(e) provides that for a client's consent to be "informed," the lawyer must "communicate[] adequate information and explanation about the material risks of and reasonably available alternatives to the proposed course of conduct." Therefore, the lawyer's initial explanation must be sufficiently detailed to inform the client of the material risks involved. It may not always be possible to provide sufficient detail until considering an actual post.

[10] Comment 5 to Rule 1.6 explains that a lawyer is impliedly authorized to make disclosures "when appropriate in carrying out the representation." In many situations, by authorizing the lawyer to carry out the representation, or to carry out some aspect of the representation, the client impliedly authorizes the lawyer to disclose information relating to the representation, to the extent helpful to the client, for the purpose of achieving the client's objectives. *See, e.g.*, MODEL RULES OF PROF'L CONDUCT R. 2.3, cmt. [5] ("In many situations, providing an evaluation to a third party poses no significant risk to the client; thus, the lawyer may be impliedly authorized to disclose information to carry out the representation."). For example, when a client authorizes a lawyer to conduct settlement negotiations or transactional negotiations, the client impliedly authorizes the lawyer to disclose information relating to the representation insofar as the lawyer reasonably believes that doing so will advance the client's interests. What is impliedly authorized will depend "upon the particular circumstances of the representation." ANNOTATED MODEL RULES OF PROFESSIONAL CONDUCT, *supra* note 6, at 135. *See, e.g.*, ABA Comm. on Ethics & Prof'l Responsibility, Formal Op. 483 (2018) (lawyer experiencing data breach may reveal information relating to representation to law enforcement if lawyer reasonably believes disclosure is impliedly authorized, will advance client's interests, and will not adversely affect client's material interests); N.C. Formal Op. 2015-5 (2015) ("[p]roviding a client's new appellate counsel with information about the client's case, and turning over the client's appellate file to the successor appellate counsel, is generally considered appropriate to protect the client's interests in the appellate representation" and impliedly authorized); ABA Comm. on Ethics & Prof'l Responsibility, Formal Op. 01-421 (2001) (lawyer hired by insurance company to defend insured normally has implied authorization to share with insurer information that will advance insured's interests); *see also* RESTATEMENT OF THE LAW GOVERNING LAWYERS, § 61 (3d ed. 2001) (A lawyer is impliedly authorized to disclose information that "will advance the interests of the client in the representation."). In at least one situation, the Rules themselves impliedly authorize the disclosure, even without the client's implicit approval. *See* MODEL RULES OF PROF'L CONDUCT R. 1.14, cmt. [8] ("When taking protective action" on behalf of a client with diminished capacity pursuant to MODEL RULES OF PROF'L CONDUCT R. 1.14(b), "the lawyer is impliedly authorized to make the necessary disclosures, even when the client directs the lawyer to the contrary.").

[11] Comment 6 to Rule 1.1 states that "[b]efore a lawyer retains or contracts with other lawyers outside the lawyer's own firm to provide or assist in the provision of legal services to a client, the lawyer should ordinarily obtain informed consent…"

Attachment: ABA Formal Opinion 511 (ORDINANCE 2024-1665 : City Attorney Informed Consent)

Seeking Advice or Assistance from a Listserv Discussion Group

ABA Formal Opinion 98-411 (1998) addressed whether a lawyer is impliedly authorized to disclose information relating to the representation to another lawyer, outside the inquiring lawyer's firm and without the client's informed consent, to obtain advice about a matter when the lawyer reasonably believes the disclosure will further the representation. The opinion contemplated that the lawyer seeking assistance would share information relating to the representation, in anonymized form, with an attorney known to the consulting lawyer. It further contemplated that the consulted attorney would both ensure there was no conflict of interest between the consulting lawyer's client and the consulted attorney's clients and would keep the information confidential even in the absence of an explicit confidentiality obligation. The opinion concluded that, in general, a lawyer is impliedly authorized to consult with an unaffiliated attorney in a direct lawyer-to-lawyer consultation and to reveal information relating to the representation without client consent to further the representation when such information is anonymized or presented as a hypothetical and the information is revealed under circumstances in which "the information will not be further disclosed or otherwise used against the consulting lawyer's client." The opinion explained, "Seeking advice from knowledgeable colleagues is an important, informal component of a lawyer's ongoing professional development. Testing ideas about complex or vexing cases can be beneficial to a lawyer's client." However, the opinion determined that the lawyer has implied authority to disclose only non-prejudicial information relating to the representation for this purpose and may not disclose privileged information.

In this opinion, the question presented is whether lawyers are impliedly authorized to reveal similar information relating to the representation of a client to a wider group of lawyers by posting an inquiry or comment on a listserv. They are not. Participation in most lawyer listserv discussion groups is significantly different from seeking out an individual lawyer or personally selected group of lawyers practicing in other firms for a consultation about a matter. Typical listserv discussion groups include participants whose identity and interests are unknown to lawyers posting to them and who therefore cannot be asked or expected to keep information relating to the representation in confidence. Indeed, a listserv post could potentially be viewed by lawyers representing another party in the same matter. Additionally, there is usually no way for the posting lawyer to ensure that the client's information will not be further disclosed by a listserv participant or otherwise used against the client. Because protections against wider dissemination are lacking, posting to a listserv creates greater risks than the lawyer-to-lawyer consultations envisioned by ABA Formal Ethics Opinion 98-411.

Without informed client consent, a lawyer participating in listserv groups should not disclose any information relating to the representation that may be reasonably connected to an identifiable client. Comment 4 to Rule 1.6 envisions the possibility of lawyers using hypotheticals to discuss client matters. However, a lawyer must have the client's informed consent to post a hypothetical to a listserv if, under the circumstances, the posted question could "reasonably lead to the discovery of" information relating to the representation because there is a "reasonable likelihood" that the reader will be able to ascertain the identity of the client or the situation involved. Although this opinion focuses on lawyers' efforts to obtain information from other lawyers for the benefit of a legal representation, the obligation to avoid disclosing information relating to a representation applies equally when lawyers post on listservs for other purposes, such

Attachment: ABA Formal Opinion 511 (ORDINANCE 2024-1665 : City Attorney Informed Consent)

as to reply to requests for help, to develop their practices by networking, or simply to regale their professional colleagues with "war stories."[12]

Not all inquiries to a listserv designed to elicit information helpful to a representation will disclose information relating to the representation. In some situations, because of the nature of the lawyer's practice, the relevant client or the situation involved will never become known, and therefore the lawyer's anonymized inquiry cannot be identified with a specific client or matter. In other cases, the question may be so abstract and broadly applicable that it cannot be associated with a particular client even if others know the inquiring lawyer's clientele. In circumstances such as these, a lawyer may post general questions or hypotheticals because there is no reasonable possibility that any listserv member, or anyone else with whom the post may be shared, could identify the specific client or matter.[13]

Illustratively, the authors of Oregon Bar Opinion 2011-184 explained that "[c]onsultations that are general in nature and that do not involve disclosure of information relating to the representation of a specific client" do not require client consent under Rule 1.6. Careful lawyers will often be able to use listservs to ask fellow practitioners for cases and articles on topics, for forms and checklists, and for information on how various jurisdictions address a court-connected concern without enabling other lawyers to identify the lawyer's client or the situation involved. Posting this sort of inquiry on a listserv, to the extent possible without disclosing information relating to the representation, may have advantages over a lawyer-to-lawyer consultation precisely because it is broadly disseminated. Maryland State Bar Association Ethics Opinion 2015-03 described peer-to-peer lawyer listservs as a "powerful tool" providing "the opportunity for a

[12] Lawyers should keep in mind that the confidentiality obligation continues after the representation ends. *See* Rule 1.9(c)(2) ("A lawyer who has formerly represented a client in a matter . . . shall not thereafter . . . reveal information relating to the representation except as these Rules would permit or require with respect to a client."). This restriction on the disclosure of information relating to a former representation applies even if the information is generally known. *See* ABA Comm. on Ethics & Prof'l Responsibility, Formal Op. 479 (2017) (discussing the "generally known" exception to the use of confidential information adversely to a former client allowed under Rule 1.9(c)(1) and distinguishing it from the broader prohibition against disclosure of that information). Unlike the counterpart provision (Disciplinary Rule 4-101) of the earlier Code of Professional Responsibility, Rule 1.6 does not permit disclosure of non-privileged information relating to a representation or former representation if its disclosure would not embarrass or harm a client and the client has not specifically asked the lawyer not to disclose it. Consequently, lawyers may not tell "war stories" about a former representation without the former client's consent if the former client or situation can be identified. As we have noted in the past, the restriction imposed by Rule 1.6 may have First Amendment implications, but the constitutional right to freedom of speech has historically been interpreted consistently with lawyers' confidentiality obligations to clients. *See* ABA Comm. on Ethics & Prof'l Responsibility, Formal Op. 480 (2018) (commenting on First Amendment considerations when lawyers act in representative capacities).

[13] For example, a general question requesting case law on whether a warrantless search of a garbage bin outside a residence violates the Fourth Amendment is less likely to allow a reader to infer the client's identity than a hypothetical revealing the precise facts of a specific search. But if there is a reasonable likelihood that readers can correctly infer the client's identity, then even the general question discloses information relating to the representation, requiring informed consent. For example, a reader could infer that a lawyer who posts a question to a listserv about the constitutionality of searches of garbage bins located outside of a residence is representing a client whose garbage bin was searched, evidence was found, the lawyer would like to move to suppress the evidence, and the lawyer is unsure of all the relevant case law. Regardless of whether the implicit disclosure of this "information relating the representation" is prejudicial to the client, Rule 1.6 provides that if the client's identity could be ascertained, it is the client's decision whether to disclose this sort of information broadly via a listserv to assist the lawyer in conducting useful legal research.

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lawyer to test his or her understanding of legal principles and to clarify the best way to proceed in unique situations."

The more unusual the situation, however, the greater the risk that the client can be identified, and therefore the greater the care that must be taken to avoid inadvertently disclosing client information protected by Rule 1.6. Oregon Bar Opinion 2011-184 makes the point. Matters "[w]hen the facts are so unique or where other circumstances might reveal the identity of the consulting lawyer's client even without the client being named," are among those in which "the lawyer must first obtain the client's informed consent for the disclosures."

Additionally, when lawyers represent only one client (as in the case of in-house counsel or government lawyers) or their client's identity can be readily inferred (as in the case of a litigator seeking assistance with a pending or contemplated action), "a description of specific facts or hypotheticals that are easily attributable to the client likely violates Rule 1.6 in most contexts."[14] Also, if a matter is receiving media coverage or the group of listserv participants is comprised of a small, closely connected legal community, the risk of a Rule 1.6 violation is likely to be too great to permit the lawyer to post a hypothetical relating to the matter without the informed consent of the client. For example, where the listserv participants are familiar with each other's practice because they practice in a limited geographic area or a specialized practice setting, posting a hypothetical based on information relating to the representation of the client will be more likely to lead to disclosure of the client's identity to some other participant on the listserv. The lawyer should err on the side of caution and avoid specific hypotheticals, refrain from posting, or obtain the client's informed consent if there is any reasonable concern.[15]

Finally, it bears emphasizing that lawyer listservs serve a useful function in educating lawyers without regard to any particular representation. Lawyers use listservs to update one another about newly published decisions and articles or to share recommendations for helpful contractors or fellow practitioners. Comment 8 to Rule 1.1 advises lawyers to "keep abreast of changes in the law and its practice," and lawyer listservs can help in doing so. These uses, unrelated to any particular representation, would not require a lawyer to secure the informed consent of a client. A lawyer must, however, remain aware of the possible risks to confidentiality involved in any posts to a listserv. Even a general question about the law, such as a request for cases on a specific topic, may in some circumstances permit other users to identify the client or the situation involved. Therefore, before any post, a lawyer must ensure that the lawyer's post will not jeopardize compliance with the lawyer's obligations under Rule 1.6.

[14] Md. State Bar Ass'n Ethics Comm. Op. 2015-3 (2015).

[15] When seeking a client's informed consent to post an inquiry on a listserv, the lawyer must ordinarily explain to the client the risk that the client's identity as well as relevant details about the matter may be disclosed to others who have no obligation to hold the information in confidence and who may represent other persons with adverse interests. This may also include a discussion of risks that the information may be widely disseminated, such as through social media. A lawyer should also be mindful of any possible risks to the attorney-client privilege if the posting references otherwise privileged communications with the client. Whether informed consent requires further disclosures will depend on specific facts.

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Conclusion

Rule 1.6 prohibits a lawyer from posting comments or questions relating to a representation to a listserv, even in hypothetical or abstract form, without the client's informed consent if there is a reasonable likelihood that the lawyer's posts will disclose information relating to the representation that would allow a reader then or later to recognize or infer the identity of the lawyer's client or the situation involved. A lawyer may, however, participate in listserv discussions such as those related to legal news, recent decisions, or changes in the law, without a client's consent if the lawyer's contributions will not disclose information relating to a client representation.

AMERICAN BAR ASSOCIATION STANDING COMMITTEE ON ETHICS AND PROFESSIONAL RESPONSIBILITY

321 N. Clark Street, Chicago, Illinois 60654-4714 Telephone (312) 988-5328
CHAIR: Bruce Green, New York, NY ■ Mark A. Armitage, Detroit, MI ■ Matthew Corbin, Olathe, KS ■ Robinjit Kaur Eagleson, Lansing, MI ■ Brian Shannon Faughnan, Memphis, TN ■ Hilary P. Gerzhoy, Washington, D.C. ■ Wendy Muchman, Chicago, IL ■ Tim Pierce, Madison, WI ■ Hon. Jennifer A. Rymell, Fort Worth, TX ■ Charles Vigil, Albuquerque, NM

CENTER FOR PROFESSIONAL RESPONSIBILITY: Mary McDermott, Lead Senior Counsel

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11333 N. Cedarburg Road
Mequon, WI 53092
Phone: 262-236-2941
Fax: 262-242-9655
www.ci.mequon.wi.us
Office of Administration

TO: **Common Council**
FROM: **William Jones, City Administrator**
DATE: **August 8, 2024**
SUBJECT: **RESOLUTION 4133 A Resolution Adopting Proposed Updates to the City's Financial Policies**

Background

One of the City's identified goals for 2024 is to conduct a periodic review of the organization's financial policies. This document was last examined in 2018, and presently includes eighteen (18) separate policy statements. Since the last review, two new policy statements have been added to the overall document; these include policies for Vehicle Leasing and Payment Card Acceptance that were approved in 2022 and 2023, respectively. Additionally, staff and the Common Council have recently been working to develop a Sewer Utility Funding Policy, which was reviewed and approved by the Sewer Utility District Commission in June.

Discussion

This year's review began in February, and since that time, City staff and the Finance-Personnel Committee have worked to systematically review a number of policies each month. As indicated in the enclosed document, most of the proposed changes (in track changes format) are clarifying in nature, and thus do not result in any major or substantive modifications to what is already in place. Nevertheless, some of the more noteworthy revisions recommended for consideration include the following:

- Additional language specifying that the City's investments will be managed by an investment advisor (reflecting current practice), and that the City has the further opportunity to modify or reject any investment transaction within 24 hours **(Policy Statement 5: Cash Management/Investments)**.
- Added flexibility to extend debt obligations beyond twenty years, as may be necessary for larger projects **(Policy Statement 9: Debt Management)**.
- Updated references to the City's yearly financial statements (now known as the Annual Comprehensive Financial Report) to reflect industry standards.
- A stipulation that automatic renewals of any contracted service agreements require Common Council approval **(Policy Statement 11: Purchasing)**.
- Monthly credit card expenditure limits of $35,000 and $25,000 for the Finance Department and the Information Technology Division, respectively **(Policy Statement 12: Credit Cards).**
- Acknowledgment that a dedication agreement may be used in lieu of the organization's standard form for the receipt of any contributions (monetary or otherwise) received by the City **(Policy Statement 14: Employee Travel)**.
- Elimination of the Elected Officials Travel Policy **(Policy Statement 15)**, which has been

consolidated with the aforementioned Employee Travel Policy.
- Incorporation of 'Basis of Budgeting' language that previously appeared within the Policies' Appendix into **Policy Statement 10: Accounting, Auditing and Financial Reporting**.
- A modest adjustment to the City's Reserve Policy **(Policy Statement 3)**, which presently requires an unassigned fund balance of between 10-12%. In order to more closely align with recommendations previously received from both of the City's ratings agencies (Moody's, Standard & Poor's) as well as industry best practice, staff recommends the range be expanded to 10-15%.

At the July 9 Committee of the Whole Meeting, staff provided members with an overview of the key changes, as well as an opportunity to provide feedback on the proposed amendments. Based upon input received at the meeting, the policies have been further amended to reflect the following:

- Language has been added to **Policy Statement 12: Credit Card Use**, indicating that convenience fees are to be avoided, and that any rebates (cash back) are to only benefit the City, and not individual employees.
- The maximum maturity for any long-term debt issue has been extended from 20 to 30 years. This replaces the proposed amendment described on the preceding page that would have provided the flexibility to extend such maturities "beyond 20 years". Notably, statute does not allow municipalities to issue general obligation (G.O.) debt beyond a term of 20 years. Nevertheless, provisions do exist for issuing non-G.O. debt (e.g., revenue bonds) beyond 20 years, which otherwise comports with the policy amendment as proposed.
- The proposed increase in the unassigned fund balance range for both the General and Sewer Utility Funds of 10-15% has reverted to the current range of 10-12%, based upon Council feedback.

Absent any specific direction from the Council to consider an unassigned fund balance range higher than the City's current spread, staff proposes no further change at this time. Should the Council seek to consider expanding the unassigned fund balance range either during the 2025 budget development process later this fall or at any time in the future, the City's financial policies can be further amended, as appropriate.

For reference purposes, attached is a copy of the Government Finance Officers of the United States and Canada's (GFOA) Best Practice on Fund Balance, which recommends that governments of any size maintain a minimum of 2 months (16.67%) of operating revenues as unassigned reserves. Also enclosed is a previously shared article that appeared in the October 2021 edition of *Government Finance Review*, which is published on a bi-monthly basis by the Government Finance Officers Association of the United States and Canada (GFOA). As indicated in the piece, the City of Mequon was previously recognized during the Association's Financial Policy Challenge in 2020 as one of twelve units of government nationally that submitted a "complete" set of policies across seven categories, which include a majority of the GFOA's recommended best practices.

Recommendation

A recommendation is forthcoming from the Finance-Personnel Committee on August 14, 2024.

Attachments:
FINANCIAL POLICIES UPDATE - 7.12.24 (DOC)
GFOA BEST PRACTICES (DOCX)
GOVERNMENT FINANCE REVIEW - OCTOBER 2021 (DOCX)

COMMON COUNCIL
OF THE
CITY OF MEQUON

RESOLUTION 4133

A Resolution Adopting Proposed Updates to the City's Financial Policies

RECITALS

A. A comprehensive set of financial policies is an essential component to communicating the financial objectives that guide the City's financial operations.

B. These objectives guide the financial processes that City departments and staff use to achieve the goals of the City.

C. The City's financial practices have been reviewed by staff and the City's financial policies document has been reviewed to update the City's financial policies and processes.

D. The policies will continue to be reviewed on a periodic basis by the Finance-Personnel Committee or as otherwise needed, in order to consider any necessary revisions or additions that may be warranted.

E. The Finance-Personnel Committee, having reviewed the attached financial policies document, recommends to the Common Council, that the policies contained herein be adopted and implemented until further amended.

NOW THEREFORE, BE IT RESOLVED, by the Common Council of the City of Mequon, Wisconsin, that the attached financial polices document be hereby adopted and implemented for use, until further amended.

_____
Approved by: Andrew Nerbun, Mayor

Date Approved: August 14, 2024

I certify that the foregoing Resolution was adopted by the Common Council of the City of Mequon, Wisconsin, at a meeting held on August 14, 2024.

_____
Caroline Fochs, City Clerk

Financial Policies

Attachment: FINANCIAL POLICIES UPDATE - 7.12.24 [Revision 1] (RESOLUTION 4133 : A Resolution Adopting Proposed Updates to the City's

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INTRODUCTION

The City of Mequon has adopted by resolution, the following policy statements in order to help guide the City's financial management practices and to support the City's efforts to continually work towards meeting the objectives set forth in its mission statement.

> *The City of Mequon's overall mission is the provision of quality public services and the adoption of thoughtful policies that serve to enhance and maintain the unique quality of life ~~of~~ throughout the~~our~~ community.*

> *Through the judicious use of community resources, the City is committed to managing growth, efficiently using tax dollars and making wise investments for the~~in our~~ future. The community's~~Our~~ success depends on Mequon's~~our~~ ability to offer quality and value to its~~our~~ taxpayers with the highest standards of accountability, responsiveness, economy and integrity.*

These financial policies, and the processes that support them, are further intended to summarize the major goals and objectives which make up the financial framework under which the City operates. These practices are also governed by applicable Federal and State laws, rules, and regulations, the Ggenerally Aaccepted Aaccounting Pprinciples (GAAP) and practices as promulgated by the Governmental Accounting Standards Board (GASB), the American Institute of Certified Public Accountants (AICPA) and the Government Finance Officers Association (GFOA), and by the continuing guidance of the City of Mequon Common Council.

The components of this document have been prepared by staff to provide an outline describing the general processes which are currently used to help facilitate meeting the broader goals and objectives of the policy statements, and to help ensure that the financial resources of the City are managed in a manner consistent with those expectations. They are intended to highlight the significant components of the processes used to achieve these goals and are not intended to be an all-inclusive listing of the duties required of staff at the direction of the Common Council.

These policies will be reviewed periodically in order to determine if any additional policies may be necessary to fill identified policy gaps, or if any updates are required due to changes in the City's practices. Any recommended changes will be presented to the Common Council for its~~their~~ consideration and approval ~~during the annual budget cycle~~.

POLICY STATEMENT 1
BUDGETING

The Common Council shall adopt a balanced budget, and authorize the required appropriations, prior to the beginning of each fiscal year. Appropriations are made on a fund level basis.

Process O~~o~~verview:

Budgets requests are prepared by department heads with the assistance of staff under the direction of the City Administrator. The City's budget is prepared for the fiscal year beginning January 1 and ending December 31. The budget is a total financial management plan for City operations.

Prior to September 30~~15~~th of each year, the City Administrator shall submit a proposed budget for the following fiscal year to the Common Council for consideration.

The Common Council evaluates and amends the proposed budget at their discretion and then adopts a final balanced budget prior to the beginning of the fiscal year. A balanced budget requires that the proposed budget expenditures shall not exceed the estimated revenues and any applied fund balances.

POLICY STATEMENT 2
AMENDING THE BUDGET

At the Common Council's discretion, it may choose to amend the budget due to unforeseen and changing circumstances. In accordance with Wisconsin Statute Section 65.90(5)(a), amendments to budgeted appropriations must be approved by a two-thirds vote of the City Council.

Process O~~o~~verview:

The City Administrator will be responsible for maintaining a budgetary control system to ensure adherence to the City's adopted budget. Revenue and expenditure projections will also be reviewed by staff, under the direction of the City Administrator and/or Finance Director, on a quarterly basis.

If such a time occurs that the City Administrator believes that there will be a significant variation of more than 5% of a~~the~~ projected department's~~al~~ revenues or expenditures from the ~~adopted~~ budgeted amounts adopted annually by the Common Council, the City Administrator shall inform the Common Council so that it~~they~~ may consider whether it is necessary to amend the budget or take any other corrective measures.

Any net ~~surpluses or~~ surpluses or deficit~~s~~ that may occur as a result of these budget variations will be applied to the appropriate fund balances at the close of the fiscal year.

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~~twelve~~ (12~~2~~) 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 O~~o~~verview:

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~~or~~ Undesignated Cash Reserve Balances.

POLICY STATEMENT 4
REVENUES

The City will seek to maintain a reliable revenue base and will continue to explore ways to diversify its revenue sources, seek full cost recovery for services through user fees when appropriate, and establish cost sharing arrangements with other governmental units in order to minimize the reliance on property taxes to support City services.

Process O~~o~~verview:

When preparing forecasts for the annual budget, staff will utilize generally accepted forecasting techniques that include the use of historical data and~~,~~ trend analysis, as well as ~~nd that~~ considering~~s~~ the impact of changing economic conditions on the City's revenue sources. This approach produces revenue estimates that are as reliable as possible and reduces the likelihood of actual revenues falling short of budget estimates during the year.

Staff will also continuously explore opportunities to take advantage of alternative funding sources and revenue streams to help offset the costs of providing City services and to reduce the City's reliance on property taxes.

The City will develop a fee schedule that determines the appropriate level of fees to charge for those City services which are provided to the benefit of only certain individuals. This fee schedule is designed to estimate the level of fees that ~~would be~~ needed~~ed~~ to be charged by the City in order to cover the cost of the services provided. Such factors will consider State Statutes, comparability with other jurisdictions, affordability and the City's calculated overhead model.

The overhead rate can be calculated as follows:

~~-~~[(Total General and Debt Service Fund Budgets) – (Personnel Costs + TID Debt)] / (52 weeks per year * 40 hours per week * # of FTE's) = Average Overhead Rate per Labor Hour~~.~~

The overhead rate will be added to direct labor costs when calculating hourly rates for services.

Additionally, the City will apply an internal chargeback system to recover costs incurred by the General Fund for administrative support and other services or materials provided to areas outside of the General Fund, such as the City's Sewer and Water Utilities, the Weyenberg Library or the Southern Ozaukee Fire & EMS Department.~~-~~

Attachment: FINANCIAL POLICIES UPDATE - 7.12.24 [Revision 1] (RESOLUTION 4133 : A Resolution Adopting Proposed Updates to the City's

POLICY STATEMENT 5
CASH MANAGEMENT / INVESTMENTS

General: The purpose of this investment policy is to formalize the framework for the City's daily investment activities to include scope, objectives, authority, standards of prudence, authorized institutions, investment type, collateralization and diversification. The policy is intended to be broad enough to allow the investment officer to function properly within the parameters of responsibility and authority, yet specific enough to adequately safeguard the investment of assets.

Scope: This investment policy applies to all financial assets of the City of Mequon. These funds are accounted for in the City's ~~Comprehensive~~ Annual Comprehensive Financial Report and include, for example:

A. General Fund
B. Special Revenue Funds
C. Capital Project Funds
D. Enterprise Funds
E. Trust and Agency Funds
F. Debt Service Funds
G. Internal Service Funds

This policy is limited in its application to funds that are not immediately needed and are available for investment. Unless prohibited by law or contract, the City may pool cash from several different funds for investment purposes should it meet the objectives of the investment program. Other funds, the investment of which is subject to special federal and/or state laws and regulations, may be invested in accordance with such provisions~~laws and regulations~~.

Objectives: The primary objectives, in order of priority, of all investment activities involving the financial assets of the City of Mequon shall be the following:

A. Safety

Safety and preservation of principal in the overall portfolio is the foremost investment objective. Investments shall be undertaken in a manner that seeks to ensure the preservation of capital in the overall portfolio. The objective will be to mitigate credit risk and interest rate risk.

B. Liquidity

The investment portfolio shall remain sufficiently liquid to meet all operating requirements that may be reasonably anticipated. This is accomplished by structuring the portfolio so that securities mature

concurrent with cash needs to meet anticipated demands (static liquidity). Furthermore, since all possible cash demands cannot be anticipated, the portfolio should consist largely of securities with active secondary or resale markets (dynamic liquidity).

C. Return

The investment portfolio shall be designed with the objective of attaining a market rate of return throughout budgetary and economic cycles, taking into account ~~the~~ investment risk constraints and liquidity needs. Return on investment is of secondary importance compared to the safety and liquidity objectives described above. The core of investments is limited to relatively low risk securities in anticipation of earning a fair return relative to the risk being assumed. Securities shall generally be held until maturity with the following exceptions:

- A security with declining credit may be sold early to minimize loss of principal.
- A security swap would improve the quality, yield, or target duration in the portfolio.
- Liquidity needs of the portfolio require that the security be sold.

Authority: Authority to manage the City's investment program is derived from State of Wisconsin Statutes and City ordinances. The Director of Finance/City Treasurer or his/her designee is the investment officer and is responsible for investment decisions and activities. The Director of Finance/City Treasurer shall be responsible for all transactions undertaken, and shall establish investment procedures consistent with this policy, and a system of controls to regulate the activities of subordinate officials and employees. The investment portfolio will be managed by ~~the~~ a designated investment advisor in accordance with the City's established financial policy. The investment officer or designee will receive notification of all transactions prior to execution, with the opportunity to reject or modify any transaction within 24 hours. The Director of Finance/City Treasurer shall submit a report of all the City's investment activities to the Finance ~~&~~ Personnel Committee on a quarterly basis.

Prudence: The standard of prudence to be used by City investment officials and investment advisors shall be the "prudent person" standard and shall be applied in the context of managing an overall portfolio. Investment officers acting in accordance with written procedures and this investment policy and exercising due diligence shall be relieved of personal responsibility for an individual security's credit risk or market price changes, provided deviations from expectations are reported in a timely fashion and the liquidity and the sale of securities are carried out in accordance with the terms of this policy.

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The "prudent person" standard states that, "Investments shall be made with judgment and care, under circumstances then prevailing, which persons of prudence, discretion and intelligence exercise in the management of their own affairs, not for speculation, but for investment, considering the probable safety of their capital as well as the probable income to be derived."

Institutions: The Director of Finance/City Treasurer shall select and maintain a list of financial institutions authorized to be public depositories and/or provide investment services. In addition, a list of approved security broker/dealers will be maintained. The investment advisor~~Director of Finance/Treasurer~~ shall select qualified~~y~~ brokerage institutions by applying generally accepted industry standards (i.e., capital requirements, asset quality, earnings, liquidity, management, and local community development) using available public agency and private rating services as appropriate.

Safekeeping & Custody: Trades of marketable securities will be executed by delivery vs. payment (DVP) to ensure that securities are deposited in an eligible financial institution prior to the release of funds. Securities will be held by an independent third-party custodian selected by the City as evidenced by safekeeping receipts in the City's name. The investment officer is responsible for establishing and maintaining an internal control structure designed to ensure that the assets of the City are protected from loss, theft or misuse. The internal control structure shall be designed to provide reasonable assurance that these objectives are met. The concept of reasonable assurance recognizes that: (1) the cost of a control should not exceed the benefits likely to be derived; and (2) the valuation of costs and benefits requires estimates and judgments by management.

Investment Types: The investment of City funds shall be in accordance with Wisconsin Statutes Section 66.0603~~ (see excerpt attached as Exhibit A)~~, further limited as follows:

A. Government Bonds & Securities

City funds may be invested in United States Government Bonds or Securities~~ with maturities less than ten years from the date of investment~~. Such investments may also include securities of open-end management investment companies (as further defined in Wisconsin Statutes), without limitation to maturity of the underlying investments in the investment portfolio.

B. Repurchase Agreements

City funds may be invested in repurchase agreements with financial institutions approved as public depositories, provided that the underlying collateral consist of obligations of the United States Government, its agencies and instrumentalities, and the City of Mequon takes delivery of the collateral either directly or through an authorized custodian. The City shall be informed of the specific collateral and investments in repurchase agreements shall be collateralized at 102% of the value of the City's investment.

C. Prohibited Investments

In addition to the limitations on investment types according to Wisconsin Statutes, City funds will not be invested in derivative type investments such as collateralized mortgage obligations, strips, floaters, etc. Certain types of such investments may qualify under State Statute but are not deemed appropriate for use by the City of Mequon.

D. Competitive Bids

The City shall obtain competitive bids from at least two brokers or financial institutions on all purchases of investment instruments purchased on the secondary market.

Collateralization & Insurance:

The Federal Deposit Insurance Corporation (FDIC) protects deposits up to $250,000. In addition, public deposits are protected against losses by Wisconsin general-purpose revenues under Statutes 20.144 (1) (a) and 34.08 (2) up to $400,000 for any one public depositor in any individual public depository. The City will seek to collateralize certificates of deposit or any other time deposit in an amount equal to 100% of the investment less the amount ($650,000) insured by the State of Wisconsin and the FDIC with appropriate collateral instruments and at levels ~~per~~ recommended by ~~practices of~~ the Government Finance Officers Association. Where practicable, collateral shall be held by the City or an independent third-party custodian with whom the City has a current custodial agreement. Where this is not practicable, verifiable evidence of specific pledged securities must be supplied to the City.

Diversification:

It is the policy of the City of Mequon to diversify its investment portfolio. Assets shall be diversified to eliminate the risk of loss and balance the effect of interest rate changes affecting different types of securities. Investments will be diversified by:

- Limiting investments to avoid over-concentration in securities from a specific issuer or business sector;

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- Limiting investments in securities with higher credit risks;
- Investing in securities with varying maturities; and
- Continuously investing a portion of the portfolio in readily available funds such as the Local Government Investment Pool, money market funds, or overnight repurchase agreements to ensure that appropriate liquidity is maintained to meet ongoing obligations.

Maximum Maturities:

To the extent possible, the City of Mequon will attempt to match its investments with anticipated cash flow requirements. Unless matched to a specific cash flow, the City will not directly invest in securities maturing more than five (5) years from the date of purchase.

Reserve funds may be invested in securities exceeding five (5) years if the maturity of such investments is made to coincide as nearly as practicable with the expected use of the funds. Any intent to invest in securities with longer maturities will be reported to the Finance-Personnel Committee.

Certain strategies recommended by the investment advisor(s) may involve purchase of U.S. Government Securities with stated maturities longer than 10 years~~, which conflicts with Section 7 of this policy~~. Specific examples include mortgage-backed securities issued by certain U.S. agencies supported by adjustable rate mortgages. For these securities, the effective maturity will be defined as the time to coupon reset. For any other proposed securities with maturities in excess of the limits established elsewhere in this policy, any such intent will be reported to the Finance-Personnel Committee for its review and approval.

Performance Standards:

The investment portfolio will be designed to obtain a market average rate of return during a market/economic environment of stable interest rates and consider the City's investment risk constraints and cash flow needs. Given the passive nature of the City's investment strategy, the basis used to determine whether market yields are being achieved shall be the average Federal Funds rate.

Reporting:

The Director of Finance/City Treasurer ~~or designee~~ shall submit a quarterly investment report to the Finance-Personnel Committee. The report shall summarize securities held, investment transactions that occurred during the reporting period, and shall discuss the current portfolio in terms of maturity, rates of return, market values, and other features.

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Investment Advisor:

~~Should the City deem it appropriate to retain an investment advisor, T~~the following procedures will be followed with respect to the investment advisor relationship:

A. Selection Process

The investment advisor will be selected by a competitive process whereby proposals will be requested from a listing of qualified advisors. The firm(s) from whom advisory services will be received will be selected by a committee consisting of the Director of Finance/City Treasurer, an additional Finance Department staff member, one or more non-Finance Department staff members, and one or more Alder~~men~~persons from the Finance-Personnel Committee. The selected advisor(s) will be recommended to the Finance-Personnel Committee and Common Council for approval.

B. Investment Procedures

Once an investment advisor is selected, the City will always be responsible for establishing the investment objectives to be accomplished. The investment advisor will be responsible for providing advice and developing and implementing strategies for carrying out such objectives. The investment advisor will have no authority to take possession of City monies or investment securities, nor to execute investment transactions on behalf of the City, except where investment authority may be delegated (e.g., "discretionary" authority) as per Wisconsin Statutes 66.0603 (2). For those investments under management in a "non-discretionary" account, all investment transactions shall be approved by City staff.

C. Periodic Reporting

The investment advisor shall provide periodic reports regarding the composition, performance level and accounting treatment of the City's investment portfolio. Such reports shall be made quarterly to the Director of Finance/City Treasurer for inclusion in the quarterly investment report to the Finance-Personnel Committee which also includes (a) investment performance and (b) the agreement under which the City has delegated investment authority (if applicable). At a minimum, the investment advisor will present a portfolio review to the Finance-Personnel Committee annually.~~Annually the Director of Finance/Treasurer shall provide a report to the Finance-Personnel Committee and Common Council for review of (a) investment performance and (b) the agreement under which the City has delegated investment authority (if applicable).~~

~~D. Portfolio Maturities~~

~~Certain strategies recommended by the investment advisor(s) may involve purchase of U.S. Government Securities with stated maturities longer than 10 years, which conflicts with Section 7 of this policy. Specific examples include mortgage-backed securities issued by certain U.S. agencies supported by adjustable rate mortgages. For these securities, the effective maturity will be defined as the time to coupon reset. For any other proposed securities with maturities in excess of the limits established elsewhere in this policy, any such intent will be reported to the Finance-Personnel Committee for its review and approval.~~ [Moved this paragraph to "Maximum Maturities" section]

~~E.~~D. Compensation and Term of Agreement

Investment advisory fees shall be established in advance. All compensation shall be disclosed in a written agreement. The relationship between the advisor and the City may be terminated at any time at the discretion of the City.

Investment Policy Considerations:

The investment policy will be reviewed periodically by the Finance-Personnel Committee or sooner at the discretion of the Common Council.

POLICY STATEMENT 6
EXPENDITURES

The City will administer expenditures in an efficient and cost-effective manner in order provide the taxpayers with delivery of the highest quality public services within the resources available.

Process Oo~~o~~verview:

As part of the budget process, the Common~~City~~ Council and staff will continually evaluate the service needs of the community and the methods of providing those services in a mo~~st~~re efficient and cost-effective manner.

Unless an exception is made by the Common Council, the City's operating budget will not use one-time revenues to support ongoing expenditures.

The City will maintain expenditure categories according to applicable state statutes and administrative regulations.

As part of the annual capital planning process, the Common Council and staff will work to develop a comprehensive plan to effectively maintain the City's capital assets and infrastructure at sufficient levels to meet ongoing service requirements, as well as to minimize future maintenance and replacement costs. Capital expenditures shall meet the requirements of G~~g~~enerally A~~a~~ccepted A~~a~~ccounting P~~p~~rinciples (GAAP).

On an ongoing basis, staff will work to minimize the cost~~s~~ of purchasing materials and providing services while still maintaining quality and performance. This is accomplished through compliance with the City's procurement policy, including, but not limited to, the use of competitive bidding for major City contracts and purchases, obtaining multiple price quotes and estimates for other non-routine purchases, and through cooperative arrangements with other governmental agencies for the procurement or delivery of various goods and services.

POLICY STATEMENT 7
CAPITAL PLANNING

To assist in facilitating long-term planning for capital expenditures and resources that will be necessary to meet the future ~~needs~~needs of the City, the Common Council shall review and adopt a comprehensive 5-year capital plan on an annual basis.

Process O~~o~~verview:

Prior to ~~the~~ consideration of the annual operating budget, the Common Council will be presented with a capital improvement plan for all pending or proposed capital projects that may be needed within the next 5 years. This plan is called the 5-Year Capital Improvement Plan (CIP).

Under the direction of the City Administrator, proposed projects will be submitted by department heads for consideration and inclusion in the 5-Year CIP. This plan will include a detailed description of ~~th~~each project, a timeframe of when the project needs to be completed, an estimate of the project's cost and useful life, and any information on proposed funding sources other than property tax revenues.

~~Based on this information, staff and the Common Council will then prioritize projects and align funding requirements for approved projects over the 5-year period with the amount of capital funding that the City anticipates will be available during each year.~~

The City will identify the estimated costs and potential funding sources for each proposed capital project before it is submitted to the Common Council for approval. The City will use intergovernmental assistance and other outside funding sources whenever possible. Based on this information, staff and the Common Council will then prioritize projects and align funding requirements for approved projects.

The approved projects and funding levels for the following year will then be transferred from the CIP to the capital budget for the next fiscal year unless further modified by the Common Council, as part of the annual~~operations~~ budget~~ing and appropriations~~ development process. In addition to the new annual capital budget funding, any remaining balance at the end of the year within each project will automatically ~~carry~~be carried forward to the next fiscal year.

POLICY STATEMENT 8
LONG-TERM FINANCIAL PLANNING

To assist the Common Council in developing strategies to achieve the long-term financial goals of the City, the Common Council shall evaluate on an annual basis, a 5-Year Financial Plan forecasting the financial resources that will be required to support the future operations of the City.

Process Oo~~o~~verview:

Each year, in advance of the annual budget development process, City staff shall prepare a 5-Year Financial Forecast of ~~the~~ projected revenues and expenditures needed to support the planned future operations of the City.

This forecast will include all known and planned activities included in the Capital Improvement Plan, as well as forecasts for future debt costs, operating costs, and non-property tax revenue estimates.

POLICY STATEMENT 9
DEBT MANAGEMENT

The City acknowledges that certain costs incurred on an annual basis reflect an investment in the future of the City. These types of costs include development, acquisition, and replacement of assets that will be used by the residents of the City over a long period of time. Financing of these long-term assets is often appropriately accomplished through the issuance of long-term debt instruments, special assessments, or any such combination thereof.

It is the responsibility of the Common Council and City staff to monitor the financial health of the City. A significant portion of the City's financial health is determined by its ability to manage its debt.

It is the responsibility of the City Administrator and/or Director of Finance or their~~his/her~~ designees to regularly monitor the City's outstanding debt and to recommend issuance, replacement and retirement of outstanding debt to the Finance-Personnel Committee and Common Council.

Process O~~o~~verview:

A. Financing Considerations

1. The City will confine long-term borrowing to capital improvements or other long-term projects which cannot and, appropriately should not, be financed from current revenues and/or funds established for equipment replacement.

2. The City will not use long-term debt to finance current operations, nor will long-term debt be used to finance the cost of short-lived (less than seven years) depreciable assets.

3. In general, the final maturity of bonds and notes issued by the City should not exceed the expected useful life of the underlying project for which it is being issued.

4. The City will retire bond anticipation debt within six (6) months after completion of the underlying project or upon the next general debt issuance.

B. Debt Limits

1. The City will keep the maturity of all outstanding general obligation bonds at or below ~~2~~30 years.

2. Total general obligation debt, including any such proceeds allocated to the sewer and water utilities, will not exceed fifty percent (50%) of the State equalized valuation limitation of taxable property within the City.

3. Additionally, the City Council will utilize the following two guidelines to ensure general obligation indebtedness is maintained within constitutional debt limitations and non-self-supporting (net) tax-supported debt outstanding is maintained within a targeted range:

   - General Obligation Debt Outstanding as a Percent of Assessed Valuation 0 < 1%
   - Net Tax-Supported Debt Service as a Percent of General Fund Revenue 0 < 20%

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C. Financial Advisors

1. The City will utilize the services of a qualified financial advisor in monitoring its debt and debt service.

2. The City should strive to maintain a long-term relationship with a financial advisor to allow for continuity and consistency in services provided by the advisor. However, the arrangement between the financial advisor and the City should be examined every three (3) to five (5) years or as deemed necessary by City staff, the Finance-Personnel Committee and/or the Common Council.

3. All feasible alternatives (for example, State Trust Fund loans and private placements with local financial institutions) for borrowing funds should be considered by the City and the financial advisor, depending on the uniqueness of the items or projects being financed by long-term debt.

4. All costs related to the issuance of ~~issuing~~ long-term debt, including fees for professional services, underwriting fees, and the interest costs over the term of the debt issue, must be considered and carefully evaluated for each borrowing.

5. The City will work with its financial advisor to ensure that long-term debt issues are structured to protect the interest of the City for the present and in the future (for example, the inclusion of call provisions to protect the City against future interest rate fluctuations or other circumstances).

D. Other Considerations

1. The City will maintain consistent, accurate, and timely~~good~~ communications with bond rating agencies regarding its financial condition.

2. The City will follow a policy of full disclosure in all financial reporting, including bond prospectuses and continuing disclosure agreements required under SEC Rule 15c2-12(b)(5).

3. This policy will be reviewed by the Finance-Personnel Committee every three (3) to five (5) years, or as deemed necessary by City staff, the Finance-Personnel

Committee, and/or the Common Council.~~sooner at the discretion of the Finance-Personnel Committee or the Common Council.~~

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POLICY STATEMENT 10
ACCOUNTING, AUDITING, & FINANCIAL REPORTING

The City's accounting and financial reporting systems will be maintained in conformance with all applicable Federal and State laws, rules, and regulations, and the Ggenerally Aaccepted Aaccounting Ppprinciples (GAAP) and practices as promulgated by the Governmental Accounting Standards Board (GASB).

Process Ooverview:

On an ongoing basis, staff will work to remainstay apprised of any pending or proposed changes in governmentalthe accounting standards or other legal requirements that may impact the financial operations or other reporting requirements of the City.

Compliance with these standards is reviewed by undergoing an annual independent financial audit of the City's accounting records, internal controls, and financial statements. The audit also facilitates the issuance of an official ~~Comprehensive~~ Annual Comprehensive Financial Report (ACFR) including an audit opinion, and a management letter presented to the Common Council detailing findings and any recommendations for improvement.

Basis of Budgeting

The basis of budgeting refers to the point in time at which revenues and expenditures are recognized in accounts and reported in the financial statements. The basis of budgeting for all funds, except for the sewer and water utility funds, is the modified accrual basis.

Alternatively, the sewer and water utility fund budgets use an accrual method of accounting. These are the same methods used in the City's audited financial statements. Under the accrual basis of accounting, all revenues are recognized in the period in which they were earned, and all expenditures are recognized in the period they were incurred.

Under the modified accrual basis of accounting, revenues are recorded when susceptible to accrual, i.e., both measurable and available. "Available" means collectable within the current period, or soon enough thereafter to be used to pay the liabilities of the current period.

Property taxes are recorded in the year levied as receivable and deferred revenues. They are recognized as revenues in the succeeding year when the services financed by the levy are being provided. Intergovernmental aids and grants are recognized as revenues in the period the related expenditures are incurred, if applicable, or when the City is entitled to the aids.

Special assessments are recorded as revenues when collected. Any annual installments due in future years are reflected as receivables and deferred revenues. Other general revenues such as fines, fees and permits are recognized when the underlying transaction has occurred, and the payment is expected to be received under the available criteria described above.

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POLICY STATEMENT 11
PURCHASING POLICY

The City of Mequon, as a local government entity, must ensure that the expenditure of funds occurs in a manner that balances the desire for lowest cost to the City with an expectation of a quality product. The purpose of this policy is to provide guidance and procedures to be followed for procurement of goods and services for all City departments. ~~within the scope of Chapter 2 of the Mequon Municipal Code.~~ The controls and procedures set forth are intended to provide reasonable assurance that the lowest cost~~,~~ and highest quality good or service is obtained, while balancing the need for flexibility in department operations. This policy covers items that have been included in the City budget as approved by the Common Council; any items in excess of $25~~5~~,000 not included in the budget require specific approval by ~~a sub-committee of~~ the Finance-Personnel Committee~~Common Council~~ and where applicable, the Common Council prior to purchase.

Process Overview:

A. General

1. Procurements consist of the following three major categories:

   a. Goods (tangible items): e.g., equipment, supplies, vehicles
   b. Services: items requiring outside labor, maintenance agreements, etc.
   c. Facility maintenance, construction of public buildings and improvements

2. The provisions of Wisconsin Statute Section 62.15 apply to procurements involving public construction and take precedence over any portion of this policy that may conflict with that statute.

3. Department Heads have the responsibility for procurement in their respective departments which includes having the delegated authority to be a purchasing agent of the City. A Department Head is defined as the City employee having responsibility for the department on behalf of which monies were appropriated in the City budget for purchase.

4. ~~It is the responsibility of T~~the Finance Department ~~to~~ monitors compliance with City procurement policies and procedures. ~~The Assistant Finance Director has been delegated the authority to be the City's purchasing agent.~~ As part of monitoring compliance, the Finance Department may perform periodic audits of procurement practices. The City's independent auditors may also perform such audits.

~~5. As part of monitoring compliance, the Finance Department may perform periodic audits of procurement practices. The City's independent auditors may also perform such audits.~~

~~6.~~5. A~~n~~ monthly ~~annual~~ report of all purchases~~procurement transactions~~ will be developed for presentation to the Finance-Personnel Committee, covering a description of the purchased item, the vend~~b~~or or firm from whom the items/service was purchased, and the amount paid~~the nature of procurements, any material exceptions to policies discovered as part of monitoring compliance, and recommendations for policy changes (if applicable)~~.

~~7.~~6. When an emergency will not permit the use of the competitive processes outlined in this policy, the applicable D~~d~~epartment H~~h~~ead, Finance Director, and/or the City Administrator may determine the procurement methodology most appropriate to the situation. Appropriate documentation of the basis for the emergency should be maintained. In a non-emergency situation that does not allow time to obtain three bids, the Common Council will be notified as soon as possible, and staff will address the purchase in a ~~meeting packet~~ memorandum to the Council. Any emergency or non-emergency purchase in excess of the threshold requiring Council approval will be brought to the Common Council for ratification at its next meeting.

~~8.~~7. In situations of extreme price volatility, the Department Head may approve the purchase and then submit the requisition for approval in arrears. Appropriate documentation of vendors solicited for bids shall be maintained.

B. Purchase of Goods

1. Guidelines for Approval Authority of Purchases:

   a. Under $55,000: Department Head must approve prior to purchase. It is recommended that competitive quotes be obtained, but specific documentation is not required.
   b. $55,000 to $9,99910,000: Department Head approval required; competitive quotes must be documented via a bid sheet or similar. ~~Quotes must be submitted to the Finance Department prior to Purchasing Agent approval.~~ The purchasing requisition will be reviewed and approved by the Finance Director or, in his/her absence, Assistant Director before being processed.
   c. $110,000 to $2424,9995,000: Department Head approval required; competitive quotes must be documented via a bid sheet or similar. ~~Quotes must be submitted to the Finance Department prior to Purchasing Agent approval.~~ The purchasing requisition will be reviewed and approved by the Finance Director or, in his/her absence, Assistant Director before being processed. In addition to the prior approvals, the purchasing requisition will be reviewed and approved by the City Administrator before being processed.
   d. ~~Over~~ $2525,000 or More: Competitive bids or proposals are required; must submit to a subcommittee of the Common Council and Common Council for approval prior to purchase. Finance Director and City Administrator approval is required before requisition may be processed.

2. Unless there is only one qualified source, bids or quotes should be obtained from at least three vendors.

3. In general, the lowest responsible bid should be accepted for procurements. Awards shall be made only to responsible vendors that possess the potential ability to perform successfully under the terms and conditions of the proposed procurement.

4. Sole source purchases are allowed in the following circumstances:

   a. The item or service is only available from a single source;
   b. After competitive procurement solicitations, competition is determined to be inadequate;
   c. The purchase is from another governmental body; or
   d. The item is being purchased through a cooperative purchasing arrangement such as the State bid list, or State of Wisconsin VendorNet.

5. Use of Purchase Orders:

   a. In general, purchase orders are required for all purchases. Purchase orders are to be issued prior to obtaining the item. Payment to the vendor will not

be made and/or items are subject to return if a purchase order is not authorized prior to the purchase.

b. Standard purchase orders are issued for specific items. The receipt of these items might be spread out over a period of time, but the purchase order is valid only for the items listed on it.

c. Blanket purchase orders are issued on an annual or periodic basis to vendors with whom multiple purchases will be made on an ongoing basis. Examples include office supplies, repair parts, library books, or other materials/supplies for which the exact quantities are not known.

d. Confirming purchase orders, for items ordered verbally, are to be used in emergency situations only.

6. The following items must be purchased using a centralized purchasing process, coordinated by the Information Technology~~Finance~~ Division~~Department~~:

a. Copiers
b. Computer hardware/software
c. Furniture
d. Audiovisual equipment
e. Other items with universal use throughout the City, (i.e., items that are not department specific).

C. Contracts for Services

1. The City Attorney should be consulted on the need for legal review of contracts.

2. Where applicable, a competitive process for selection of vendors for contracts for services must be used, under the guidance outlined for purchases of goods outlined in Section B above.

3. Contracts for services that are not specifically identified in the budget shall be presented to the appropriate sub-committee and Common Council for review and approval prior to signing~~, regardless of cost~~.

4. The following approval thresholds (after applicable legal review) are to be used:

a. Under $5~~5~~,000: Department Head
b. $5~~5~~,000 - $9,999~~10,000~~: Department Head and Finance Director
c. $1~~1~~0,000 - $24~~24~~,999~~5,000~~: Department Head, Finance Director and City Administrator
d. ~~Over~~ $25~~25~~,000 or More: Department Head, Finance Director, City Administrator and Common Council, including applicable sub-committee

5. The Mayor and City Administrator shall sign contracts on behalf of the City. Prior to signing any service contract, regardless of size, the Mayor may refer the contract to a sub-committee and Common Council for review and approval.

Certain contracts or agreements may require the Council provide authorization to a specified Department Head. ~~–~~Unless otherwise required, general authority to enter into contracts within the constraints of this policy is delegated to the Mayor and City Administrator and may be changed from time to time via resolution adopted by the Council. No contracts will be processed without documentation that the approval process has been followed and appropriate reviews completed.

6. Change orders on construction or similar contracts will follow the thresholds for approval of contracts for services. The Department Head has the option at any time to refer the request for a change order to the Finance-Personnel Committee and/or another board, commission, or committee as appropriate.

7. Unless approved by Common Council, automatic renewals for contracted services are not allowed.

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D. Facility Maintenance, Construction of Public Buildings and Improvements

1. Facility maintenance projects can be a hybrid of service contracts, purchase of equipment/supplies and/or construction. As a result, special consideration of these projects from a procurement standpoint is warranted.

2. The Public Works Department, along with the City Administrator's Office and any other applicable department (i.e., Police Department) are~~is~~ responsible for oversight and coordination of all City facility maintenance and construction projects.

3. The following guidelines are to be used with respect to facility maintenance and construction project procurements:

   a. Projects under $10~~5~~,000: No specific contract or bids required, similar to purchases of goods or service contracts. Applicable terms and conditions will be attached as an addendum to the purchase order as necessary.
   b. Projects o~~ver~~ $10~~5~~,000 or More: Will follow the bidding or contract approval process set forth in Sections B and C above, based on the type of equipment or service. The Director of Public Works is responsible for ensuring that facility maintenance projects that fall under public construction statutes are properly bid in accordance with applicable laws.

POLICY STATEMENT 12
CREDIT CARD USE

The purpose of this policy is to adopt parameters for the City's daily credit card activities to include limits, authority and standards of prudence. The policy is intended to be broad enough to allow the employee to function properly within the parameters of responsibility and authority, yet specific enough to adequately safeguard the City's assets.

Process Oo~~o~~verview:

A. The use of credit cards is based upon the fact that there are exceptions in which convenience and/or timing may be a concern requiring a change from normal purchasing procedures.

B. Purchases by credit card may be appropriate on a limited basis and limited to specific individuals within a department.

C. City credit cards are not allowed for personal use. In the event an employee uses a credit card either accidentally or intentionally for personal use, the employee shall reimburse the City immediately. Credit card privileges are subject to revocation if personal use becomes an issue.

D. Credit cards must be kept in a secure location by the card holder.

E. Employees eligible to be a card holder include the City Administrator, Department Heads, Deputy Directors/Division Superintendents, ~~and~~ Executive Administrative Assistants, and any other management staff as approved by the City Administrator or Finance Director~~senior leadership~~.

F. Use of credit cards is restricted to:

1. Contingency type situations involving short timing notices as to when funds are needed for a purchase, whereby, the situation results in the inability to give advance notice of a need for funds;
2. Miscellaneous purchases from vendors who do not provide the City with a line of credit in which it is difficult to know what expenses will be incurred;
3. Occasional on-line City purchases.
4. Credit card convenience fees should be avoided whenever possible. Convenience fees may be approved by the Finance Department if payment by credit card is the most efficient purchasing option and would benefit the City.

G. Credit card use is permitted for attending training & conference events in which it may be more efficient to do so rather than requesting an advance.

H. The monthly cycle credit limit ~~per card~~ will be $3,000 for individual ~~most~~ card holders and $35,000 and $25,000 for the Finance Department and Information Technology

Division, respectively.~~, unless amended by Council resolution.~~ The City Administrator or Finance Director may approve an increase to the monthly credit limit on an as needed basis.

I. Issuance of any additional cards must be approved by the City Administrator~~Department Head and~~or Finance Director.

J. Itemized s~~S~~ales ~~drafts or~~ receipts associated with each credit card purchase must be retained by the card holder to ~~match to the memo credit card statement and~~ attach to the ~~same to the~~ monthly statement for payment processing.

K. A brief explanation as to what the charge was for should be noted on each sales receipt~~draft copy or on the memo statement itself~~. This is necessary information in order to process a credit card statement for payment.

L. Each card holder is required to submit a monthly online expense report prior to the end of the month. As established by the online workflow process, the report requires approval from the card holder's direct supervisor or their delegate. Once approved, the report is routed automatically to the Finance Department for final approval and recording of the ACH bank debit.~~Individual memo card statements are to be prepared for ACH payment following normal accounts payable procedures, approved by the Department Head and forwarded to Finance for final approval and preparation of journal entry to record the ACH bank debit.~~

M. The City may accept a credit card incentive or reward program. Any incentives or rewards earned with a purchase on a City credit card may only be applied to the City's account or program, and not benefit any individual employee.

N~~M~~. The card holder shall surrender the card to the Finance Director upon separation of employment from~~with~~ the City.

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POLICY STATEMENT 13
PUBLIC SURPLUS PROPERTY

The City of Mequon has adopted this policy for the purpose of establishing guidelines for the disposition of public surplus property. Surplus Property is defined as property (individual or in the aggregate) owned by the City that has become obsolete, been replaced, or has generally outlived its useful service to the City of Mequon. The objective of this policy is to maximize the value received upon disposal of surplus property of the City.

Process Oo~~o~~verview:

A. Surplus property with an estimated value of more than $1,000:

1. Public sale (external auction, set price or negotiated price). The City Administrator may approve the disposal of surplus property with a value estimated to be in excess of $1,000 through external public auction, public posting at a set price, or through negotiated sale. The Common Council will be notified of the sale of any surplus property with a value in excess of $1,000.

2. Trade-in. For certain types of surplus property, it may be customary for a vendor to offer a trade-in discount or credit for the surplus property when purchasing new or replacement equipment. Trade-ins are allowable when the purchase price of the new equipment is at the lowest competitive purchase price, and the value of the discount or credit for the surplus property meets or exceeds the estimated fair market sale value. This protocol may be utilized if: 1) the discount from trade-in is stated clearly within the purchase agreement; and 2) the trade-in and subsequent purchase have been provided for within the budget.

B. Surplus property with an estimated value of more than $250:

1. Department Heads may make recommendations to the City Administrator concerning property which should be dismantled or scrapped for salvage value if such value exists. This decision shall be made having considered the possibility of obtaining a fair market value by other means.

C. Surplus property with an estimated value of less than $250:

1. Certain surplus property may have no readily convertible value and may be discarded under the following conditions:

a. If the property is valued under $250, it may be disposed of summarily if it is not possible or practical to bring them to public sale, trade-in, or dismantle/scrap. This distinction will be made by the Department Head or his/her designee.

D. This policy does not apply to firearms and ammunition which are handled under § 968.20, Wis. Stats., or to any other surplus property specifically excluded pursuant to applicable federal or state law.

E. No surplus property shall be sold or given to any employee, employee's family member, or employee's designee without the expressed consent of the City Administrator.

F. The proceeds from the sale of City assets shall be deposited in official City bank accounts.

G. City employees are prohibited from accepting cash payments in exchange for the sale of City assets.

H. If the property cannot be sold, it may be donated to another government agency or not-for-profit entity. A record shall be created of the date, description, condition of the asset and recipient and forwarded to the Finance Director.

I. If the property cannot be sold or donated, it shall be recycled in an environmentally friendly manner whenever~~re~~ possible.

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POLICY STATEMENT 14
EMPLOYEE TRAVEL

It is the City's policy to reimburse employees for ordinary, necessary, and reasonable travel expenses that are related to the transaction of City business. Employees are responsible for complying with this policy. Employees submitting expenses that are not in compliance with this policy risk delayed, partial or forfeited reimbursement.

Process Overview~~:~~

A. When employees of the City are required to travel on official business, the City shall pay reasonable amounts for transportation, meals, lodging, and miscellaneous approved expenses. An employee is expected to show good judgment ~~and an appreciation for economy~~ when incurring travel expenses. No reimbursements will be made for attendance at events sponsored by, or affiliated with, political parties.

B. Department Heads must authorize all out-of-town travel. The City Administrator must approve all out-of-state travel requests for training, conferences, meetings, or other official functions, which require overnight accommodations. The Mayor must approve reimbursable travel for elected officials. The Department Head shall determine the most cost-effective mode of travel and authorize local area training where appropriate.

C. Transportation

1. Employees required to travel by air shall travel economy class whenever available.

2. An employee must obtain permission from their Department Head or the City Administrator to use City vehicles. Gasoline must be obtained at the City's pumps prior to departure.

3. When an employee is authorized by the Department Head or the City Administrator to use a personal vehicle for official travel outside of the City, the employee shall be compensated at the current mileage rate as established by the U.S. Internal Revenue Service (IRS). ~~The IRS rate will be published by the Finance Director at the beginning of each calendar year.~~

4. An employee of the City may use a rental car when authorized by the City Administrator. The rental car shall be used for official business only. The car should be rented under the employee's name ~~City of Mequon~~ when reserving the vehicle. The employee shall use a City credit card or account with the rental company. The employee ~~*should*~~ should not purchase the insurance offered by the rental car company, as ~~.—t~~The City's business insurance program provides coverage for hired/rented vehicles. ~~Collision Damage Waiver (CDW). Only those employees covered by City insurance shall be authorized to drive any vehicle so rented.~~

D. Employee lodging expenses shall be covered while traveling on City business. Employees are expected to make lodging reservations in advance whenever possible and to take other actions to ensure that lodging is secured at the most reasonable rate possible.

E. Meals

1. Employees traveling on City business shall be reimbursed for meals if the employee pays, in accordance with per diem limits specified within the Mequon Municipal Code. ~~-~~ The City will not pay for alcoholic beverages. Claims for meals shall represent actual, reasonable and necessary expenses. Tips are limited to 18~~5~~%. ~~The University of Wisconsin System Administration Travel Regulations https://uw.foxworldtravel.com/rate-calculator/ daily meal limit shall apply.~~

2. When an employee is entitled to two or more consecutive meals in a day (this includes meals included in a registration fee, a lodging rate or served aboard plane), he/she may exceed the maximum on one or more meal claims as desired, as long as the total allowable for the consecutive meals per day is not exceeded. Each day is considered separately for application of this policy. If meal maximums are not reached on one day, the savings do not accrue and cannot be applied to expenses claimed on another day or for other costs such as lodging.

3. The Department Head shall determine what meals shall be allowed based upon the times and dates of travel. Where conference registration or training tuition fees include one or more meals, only those meals not covered by such fees shall be reimbursed by the City. Where a conference offers meals in conjunction with the conference program but does not include those meals in the registration fee, the City shall pay for those meals selected by the employee.

F. Miscellaneous expenses, such as parking fees, taxi fares, fax transmissions, and other bona fide miscellaneous expenses, shall be reimbursed upon presentation of receipts or other suitable documentation. Tips for meals, baggage handling, etc., will be reimbursed up to a maximum of 18~~5~~% of the bill.

G. It is the responsibility of the employee incurring the expense to obtain the necessary approvals within their department before making travel arrangements. The City will pay registration, lodging and transportation (air, train, bus, rental car) to the employee or vendor, provided a supervisor-approved Travel and Training Expense Report with appropriate documentation is presented to the Finance Department within ten days of the employee's return. ~~An advance for 75% of the estimated out-of-pocket travel expenses may be made to an employee.~~

H. ~~It is the responsibility of the employee incurring the expense to obtain the necessary approvals within their department before making any travel arrangements. The employee is also responsible for completion of a Travel and Training report when they return, obtaining the necessary approvals, and filing with the Finance Department. A fully~~

~~itemized Travel and Training Expense Report, including original receipts, along with any unexpended portion of an advance, must be submitted to the Finance Department within ten business days of the close of the authorized travel period for which expenses have been advanced.~~

~~F.~~ I. Documentation

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1. Claims for reimbursement must be accompanied by an original vendor receipt or bank charge slip showing the amount paid and items/services received.

2. Reimbursement will not be paid for expenses for spouses, guests or other persons not authorized to receive reimbursement under this policy or state regulations. One person may claim reimbursement for several employees or officials dining together, if all the names are listed on the reimbursement claim.

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~~POLICY STATEMENT 15~~
~~ELECTED OFFICIAL TRAVEL POLICY~~

~~The City recognizes that its elected officials may at times receive value from traveling for workshops, conferences, events and other assignments. This policy sets forth the conditions under which out-of-state travel will be reimbursed by the City.~~

~~Process Overview:~~

~~The event, workshop, conference or assignment must be approved in advance by the City at an open Common Council meeting and must include an estimate of the cost of the travel. In evaluating the travel request, the Common Council will consider the following:~~

~~A. Whether the elected official will be receiving training on issues relevant to the City or to his or her role as the mayor or as a council member.~~

~~B. Whether the elected official will be meeting and networking with other elected officials from around the country to exchange ideas on topics of relevance to the City or on the official roles of local elected officials.~~

~~C. Whether the elected official will be viewing a city facility or function that is similar in nature to one that is currently operating at, or under consideration by, the City, where the purpose for the trip is to study the facility or function and to bring back ideas for the consideration of the full council.~~

~~D. Whether the elected official has been specifically assigned by the council to visit another city for the purpose of establishing a goodwill relationship, such as a "sister city" relationship.~~

~~E. Whether the elected official has been specifically assigned by the council to testify on behalf of the City with the United States Congress or to otherwise meet with federal officials on behalf of the City.~~

~~F. Whether the City has sufficient funding available in the budget to pay the cost of the trip.~~

~~Additional Guidelines~~

~~No reimbursements will be made for attendance at events sponsored by, or affiliated with, political parties.~~

~~The City may make payments in advance for airfare, lodging and registration if specifically approved by the Common Council. Otherwise all payments will be made as reimbursements to the elected official.~~

~~The City will reimburse for transportation, lodging, meals, registration, and incidental costs using the same procedures, limitations and guidelines outlined in the City's Personnel Policy for City employees.~~

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~~Mileage will be reimbursed at the IRS rate. If two or more elected officials travel together by car, only the driver will receive reimbursement. The City will reimburse for the cost of renting an automobile if necessary, to conduct City business.~~

~~Lodging and meal costs are limited to those that are reasonable and necessary. The elected official must use the most cost-efficient mode of travel available, taking into consideration reasonable time constraints. Airfare will be reimbursed at an economy rate.~~

~~Receipts are required for lodging, airfare, and meals, and should accompany an expense report form. It is not necessary to have receipts for cabs and tips. The expense report form must be submitted to the City for payment.~~

~~The City will not reimburse for alcoholic beverages, personal telephone calls, costs associated with the attendance of a family member, rental of luxury vehicles, meal expenses included in the cost of registration, or recreational expenses such as golf or tennis.~~

~~Limitations may be imposed on paying expenses for an elected official who has announced intention to resign, not to seek reelection, or who has been defeated in an election.~~

~~The City may request an oral or written report from the elected official on the results of the trip.~~

~~The elected official must turn over materials received to the City.~~

~~The City may make exceptions to the policy depending upon circumstances unique to the trip and/or elected official.~~

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POLICY STATEMENT 156
DONATION POLICY

General
The City's donation policy provides those in the community with the opportunity to give through memorials, gifts and donations. This policy is not intended to compete with other non-profits or friend groups with which the City works, but rather to provide those that specifically are interested in City projects the opportunity to give.

Process Overview:

Unrestricted or restricted cash donations (e.g., currency, personal check, cashier's check or money order) and real property may be accepted by the City without prior approval if less than $5,000. Any unrestricted or restricted cash donations or real property with a value greater than $500 but less than $5,000 may be accepted without prior approval from the Common Council, but a notice or listing of any suchthese donations must be provided to the Finance-Personnel Committee. Cash donations or real property donations over $5,000 cannot be accepted without prior approval from Common Council. Cash donations will be deposited by the Finance Department.

Prior to accepting any donation, the City and its employees must consider:

A. Is it consistent with the aesthetic and functional integrity of the City's existing and proposed facilities and goals?.

B. Whether a donations do not causes unbudgeted expenditures or a significant ongoing expenditure responsibility for the City, and if there are funds to support these donations.

C. Whether They do not createit creates liability for the City regarding the health and safety of facility users.

D. That Ddonations must be scrutinized to assure that they do not create conflict of interest or problems, special treatment concerns, or other ethical issues related to any Committee, Board, City eEmployee or member of the Common Council Member.

The City reserves the right to forgodeny any donation.

The City must have statutory authority to use/spend the donation for the purpose(s) that it is intended for.

All items purchased or accepted by donation will receive standard levels of maintenance by the City, or as otherwise documented in an agreement during the donation's~~ir~~ normal life expectancy.

Items that are damaged will be repaired or replaced as feasible, but the City does not guarantee replacement of any items damaged beyond repair, or where the cost to do so is not considered cost effective.

Any s~~S~~olicitation of gifts on behalf of the City for public purposes must comply with the general conditions listed below:

A. An elected official, appointed local official or employee shall not solicit any donation to the City under circumstances that in fact or in appearance:

   1. Rewards, influences, or tends to impair the judgement of the performance of the official's or employee's official duties; or

   2. Provides special consideration, treatment, advantage, privilege or exemption for, or coerces a potential donor.

B. Inspectors, regulators, police, prosecutors or other employees with enforcement powers should not solicit gifts from any source. An exception to this rule would be an annual community-building or capital project campaign.

C. Employees with discretionary authority over any permit or application should not solicit donations.

D. Donations should not be solicited from any of the following interested entities:

   1. Current City vendors and contractors;

   2. Vendors, contractors, entities or individuals who have had contracts or submitted proposals or bids within the last 12 months;

   3. Vendors, contractors, entities or individuals reasonably anticipated to have business with the City within the next 3 months;

   4. Persons or entities actively promoting or opposing City legislation;

   5. Persons or entities with matters pending before a City department, board or commission.

After any donation is received, the staff member who took receipt of the donation must complete the attached~~a~~ "Donation Receipt" form, unless the donation was approved by the Common Council and includes~~including~~ a dedication agreement. The original completed "Donation Receipt" form or dedication agreement should be submitted ~~turned in~~to the Finance

DepartmentOffice with all related material. The prospective department or division should also retain a copy, and a copy should be provided given to the donor.

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DONATION RECEIPT FORM

DATE: _____

DONOR'S NAME: _____

ADDRESS: _____

PHONE NUMBER: _____ **DONATION AMOUNT:** _____

If land, goods or services, describe: _____

_____

PLEASE CHECK WHERE APPROPRIATE:

- ❑ This donation is unrestricted in its use
- ❑ This donation is restricted for the following purpose: _____

PERSON COMPLETING THIS FORM:

I wish/do not wish (circle one) to be recognized for my contribution.

Signature of donor or group representative & title:

_____

Signature & title of City employee receiving donation:

_____

NOTE: Donation is tax deductible to the extent allowable by law. It is the responsibility of the donor to determine fair market value of this donation.

NO GOODS OR SERVICES WERE PROVIDED IN EXCHANGE, IN WHOLE OR PART, FOR THIS DONATION

APPROVED BY:

Mayor: _____ **Date:** _____

City Administrator: _____ **Date:** _____

POLICY STATEMENT 167
VEHICLE LEASING

General: The purpose of the vehicle leasing policy is to formalize the framework for City staff's administration of vehicle lease agreements. The policy is intended to be broad enough to allow City staff to function within the parameters of responsibility and authority, yet specific enough to adequately administer the City's fleet management needs.

Scope: This fleet management policy applies to vehicles within the Department of Public Works fleet. These vehicles include the following:

201	3/4 Ton Pickup Ext 4X4
202	3/4 Ton Pickup Crew 4X4
203	3/4 Ton Pickup Ext 4X4
207	3/4 Ton Pickup Reg 4X4
209	3/4 Ton Pickup Reg 4X4
400	1/2 Ton Pickup Crew 4X4
405	3/4 Ton Pickup Ext 4X4
406	3/4 Ton Pickup Reg 4X4
500	1/2 Ton Pickup Ext 4X4
501	Sedan or 4X4 Small SUV
502	Sedan or 4X4 Small SUV
503	Sedan or 4X4 Small SUV
504	Sedan or 4X4 Small SUV
505	Sedan or 4X4 Small SUV
506	Sedan or 4X4 Small SUV
512	3/4 Ton Pickup Ext 4X4
514	Sedan or 4X4 Small SUV
516	Sedan or 4X4 Small SUV
520	½ Ton Pickup Ext 4X4

Objectives: The primary objectives of the fleet leasing program of the City of Mequon shall be the following:

A. Safety
B. Fuel Efficiency
C. Low Maintenance
D. Low Annual Expenditure

Approval Authority for Purchases: The Capitalized Price of the Vehicle, Total Capitalized Amount (Delivered Price), Individual Open-End (Equity) Lease Rate Quotes for the full term and the cumulative annual lease payments may exceed $25,000. To allow for the efficiency of the fleet management program, ~~the~~ expenditures do not require Standing Committee or Common Council approval, provided the financial performance follows this

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policy statement. The Finance Director ~~of Finance~~ is subsequently authorized to execute applicable~~the~~ lease agreements provided the annual budget allocates sufficient funds within the Department of Public Works (DPW) Equipment Replacement – Leases or DPW Equipment Replacement capital account.

Orders~~:~~ All vehicles require procurement through the state contract, in accordance with Policy Statement 11.

Make and Model~~:~~ The Fleet Superintendent and Deputy Director of Public Works shall select the make and model for each vehicle based upon the objectives outlined in this policy.

Term~~:~~ The Finance Director ~~of Finance~~ shall select the term in the best fiscal interest of the City, which may vary from 36-60 months.

Total Options~~:~~ The Fleet Superintendent and Deputy Director of Public Works shall select the total options required for the ultimate purpose of the vehicle. Total options include, but are not limited to: ~~–~~decals, lighting bars, plows, truck bed caps, bed liners, ~~tool boxes~~toolboxes and other options required for the primary function and operation of the vehicle.

Contract Miles~~:~~ The Fleet Superintendent shall establish the Contract Miles based upon a historic average of ~~the~~ mileage for any~~the~~ individual vehicles.

Sale of Vehicle~~:~~ If authorized by the Finance Director ~~of Finance~~, with concurrence from the Fleet Superintendent, the City's designated lease provider shall be authorized to sell the vehicle on behalf of the City at or before the end of the lease term. The Finance Director ~~of Finance~~ is authorized to execute the consignment documents associated with any such~~the~~ sale.

Gain from Prior Unit~~:~~ The Gain from Prior Unit shall be applied to subsequent leases as a down payment or to reduce ~~the~~ monthly payments. Any excess Gains from Prior Unit shall be deposited into the non-lapsing DPW Equipment Replacement – Leases or DPW Equipment Replacement capital ~~account and~~account and utilized for subsequent lease payments.

Depreciation Reserve Rate~~:~~ The Depreciation Reserve Rate shall not exceed 2.0%.

Reduced Book Value at Term~~:~~ The Reduced Value at Term included within the individual lease documents shall be a minimum of 40% for 36-month lease terms and a minimum of 15% for 60-month lease terms, with allowance for interpolation for lease terms between 36 and 60 months.

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Monthly Lease Charge: The interest rate for the monthly lease charge shall not exceed 7.00%, without prior authorization from the Common Council. The interest rate in the Monthly Lease Charge under the fleet management program is the 3-Year Treasury Bill Interest Rate + 3%. The Management Fee is 0.12%.

Insurance: The City of Mequon shall carry automobile insurance for each vehicle.

Performance Standards: The performance standards for the program shall be reviewed by the Public Works Committee on an annual basis. If City staff or the Public Works Committee identify parameters of this policy that require reconsideration or adjustment, it shall make such a recommendation to the Common Council. If at any time the program fails to meet the criteria of this policy, the Common Council shall be notified within 60 days.

Reporting: The City's designated lease provider shall provide a report to the City at a minimum quarterly detailing the following data for each vehicle included in the scope:

- Capitalized Price of Vehicle
- Total Capitalized Amount
- Year-to-date and Term-to-date Total Monthly Rental, Including Additional Services
- Reduced Book Value at Term
- Gain Achieved from Sale (post-sale)
- Estimated and Actual (post-sale) Cost Per Mile of each Vehicle
- Comparison Options for Fuel Alternate Options
- Check Points of Equity in Vehicles

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~~*This policy was adopted as Financial Policy No. 15 on June 14, 2022 under Resolution No. 3960. It has been renumbered administratively to Policy No. 17.*~~

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POLICY STATEMENT 1~~7~~8
PAYMENT CARD ACCEPTANCE

Purpose~~:~~
The City accepts payment for services in the form of cash, check, and card. Card payments must be processed in compliance with Payment Card Industry Data Security Standard (PCI DSS) requirements, which are intended to limit exposure and/or theft of personal cardholder information.

This document identifies the requirements that all departments of the City accepting payments by card must follow. There are two accepted methods for processing transactions: (1) In-Person Point of Sale; and (2) Online. Card payments will not be accepted over-the-phone as they pose the greatest risk for fraud. However, if the card provider offers Interactive Voice Response (IVR), an automated way to accept payments securely over the phone, this will be allowable per the City's financial policy.

Costs Associated with Accepting Payment by Card~~:~~
There are one-time, recurring, and transactional fees associated with accepting card payments. The one-time fee for the terminal(s) or card-reader devices as well as the recurring maintenance fees on those terminals will be absorbed by the City. Additionally, the recurring annual fee to integrate with different software programs outside of the City's ERP, if applicable, will be assumed by the City. All transactional card fees will be passed to the customer as a convenience fee. The only exception is with ~~the~~ swimming pool operations, whereby such~~in which the~~ fees are absorbed by the City.

Daily Recording of Card Transactions and Reconciliations~~:~~
All funds received via card will be processed and deposited to a City designated bank account. All card transactions must be settled daily and recorded timely in the City's financial records. Card bank deposit activity is monitored and reconciled to the merchant statement and financial system monthly by Finance Department staff to ensure that all card activity is being recorded.

Refunding and Disputes of Card Payment~~:~~
When an item or service is purchased using a card, and a refund is necessary, the refund must be credited to the same card account from which the purchase was made. When a customer disputes the validity of a bank card transaction, a chargeback to the City's bank account is automatically generated by the City's merchant services provider. The Finance Department will investigate and resolve any dispute(s).

Protecting and Securing Customers' Personal Information~~:~~

All personal card information must be protected and should not be stored. Failure to maintain strict controls over this information could result in a breach of the data, large fines, and penalties, and the inability to continue to process card transactions.

Personal card data should never be written down or moved from the department receiving this data. Cardholder information should never be sent or requested over-the-phone, or via email, fax, or instant messaging.

Possible Lost or Stolen Card Data~~:~~
If a City customer contacts a department to report suspected fraudulent use of their card, the department should contact the Finance Department to assist as needed. Due to the City not storing card information and not accepting card payments over the phone, there should be minimal exposure.

PCI Compliance~~:~~
The PCI DSS Program is a mandated set of security standards that were created by the major credit card companies to offer merchants and service ~~providers~~providers a complete, unified approach to safeguarding cardholder data.

The PCI DSS requirements apply to all payment card network members, merchants, and service providers that store, process, or transmit cardholder data. The requirements apply to all methods of card processing. Each department that accepts card payments is responsible for adhering to all the standards in the PCI-DSS. The 12 requirements are as follows:

1. Install and maintain a firewall configuration to protect cardholder data
2. Do not use vendor-supplied defaults for system passwords and other security parameters
3. Protect stored cardholder data
4. Encrypt transmission of cardholder data across open, public networks
5. Use and regularly update anti-virus software
6. Develop and maintain secure systems and applications
7. Restrict access to cardholder data by business need-to-know
8. Assign a unique ID to each person with computer access
9. Restrict physical access to cardholder data
10. Track and monitor all access to network resources and cardholder data
11. Regularly test security systems and processes
12. Maintain a policy that addresses information security

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Maintain Procedures that Addresses Information Security~~:~~
The City's card processor must maintain compliance with PCI DSS requirements. By partnering with a compliant third party, the City's risk exposure is minimized~~;~~, however, it is not eliminated. Also, by not storing card information, not writing down card information, and not accepting card payments over the phone, exposure is further minimized. The City's Information Technology Division is required to maintain a policy that addresses information security, while the Finance Department is required to maintain card processing procedures for each department that accepts card payments. Each employee that accepts payment via card must acknowledge ~~the~~ card processing procedures annually.

Restrict Access to Cardholder Data:

Access to payment card terminals is limited to only authorized employees. The physical location of payment card terminals should be protected, monitored, and secured. Only authorized employees will have access to the merchant accounts and payment card terminal settlement processes.

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POLICY STATEMENT
189
SEWER UTILITY FUNDING~~USER RATE AND LEVY~~

The Sewer Utility funds operation and maintenance expenses through user rates and funds capital through user rates and taxes as an enterprise fund. User rates consist of both flat and volumetric rates. The intent of this policy is to create a sustainable revenue source with the goal of predictable user rates and stable levy. The policy will be utilized for development of the Sewer Utility's annual operating and capital budgets.

Annually, the Sewer Utility budget shall be generated with the following goals:

- No adjustments to the Sewer District Tax Rate without a policy amendment.
- Self-funded capital accounts to meet projected capital needs.
- Rate revenue adjustments to maintain a recommended debt service coverage ratio of 1.6.
- Level, sustainable user rate increases based on the 10-year outlook of the Sewer Utility.

Staff is required to report whether the policy framework is being achieved with each budget cycle. In years where not all goals are being met, staff shall provide a 10-year outlook (including the budget year) which shows the adjustments required to meet the identified targets.

Sewer ~~District Tax Rate~~Levy
Unless amended by policy, the annual sewer levy shall remain flat at $7,262,821~~1.62 per $1,000 assessed~~. The sewer levy funds Metropolitan Milwaukee Sewerage District (MMSD) annual capital expenses and self-funds Sewer Utility capital projects. The levy is established annually via ordinance.

Sewer User Rates
The Sewer Utility will utilize cash basis accounting for determining user rates. Cash basis accounting shall determine total revenue requirements by adding the operation and maintenance expenses, taxes/transfer payments, debt service (both principal and interest) and capital funding from user rates (excluding capital funded from levy) and subtracting non-rate revenue. The user rates are established annually, concurrent to the fiscal year budget approval.

Capital Funding
The Sewer Utility will endeavor to be self-funding for capital projects when practical and when user rates will not vary significantly as a result. Terms for borrowing shall consider whether:

- Unrestricted Reserves Policy can be met as a result of capital expenditures.
- Appropriate cash balances remain at the end of the planning period.
- Future debt is structured around existing debt until additional debt capacity is available.

Attachment: FINANCIAL POLICIES UPDATE - 7.12.24 [Revision 1] (RESOLUTION 4133 : A Resolution Adopting Proposed Updates to the City's

Process Overview:
Annually, the Sewer Utility budget shall be generated as follows:

1. Identify the anticipated expenses for the fiscal year by populating the anticipated fiscal year expenditures for both operation and maintenance and capital projects, both for the Sewer Utility and MMSD.
2. Calculate the revenue generated by the sewer levy. From that, subtract the MMSD capital charges to identify the remaining revenue available and allocate such as self-funding capital.
3. Identify the additional self-funded capital required to meet the annual projection of capital expenses and populate that as the revenue requirement for user rates.
4. Establish the estimated flow volume for the Sewer Utility for both residential and commercial users on the basis of the number of customers, the MMSD residential occupancy factor and equivalent residential units.
5. Adjust residential and commercial user rates and the ~~tax exempt~~tax-exempt capital rate as required to meet the goals of the policy within a 10-year planning outlook.
6. Validate and report to the Sewer Utility District Commission whether the budget meets this policy's goals, including the amount allocated for undesignated cash reserves.
7. Allocate the capital funding and excess undesignated cash reserves to the appropriate capital accounts.

Attachment: FINANCIAL POLICIES UPDATE - 7.12.24 [Revision 1] (RESOLUTION 4133 : A Resolution Adopting Proposed Updates to the City's

FINANCIAL POLICIES
APPENDIX A

General Budget Calendar	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
Monitor Current Year Budget/Actual Revenues and Expenditures												
Review Prior Year Budget Results												
External Audit of Prior Year Financials												
Final Financial Reports Issued												
Prepare Annual Update to 5-Year Capital Improvement Plan & 5-Year Financial Forecast												
Budget Requests Prepared by Department Heads												
Review and Refine Budget Requests with City Budget Team~~Administrator~~												
Present Preliminary Budget to Appropriations ~~Finance Personnel~~ Committee												
Present Recommended Budget to ~~the~~ Common Council for Consideration and Adoption												

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Supplementary Budgeting Information

The City budget includes five major funds for which appropriations may be made, including the General Fund, Capital Projects Fund, Debt Service Fund, Sewer Fund and the Water Utility Fund. Each of these funds contains its own self-balancing set of accounts in order to separate and track expenditures. Some of the details of these funds and their purposes are described as follows:

GENERAL FUND

Included in the General Fund are the annual operating costs of the City. Tax appropriations and other revenue sources for the General Fund are presented for the City as a whole, separately from expenditures, and are not intended to be associated with specific operating departments. Expenditures for the City are presented by operating departments, which can be organized into five functional areas: General Government, Public Safety, Public Works, Community Enrichment and Community Development.

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The General Government group includes the following City departments and/or divisions: ~~Mayor and~~ Common Council, City Administrator, City Clerk, Elections, Information Technology~~Systems~~, Finance, City Assessor, Human Resources and Legal Services.

The Public Safety group includes the following areas ~~departments and/or divisions~~: ~~Police,and~~Police and Fire & EMS~~, Communications and Police Reserves~~.

The Public Works group includes the following ~~departments and/or~~ divisions: Engineering, Highway, Building Maintenance, ~~Vehicle~~ Fleet Maintenance and ~~Recycling~~Forestry.

The Community Enrichment group includes the following areas: Parks, Pool and the Library.

The Community Development group includes the City's Planning and Inspections Divisions.

Additionally, each department's expenditures are ~~also~~ further divided into the following five main categories: Salaries, Fringe Benefits, Materials & Supplies, Purchased Services and Equipment. Appropriations in the General Fund lapse at year end to the fund balance, unless specifically authorized by the Common Council to be otherwise transferred.

CAPITAL PROJECTS FUND

The Capital Projects Fund section of the budget lists the specific capital projects that resources are being allocated to in the upcoming fiscal year, and the amount of funds allocated to each project. Capital assets are generally defined as assets that have an initial cost of more than $5,000 and estimated useful life in excess of one year following the date of acquisition. Expenditures that do not meet these requirements will be funded out of departmental operating budgets in the General Fund.

Appropriations in the Capital Projects Fund are placed directly into non-lapsing sinking fund accounts for each project in order to facilitate the appropriate tracking of expenditures and the ability to accumulate sufficient funds over a multi-year period to fund major expenditures. The City's use of sinking funds for large capital expenditures is also a means of reducing the variability of appropriations needed to fund these expenditures in any one fiscal period. This approach is used by the City for most major vehicle or other equipment replacement needs.

The balances in these accounts are for specific projects approved by the Common Council and are carried forward until either the project has been completed or, with the approval of the Common Council, the balances are transferred to meet other needs.

DEBT SERVICE FUND

The Debt Service Fund is used to account for the payments of principal, interest and other servicing costs for the long-term debt of the City. The City uses General Obligation debt only to finance the cost of major capital assets or projects and not for normal operating expenditures of

the government. The final maturity of bonds and notes should generally not exceed 20 years, or the expected useful life of the underlying project, for which they were issued. The City's debt limit is restricted by Wisconsin State Statutes to no more than 5% of the equalized property value of all taxable property within the jurisdiction.

SEWER UTILITY FUND

The Sewer Utility Fund is an enterprise fund established to account for the operations of the City's sewer utility. Enterprise funds are used for major governmental activities which function as separate business type units.

The operations budget of the sewer utility is funded entirely by user fees. Conversely, annual capital charges, including thosee ones assessed by the Milwaukee Metropolitan Sewerage District (MMSD), are paid through an annual tax levy that is assessed to users residing within the City's designated Sanitary Sewer Service Area.

WATER UTILITY FUND

The Water Utility fund is an enterprise fund established for the operations of the City's water utility. Enterprise funds are used for major governmental activities which function as separate business type units. The operations budget of the water utility is funded entirely by user fees.

Basis of Budgeting

The basis of budgeting refers to the point in time at which revenues and expenditures are recognized in accounts and reported in the financial statements. The basis of budgeting for all funds, except for the sewer and water utility funds, is the modified accrual basis.

Alternatively, the sewer and water utility fund budgets use an accrual method of accounting. These are the same methods used in the City's audited financial statements. Under the accrual basis of accounting, all revenues are recognized in the period in which they were earned, and all expenditures are recognized in the period they were incurred.

Under the modified accrual basis of accounting, revenues are recorded when susceptible to accrual, i.e., both measurable and available. "Available" means collectable within the current period, or soon enough thereafter to be used to pay the liabilities of the current period.

Property taxes are recorded in the year levied as receivable and deferred revenues. They are recognized as revenues in the succeeding year when the services financed by the levy are being provided. Intergovernmental aids and grants are recognized as revenues in the period the related expenditures are incurred, if applicable, or when the City is entitled to the aids.

Special assessments are recorded as revenues when collected. Any annual installments due in future years are reflected as receivables and deferred revenues. Other general revenues such as

~~fines, fees and permits are recognized when the underlying transaction has occurred, and the payment is expected to be received under the available criteria described above.~~

Revised ~~June~~August 202~~418~~4

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.1 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.2* 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.

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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.

Itis 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.J 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.4In 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.s.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..6.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:

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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;

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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 4.1of 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.

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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

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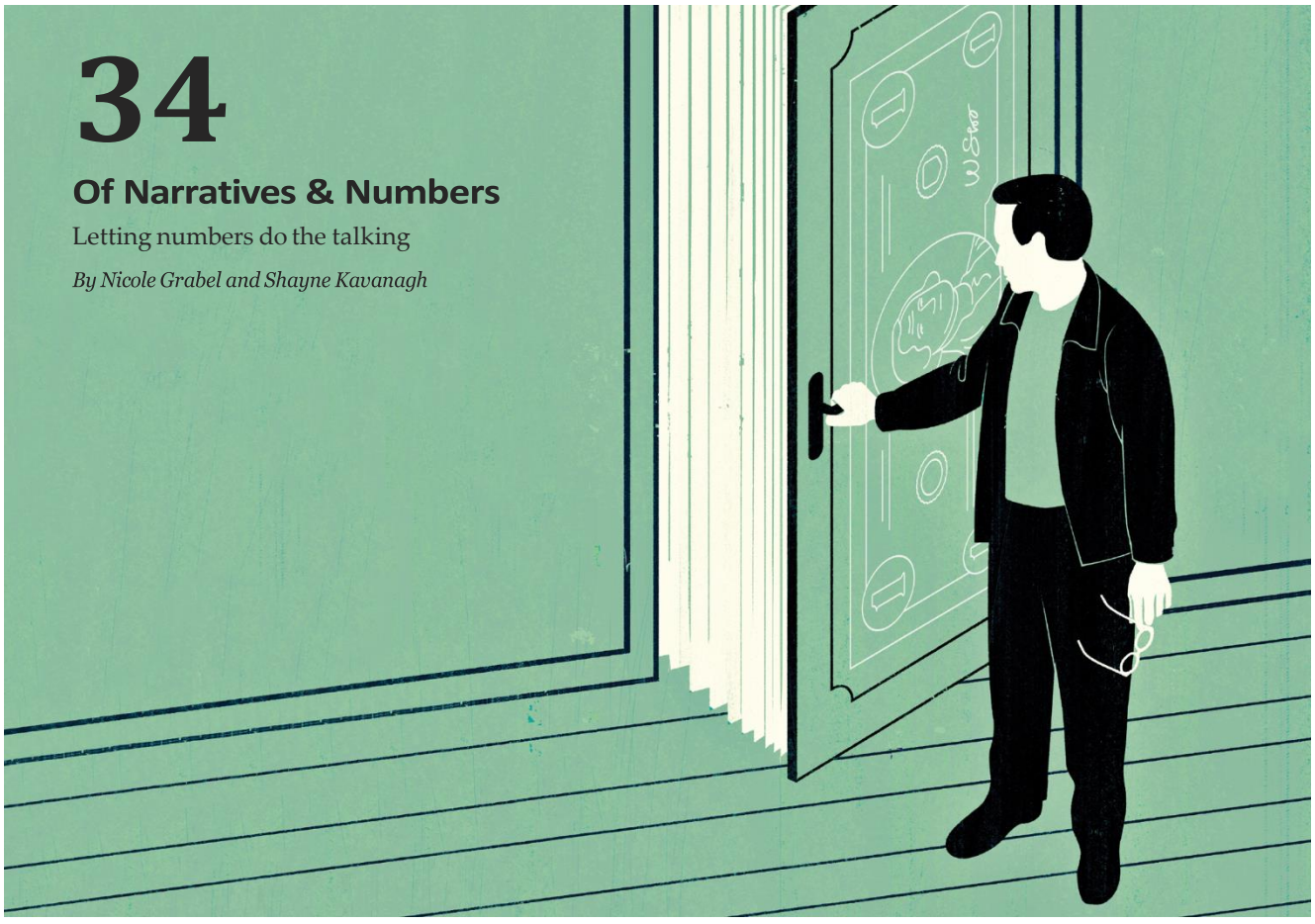

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Publisher
Chris Morrill

Editor in Chief
Michael J. Mucha

Managing Editor
Marcy Boggs

GOVERNMENT FINANCE REVIEW
www.gfoa.org/gfr

EDITORIAL
gfr@gfoa.org

ADVERTISING
gfoa.org/gfr-ads

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CONTACT
Government Finance Review
c/o Government Finance Officers Association
203 N. LaSalle Street, Suite 2700
Chicago, Illinois 60601-1210
Phone: 312-977-9700
Fax: 312-977-4806

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Todd Buikema is the assistant director for publications in GFOA's Technical Services Center. He also is a trainer for GFOA's national training courses in the areas of governmental accounting, financial reporting, and internal controls. Immediately prior to joining the GFOA staff, Todd was assistant financial controller at the College of DuPage, the third largest community college in the country. Before that, he worked in public-sector auditing for 14 years, first as a manager at PTW and then as a senior manager in the Public Sector Services section of Crowe LLP.

Nicole Grabel is a principal of behavioral science at BehavioralSight. Before switching her focus to behavioral science, she worked in advertising and brand strategy, where she helped clients apply insights from consumer psychology research to new product development, brand positioning, and marketing materials. Nicole holds a Master's of Behavioral and Decision Sciences from the University of Pennsylvania.

Brian Harward is an organizational psychologist and research scientist at Ethical Systems, specializing in advanced analytics and creating actionable insights from research. Brian has previous experience in multiple roles as an independent research consultant, university professor/director of research, and senior research analyst. He is an expert in organizational behavior, job satisfaction, company culture, leadership, motivation, and group dynamics. Brian received a BA in psychology from Wright State University and a master's degree and PhD in organizational psychology from Walden University.

Jake Kowalski is a consultant/analyst with GFOA's Research and Consulting Center. He does research on a wide range of topics including equity in budgeting and exploring how the budget process can be more responsive and representative of citizen demands. Jake leads GFOA's Urban Forum, which offers training and networking events that cater to the uniquely urban issues finance officers encounter in large metro areas. He also supports GFOA's consulting practice by assisting governments in risk-based reserve consulting, business process improvement, and navigating the enterprise resource planning system procurement process.

Shayne Kavanagh is the senior manager of research for GFOA's research and consulting center. He's been a leader in developing the practice and technique of long-term financial planning and policies for local government. Shayne's financial planning experience also drives his research at GFOA. He's written a number of influential publications on financial planning and a number of articles on long-term financial planning, financial policies, budget reform, using technology to improve efficiency, and related topics for magazines including *Government Finance Review*, *Public Management*, *School Business Affairs*, and *Public CIO*. Before joining GFOA, Shayne was the assistant village manager for the Village of Palos Park, Illinois.

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Katie Ludwig is a senior manager in GFOA's Research and Consulting Center. Her work is focused on helping local governments develop policies and procedures and implement systems to improve their efficiency and effectiveness and promote financial sustainability. Before joining GFOA, Katie was with the Chicago Housing Authority, where she was responsible for the management and operations of the Housing Choice Voucher program. She also worked for the City of Chicago, Illinois, for more than 13 years.

Jack Ryan-Feldman, a director at Baker Tilly, has been with the firm since 2018. Jack serves as municipal advisor to local governments in Kansas and Missouri. In addition to helping local governments through the debt issuance process, Jack negotiates tax incentives for economic development projects on behalf of clients, creates complex financial models and presents key insights, performs policy and program analyses, and provides leadership in the budget planning process.

Franco (Frank) Saccucci is an associate professor at MacEwan University in Edmonton, Alberta. He has made presentations to industry stakeholders in Canada, the United States, and Europe, covering topics such as stakeholder relations, municipal fundamentals, finance for non-financial managers, and how to develop business cases. Before his 20+ years as an educator, his professional experience included auditing, management consulting with a national firm, and commercial banking, where he developed his analytical and marketing skills. These experiences allow him to bring forward relevant examples in the classroom.

Lisa Soronen is the executive director of the State and Local Legal Center. She files *amicus curiae* briefs to the U.S. Supreme Court on behalf of members of the National Governors Association, National Conference of State Legislatures, Council of State Governments, National League of Cities, U.S. Conference of Mayors, National Association of Counties, and International City/County Management Association in cases affecting state and local government. Before she joined the SLLC, Soronen worked for the National School Boards Association and the Wisconsin Association of School Boards and clerked for the Wisconsin Court of Appeals.

Alison Taylor is the executive director at Ethical Systems and an adjunct professor at the New York University Stern School of Business. Previous engagements include managing director at nonprofi business network Business for Social Responsibility and senior managing director at Control Risks. She holds advisory roles at ESG and risk consultancy Wallbrook, and at sustainability nonprofi Business for Social Responsibility. She is currently writing a book on the new landscape for business ethics for Harvard Business Review Press.

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New (and Old) Opportunities for Connecting with Your Peers

Christopher P. Morrill
Executive Director/CEO

Over the past few years, GFOA has taken a good, hard look at what our members want and need from our organization, and this focus has led us to make some exciting changes in member engagement. Our more than 21,000 GFOA members across the United States and Canada represent an invaluable resource for discussing best practices, sharing lessons learned, trading templates and examples, and encouraging innovation and growth in the field of public finance. Our role is to connect you to your peers, both formally and informally, and we encourage all finance officers to get involved. Many of our networking opportunities are free or heavily discounted for GFOA members.

- **Participate in GFOA training.** We've had to cancel in-person training and conferences through at least early 2022 because of the pandemic, but you'll find that we've transformed our learning curriculum to provide you with numerous opportunities for both webinars and multi-day e-learning courses. Many courses also offer discussion groups and interactive exercises so you can meet your fellow finance officers.

  And don't miss GFOA's 26th annual GAAP Update this November (with encore offerings in December and January). This is GFOA's most popular training class, and with good reason—it's a great opportunity to learn about new GASB pronouncements and ongoing projects, and there's a special segment on implementation of GASB 87 (Leases).

- **Join a GFOA affinity group.** Finding other members who share similar challenges at similar organizations can seem difficult, but we can help! GFOA has dramatically enhanced programming for all its affinity groups. We offer networking and career development through the Women's Public Finance Network and Black Caucus, along with regular programming on specific issues facing small governments, large governments, and utilities through our Small Government Forum, Urban Forum, and Utility Finance Forum. All GFOA networking groups are free to members.

- **Share your work.** GFOA research regularly features examples from GFOA members to help communicate innovative ideas, best practices, and case studies. As you read through this issue of *GFR*, for example, think about what you can contribute and consider submitting an article.

- **Be part of the online member community.** Post a question, share an example, or simply check in to view other conversations as part of our online member communities. We have several member communities so you can stay connected with topics or areas of most interest. Many networking groups also have dedicated online communities.

- **Enroll in the Certified Public Finance Officer (CPFO) program.** We've been hard at work revising our certification program, and a large part of this was a drive to increase member engagement.

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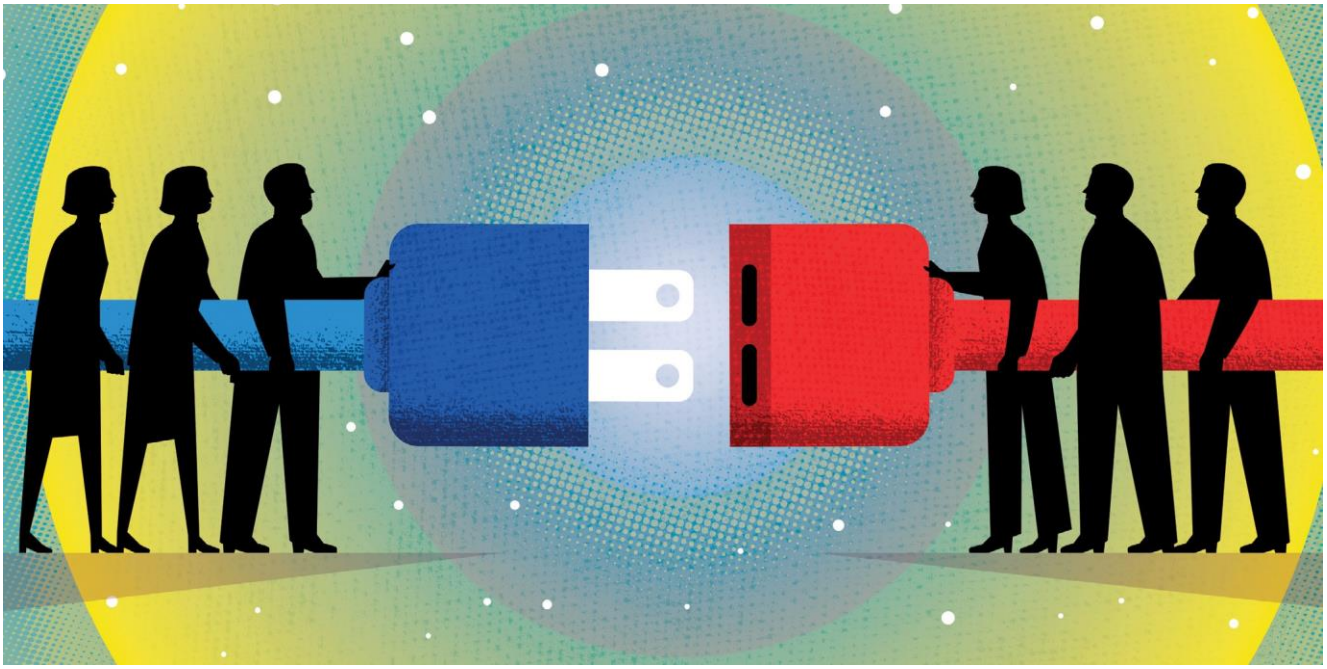

We offer regular training, online communities, and discounts to GFOA events for all candidates, and for current CPFOs we've modified compliance requirements to focus more on professional engagement. We're also recognizing our CPFOs for their roles in leadership, instruction, mentoring, and advocacy. And coming soon, we will roll out a mentorship program for new CPFOs.

- **Help us plan our next conference.** Did you know that each GFOA conference (including the virtual conferences of the past two years) has featured more than 150 practitioners who have volunteered to share their expertise? Our process for choosing sessions starts with a call for topics (which you can find now on the GFOA website at **gfoa.org/call-for-topic**s). We invite you to provide speaker recommendations, innovative topics, or requests for the type of information you'd like to see. Our staff works to make the sessions as relevant as possible for members and to address your questions. June 2022 will be here soon, and we look forward to welcoming you to our live conference event in Austin, Texas! Stay tuned for registration information in early 2022.

- **Apply for a GFOA leadership position.** GFOA's standing committees just welcomed a new class of finance professionals who began their three-year term in September. GFOA committees provide a great opportunity for you to engage with leaders from all types of organizations and to help develop GFOA best practices. Also consider applying to become a member of GFOA's Executive Board, which provides another excellent way to develop lasting relationships with other GFOA members and staff, while providing direction and vision to the organization. Applications for GFOA's five Executive Board slots for 2022 will be accepted in December 2021 and January 2022. If you're interested in joining a committee, we'll be accepting applications after the GFOA Conference in June 2022.

Throughout my 30-plus-year career in local government and public finance, I've benefited immensely from the ongoing relationships and connections I've made along the way through GFOA. Some of the best advice I received early on was to get involved, and many of my most memorable moments and friendships have grown from my time as a GFOA instructor, committee member, board member, president, and now CEO. I encourage all of you to get involved, even if it means starting small. We've worked hard to develop opportunities for you, and we look forward to showing you all that GFOA has to offer.

Sincerely,

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rewind

A look back at *GFR* in **December 2004**

The December 2004 issue of *GFR* was about technology—which, as we sagely pointed out, "has become an essential component of doing business in the public sector." The point then, as now, was that governments can't afford to spend funds on the wrong technology or fail to get the most out of their existing technology resources. One might have thought we would have figured out this ERP thing in the last 17 years, but not so much, it turns out. It isn't surprising that the reasons for investing in an ERP system are the same—we all see the need for "updating business applications, improving business processes, and providing the information needed to make more informed decisions." The part we might have expected to resolve itself by 2021 is "getting the most out of these expensive and complicated systems" and "identifying some measures to justify your organization's long-term investment in ERP."

The issues governments face in getting the most out of their ERP systems remain familiar. For one, IT is often a bit of a foreign country to the rest of the organization because no one else speaks tech. This leads to a situation where "because of a lack of technical expertise, business managers may take a hands-off approach to business system implementation, viewing this as a technology project and avoiding ownership and involvement until the system is live—just in time to complain about how the system does not meet their particular needs."

Another problem is (still) a lack of specific project goals and objectives. The article pointed out that "ERP initiatives are complex undertakings that vary significantly in scope, duration, and cost." Governments understand the front-end costs—software, the technology infrastructure needed to support the software, implementation consultant fees, and training. What they don't always factor in is "the internal resources required for a successful implementation, such as staff time."

A successful ERP implementation also requires solid performance metrics. This means defining where the organization is and where it needs to be—a complicated and time-consuming task. But if a government doesn't "roll up its sleeves and conduct an honest and comprehensive evaluation of its operations," an ERP can't make all the needed improvements.

And finally, the article insists that governments need to conduct a post-implementation audit. "Improving business processes is not an event, but rather a long journey that requires constant monitoring, evaluation, and tweaking."

Is your government preparing for an ERP project? GFOA's research and consulting center offers training courses, materials and consulting services to help prepare you to lead a successful ERP transformation. For more information, please visit **gfoa.org/rcc**.

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In Brief

FEDERAL UPDATE

The Supreme Court's Impact on State and Local Government

BY LISA SORONEN AND MICHAEL BELARMINO

Members are familiar with GFOA's legislative and regulatory activity in Washington, D.C., but our efforts extending to the judicial branch may not be as well known. GFOA is an associate member of the State and Local Legal Center (SLLC), which files *amicus curiae* briefs in support of states and local governments in the U.S. Supreme Court. Other SLLC members include the National Governors Association, National Conference of State Legislatures, Council of State Governments, National Association of Counties, National League of Cities, United States Conference of Mayors, and International City/County Management Association. All GFOA members and associate members may join SLLC *amicus* briefs, which advocate for legal positions favorable to state and local governments and provide the court with policy and practical reasons to rule in favor of the SLLC's position.

The SLLC files briefs for cases that cover a range of topics affecting states and local governments, including federalism, preemption, First Amendment free speech rights, qualified immunity (usually for police offi ers), Fifth Amendment takings, public employment, deference to federal agency rules, and taxation. Finance offi ers need to be aware of these types of cases as they wind through the judicial system because their final rulings can shape public policy. Below are some of the cases of import to state and local governments that either the Supreme Court has decided or will be deciding in the coming months.

*Note: *Indicates a case where the State and Local Legal Center has filed or will file a Supreme Court amicus brief.*

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Recently decided cases

Torres v. Madrid.* In a 5-to-3 decision, the Supreme Court held that per the Fourth Amendment, a person may be considered seized even if that person gets away.

In this case, police officers intended to execute a warrant in an apartment complex. Although they didn't think she was the target of the warrant, they approached Roxanne Torres in the parking lot. According to Torres, she was experiencing methamphetamine withdrawal and didn't notice the officers until one tried to open her car door. Although the officers wore tactical vests with police identification, Torres claimed she only saw the officers had guns. She thought she was being carjacked and drove away.

She claimed the officers weren't in the path of the vehicle, but they fired 13 shots, hitting her twice. Torres drove to a nearby parking lot, asked a bystander to report the attempted carjacking, stole another car, and drove 75 miles to a hospital.

Torres sued the police officers, claiming their use of force was excessive in violation of the Fourth Amendment's prohibition against "unreasonable searches and seizures."

The officers argued, and the lower court agreed, that Torres couldn't bring an excessive force claim because she was never "seized" per the Fourth Amendment, since she got away. However, the Supreme Court disagreed and held that "application of physical force to the body of a person with intent to restrain is a seizure, even if the force does not succeed in subduing the person."

Caniglia v. Strom.* The court unanimously held that police community caretaking duties don't justify warrantless searches and seizures in the home.

During an argument with his wife, Edward Caniglia put a handgun on their dining room table and asked his wife to "shoot [him] now and get it over with." After spending the night at a hotel, Caniglia's wife couldn't reach him by phone and asked police to do a welfare check.

Caniglia agreed to go to the hospital for a psychiatric evaluation after officers allegedly promised not to confiscate his firearms. The officers went into his home and seized his guns regardless.

Finance officers need to be aware of these types of cases as they wind through the judicial system because their final rulings can shape public policy.

Caniglia sued the officers for monetary damages, claiming that he and his guns were unconstitutionally seized without a warrant, in violation of the Fourth Amendment.

The First Circuit ruled in favor of the police officers by extending a concept established in a prior Supreme Court decision, *Cady v. Dombrowski* (1973). In Cady, the Supreme Court held that a warrantless search of an impounded vehicle for an unsecured firearm didn't violate the Fourth Amendment since "police officers who patrol the 'public highways' are often called to discharge noncriminal 'community caretaking functions,' such as responding to disabled vehicles or investigating accidents." The lower court extended this exception beyond the automobile to the home.

Justice Thomas, writing for the court, rejected the First Circuit's extension of *Cady*.

Cedar Point Nursery v. Hassid.* The Supreme Court held 6-to-3 that a California regulation allowing union organizers access to agriculture employers' property to solicit support for unionization up to three hours a day, 120 days a year, is a per se physical taking under the Fifth and Fourteenth Amendments.

The Fifth Amendment Taking Clause, applicable to the states through the Fourteenth Amendment, states: "[N]or shall private property be taken for public use, without just compensation."

In this case, agriculture employers argued that the State of California's union access regulation "effected an unconstitutional per se physical taking…by appropriating without compensation an easement for union organizers to enter their property." The Supreme Court agreed.

According to Chief Justice Roberts, writing for the majority, when the government "instead imposes regulations that restrict an owner's ability to use his own property," the restrictions don't require "just compensation" unless they go "too far."

The court held that the access regulation "appropriates a right to invade the growers' property" and therefore constitutes a per se physical taking rather than a regulatory taking. "Rather than restraining the growers' use of their own property, the regulation appropriates for the enjoyment of third parties the owners' right to exclude."

Government officials routinely go onto private property temporarily to do police work and conduct inspections, among many other reasons. Importantly, the court stated that "government searches that are consistent with the Fourth

The Supreme Court ruled in favor of PennEast Pipeline Company in the case *PennEast Pipeline v. New Jersey*.

Amendment and state law cannot be said to take any property right from landowners" and "government health and safety inspection regimes will generally not constitute takings."

PennEast Pipeline v. New Jersey.*
The Supreme Court held 5-to-4 that the federal government may constitutionally grant pipeline companies the authority to condemn necessary rights-of-way in which a state has an interest. Pipeline companies likewise may sue states to obtain the rights-of-way.

Per the Natural Gas Act (NGA), natural gas companies, upon a showing of "public convenience and necessity," may receive a certificate from the Federal Energy Regulatory Commission allowing them to use federal eminent domain power to obtain land to locate a pipeline.

After receiving such a certificate, PennEast filed a complaint to condemn land in which the State of New Jersey has an interest. New Jersey claimed that sovereign immunity prevented PennEast from being able to sue the state in federal court.

In an opinion written by Chief Justice Roberts, the Supreme Court held that the NGA follows precedent allowing private parties to exercise federal eminent domain over state land and that sovereign immunity doesn't bar the lawsuit in this case.

City of Chicago v. Fulton.*
In an 8-to-0 decision, the Supreme Court held that the City of Chicago, Illinois, didn't violate the bankruptcy code's automatic stay provision by holding onto a vehicle impounded after a bankruptcy petition was filed.

The City of Chicago impounds vehicles when debtors have three or more unpaid fines, and Robbin Fulton's vehicle was impounded for this reason. She filed for bankruptcy and asked the city to return her vehicle, and it refused.

The Seventh Circuit held that the city violated the bankruptcy code's automatic stay provision. The Supreme Court unanimously reversed.

When a bankruptcy petition is filed, an "estate" is created that includes most of the debtor's property. An automatic consequence of the bankruptcy petition is a "stay" that prevents creditors from trying to collect outside of the bankruptcy forum.

The bankruptcy code also has a "turnover" provision that requires those in possession of property of the bankruptcy estate to "deliver to the trustee, and account for" that property.

The Supreme Court held that "mere retention" of a debtor's property after a bankruptcy petition is filed doesn't violate the automatic stay.

According to the court, "[a]ny ambiguity in the text of [the automatic stay provision] is resolved decidedly in the city's favor" by the turnover provision.

Cases to be decided

Gallardo v. Marstiller.* The Supreme Court will decide whether the federal Medicaid Act allows a state Medicaid program to recover reimbursement for Medicaid's payment of a beneficiary's past medical expenses by taking funds from the beneficiary's legal settlement that compensate for future medical expenses.

Gianinna Gallardo has been in a persistent vegetative state since she was hit by a pickup truck while exiting a school bus. The State of Florida's Medicaid program has paid almost $900,000 for her medical care. Her parents settled a case against multiple parties for $800,000.

Per the settlement agreement, approximately $35,000 was for past medical expenses. The settlement also said that some of its balance may represent compensation for future medical expenses. The Florida Agency for Health Care Administration (FAHCA) didn't participate in the settlement.

The Medicaid statute requires states to enact laws under which "the state is considered to have acquired the rights…to payment by any other party…to the extent that payment *has been made* under the state plan for medical assistance."

Per Florida law, if a Medicaid recipient receives a settlement for injuries caused by a third party, FAHCA is automatically entitled to half of the recovery (after 25 percent attorney's fees and costs), up to the total amount of medical assistance Medicaid has provided, from the settlement allocated for past and *future* medical expenses.

FAHCA sought to recover not only the $35,000 specifically allocated by the parties for past medical expenses but also argued that it was entitled to recover the portion of the settlement representing compensation for Gallardo's *future* medical expenses, to pay for past medical costs. The Eleventh Circuit agreed.

Gallardo argued that FAHCA could collect only the portion of the settlement allocated for past medical expenses because of the past tense of the language in the Medicaid statute, which says that states have a right to payment from third parties "to the extent that payment *has been made*."

According to the Eleventh Circuit, this language "simply provides *for what* the state can get reimbursed now that it has a general assignment on all medical expenses—it can recover medical expenses it has already paid." "[W]hile the language of the federal Medicaid statutes clearly prohibits FAHCA from seeking reimbursement *for* future expenses it has not yet paid (which it is not seeking to do in this case), the language does not in any way prohibit the agency from seeking reimbursement *from* settlement monies for medical care allocated to future care."

City of Austin, Texas v. Reagan National Advertising of Texas Inc.* The City of Austin allows on-premises billboards to be digitized, but not off-premises billboards. In this case, two outdoor advertising companies claim that this distinction is "content-based" under the First Amendment.

In the court's previous decision in *Reed v. Town of Gilbert* (2015), it held that content-based restrictions on speech are subject to strict scrutiny, meaning they are "presumptively unconstitutional" under the First Amendment. In *Reed*, the court defined the term "content-based" broadly to include distinctions based on "function or purpose."

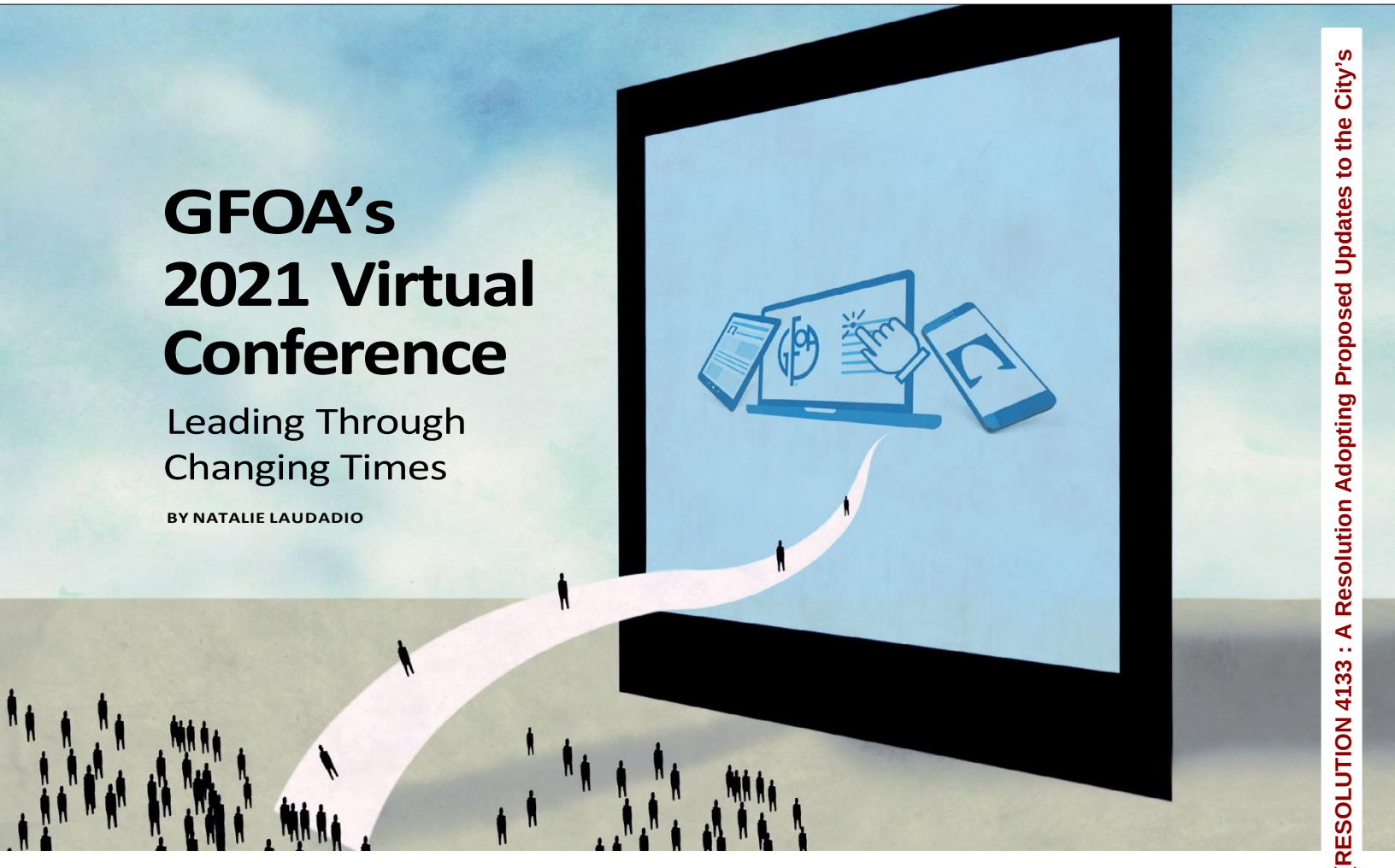
Per Austin's sign code, "off-premises" signs advertise "a business, person, activity, goods, products or services not located on the site where the sign is installed." The city argued that the definition of off-premises is a time, place, or manner restriction based on the location of signs.

The Fifth Circuit disagreed, stating: "*Reed* reasoned that a distinction can be facially content based if it defines regulated speech by its function or purpose. Here, the Sign Code defines 'off-premises' signs by their purpose: advertising or directing attention to a business, product, activity, institution, etc., not located at the same location as the sign."

Conclusion

The Supreme Court will begin hearing cases for its next term on October 4, 2021. The court's docket for the term is already about half full, including the sign and Medicaid cases summarized above. The court is likely to agree to hear many more cases of interest to state and local governments in the coming months. You can find SLLC *amicus* brief at **statelocallc.org/briefs**.

Lisa Soronen *is the executive director of the State and Local Legal Center.* ***Michael Belarmino*** *is a senior policy advisor in GFOA's Federal Liaison Center.*



GFOA's 2021 Virtual Conference

Leading Through Changing Times

BY NATALIE LAUDADIO

GFOA would like to thank the nearly 3,600 attendees of our 2021 Virtual Conference, which streamed live from July 12 to 23. GFOA is pleased to have provided attendees with the information they were looking for, including ways to prioritize their communities' needs in the face of COVID-19, to develop practices that promote long-term sustainability, and to prepare for any future challenges.

The Annual Business Meeting

GFOA Executive Director/CEO Chris Morrill opened the conference on July 12 by introducing Finance Director for the Metropolitan St. Louis Sewer District and GFOA President Marion Gee.

The president's address. GFOA highlighted the work we've done over the past year, along with our ability to both maintain critical programs and refocus initiatives to provide members with support for challenges created by the pandemic. This included:

- Updating our Fiscal First Aid research and providing members with new research reports, forecasting models, and case study focused webinars.
- Advocating for member needs through the Federal Liaison Center in Washington, D.C., and providing ongoing guidance on federal aid.
- Launching a new learning management system, which has been a critical platform for meeting members' educational needs while they're working remotely. (**learn.gfoa.org**)
- Continuing its practical research initiatives including rethinking budgeting, building trust, and applying lessons from the work of GFOA's Financial Foundations Framework.
- Beginning rollout of the redesigned Certified Public Finance Offi er (CPFO) Program.
- Rolling out GFOA's new online member community which allows members to tap into GFOA's most valuable resources—its members (**community.gfoa.org**).

Honor to assist, honor to serve. Gee reiterated that the entire GFOA team is motivated to serve and to help with the remarkable work our members are doing every day as you lead your communities through these diffi ult times.

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Policy statement. GFOA members approved a policy statement on new terminology for referring to the comprehensive annual financial report (**gfoa.org/materials/reference-comprehensive-annual-financial-report**).

New executive board members. The association's members elected a new GFOA president-elect and five new members to the Executive Board, whose three-year terms begin immediately. Terri Velasquez, director of finance for the City of Aurora, Colorado, is the GFOA president-elect. The five new members-at-large are: Lunda Asmani, chief financial offi er, Town of New Canaan, Connecticut; Kenton Tsoodle, assistant city manager, City of Oklahoma City, Oklahoma; Susan Iverson, finance and accounting manager, City of Red Wing, Minnesota; Anne P. Harty, chief financial offi er, City of Rock Hill, South Carolina; and Bruce H. Fisher, director of policy and planning, Halifax Regional Municipality, Nova Scotia. Learn more about GFOA's Executive Board at **gfoa.org/executive-board**.

Passing the presidential gavel. Michael A. Bryant, deputy county manager of Mecklenburg County, North Carolina, took over as GFOA's president, succeeding 2020-2021 President Marion Gee. Bryant said: "GFOA's superpower is its members—dedicated public servants like you who are making a difference every day in their communities. As our states, provinces, cities, counties, school boards, and special districts face the greatest financial challenge in generations, your leadership is more important than ever." As president he will focus on three areas: people, policy, and process. Over the next year, members can look for an expansion of GFOA's Member Communities, a full roll-out of the Certified Public Finance Offi er program, continued advocacy and support from GFOA's team in Washington, D.C., and new tools and resources from GFOA's major research initiatives in local government budgeting and local government revenue.

Michael A. Bryant accepted the presidential gavel from GFOA President Marion M. Gee during the virtual Annual Business Meeting. Bryant plans to focus on three areas: people, policy and process.

2021 academic scholarship recipients. GFOA plays an important role in ensuring that the next generation of finance leaders are ready to face the challenges that the future will bring. Awarding scholarships is an important strategy to support students looking to enter the field and promote public finance as a profession. The scholarship recipients were profiled in the August issue of *GFR*, and interviews were also featured in GFOA's member newsletter. Read more at **gfoa.org/2021-scholarship-winners**.

GFOA Networking Groups

Black Caucus. GFOA's Black Caucus held its annual business meeting on July 15. To learn more about GFOA's Black Caucus and to join, go to **gfoa.org/black-caucus**.

Small Government Forum. GFOA's Small Government Forum held a resource roundtable on July 14. Joining the Small Government Forum is a great way to meet other GFOA members who represent communities with populations of 25,000 or fewer. Join at **gfoa.org/small-government-forum**.

Urban Forum. Attendees from large urban governments met to discuss their complex challenges on July 20. Network and exchange information with fellow GFOA members from jurisdictions with metropolitan area populations of 1,000,000 or more by joining at **gfoa.org/urban-forum**.

Women's Public Finance Network. GFOA's Women's Public Finance Network held its annual business meeting on July 19. Learn how you can get more involved with the group at **gfoa.org/womens-public-finance-network**.

2021 GFOA HERO AWARDS

GFOA's Third Annual Hero Award recipients were recognized during the Annual Business Meeting. The award spotlights finance officers who have demonstrated extraordinary actions during a time of health, financial, natural, or human-made crisis. The below six recipients of the award were profiled in GFOA's member newsletter, and you can also read about them at **gfoa.org/2021-hero-award**. We'd like to thank all this year's nominees. Nominations for the Fourth Annual Hero Award will open in January 2022.

Catherine McClary, treasurer, Washtenaw County, Ann Arbor, Michigan, worked on several critical measures specific to the COVID-19 pandemic and racial inequity in her community over the past year. Pandemic safety requirements gave her and her staff an opportunity to rethink old business practices and accept change.

Darin Kamradt, director of finance, WaterOne, Lenexa, Kansas, provided pandemic leadership that helped ensure the safety of the organization's essential workers and the reliability of water service to the public.

Matthew Trine, assistant city manager/finance director, City of Rockledge, Florida, helped monitor the city's revenue streams almost weekly and monthly throughout the pandemic.

Paul Miller, director of finance, Ohio Public Employees Deferred Compensation Plan, Columbus, Ohio was instrumental in helping the plan modify its unforeseeable emergency program to allow participants to self-certify their needs for fund access, increasing funds available to participants during the pandemic for medical bills, mortgages, rent, and other critically important financial needs.

Jené Jess, finance director, City of Bondurant, Iowa, worked with customers to develop payment plans during the pandemic and reduced the city's overall delinquent utility balances, while helping customers figure out how to cope with individual financial setbacks.

Albert Stanley, chief financial officer, City of Ventnor, New Jersey, was instrumental in keeping the city operating, including the finance department.

Conference Sessions

Nearly 200 speakers presented more than 50 sessions that streamed from July 12 to 23. Attendees participated in timely sessions about relief and recovery, cybersecurity, disaster management, equity in budgeting, police budgeting, how to lead through these unprecedented and changing times, and other sessions on GFOA's core topics of accounting, budgeting, debt, and treasury management.

The following are some highlights of this year's off rings.

The Relief and Recovery Infrastructure Panel (July 12). The panel kicked off with opening remarks from Congresswoman Jackie Walorski (IN-2) on aid for workers, families, and small businesses severely impacted by the COVID-19 public health emergency. She emphasized providing state and local governments with proper resources for targeted investments in their communities, particularly through the eff rts of the House Municipal Finance Caucus.

In addition, a panel comprising members of GFOA's Executive Board discussed their plans for the $350 billion Coronavirus State and Local Fiscal Recovery Funds (SLFRF). Attendees were asked to participate in a brief SLFRF survey before the session started, and the results were shared and discussed to provide better insight on local governments' priorities.

Finally, Jacob Leibenluft, counselor to the Secretary of the Department of Treasury, spoke about the SLFRF. He answered additional questions about topics including advice on using the funds on infrastructure, the public comment process for the interim final rule, and advice to recipients on how to successfully implement their SLFRF allocations.

Looking at Leases: Implementing GASB Statement No. 87 (July 13). Three speakers—Trevor Agrelius, controller for the Moulton Nigel Water District in California; Roger Alfaro, a partner in Eide Bailly LLP; and Kirk Johnson, finance director for the City of Ridgefield, Washington—shared their firsthand experience in implementing GASB 87 in discussing how to identify existing leases and the term for each

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Conference Sessions (continued)

identified lease, how to perform the calculations necessary to implement the statement, and future considerations such as identifying new leases, modifying an existing lease, and tracking all applicable leases.

Promoting Trust and Respect with Design Speaking (July 13). Panelists Nicole Grabel, principal of Behavioral Science at BehavioralSight; Sam Evans, senior director of Egg Strategy; and Shannon White, a researcher on Facebook's Central Integrity team, who are experts across behavioral design fields, shared tips, tricks, and proven methods for designing processes that create a smooth experience for both internal and external customers. Some of the questions discussed were: Is the core barrier to better customer behaviors awareness, intention, or action? Are you designing for where your customers are, or where they should be? When should you give your customers more versus less information? When does your customer know what they want? When do they express it? And when are you listening? Is your customer in a "cold state" or a "hot state" when making key decisions? Which "state" are you designing for? Spoiler: The answer to all these questions is "it depends."

Rethinking Police Budgeting: Practical Approaches for a Better Community (July 14). Attendees heard from public safety leaders LaDon Reynolds, chief of police for the Village of Oak Park, Illinois; Larry J. Yium, retired deputy director/consultant, formerly with the Houston, Texas, Police Department; and Lisa Perez, chief administrative officer for the City of San Jose, California, Police Department, who discussed the challenges facing public safety goals across the United States. Chief Reynolds defined the current environment, including calls for "defunding," and Lisa Perez provided insights from a larger community. Larry Yium brought his decades of experience to put current discussion under the practical light of how to move forward.

Year in Washington: 2021 GFOA Federal Update (July 15). Speakers provided attendees with a thorough update on federal and congressional activity from the capitol so far in 2021. Attendees were brought up to speed on the 117th Congress, the Biden administration, and a recap of GFOA's legislative priorities before taking a deep dive into the potential for an infrastructure package. Recapping the infrastructure bills introduced over the years as well as the negotiations that followed between Congress and the White House allowed attendees to better understand the current direction the discussions on infrastructure were headed in. There was also a rundown of the $1.9 trillion American Rescue Plan Act (ARPA), focusing on the $350 billion SLFRF. The session concluded with GFOA's guiding principles, which were developed to provide attendees with a flexible framework to help them approach their federal funds.

Chefs versus Cooks: Applying a Problem-Solving Approach to Public Finance (July 20). This session was about the difference in approach between the way a chef creates a meal, with a focus on innovation, results, and adaptability, and the way a cook does it, with caution and a focus on details and process. The panelists—Stacey Teachey, financial strategy manager for the Town of Cary, North Carolina; Scott Huizenga, director of management and budget for the City of San Antonio, Texas; and Tara Baker, city treasurer, City of Guelph, Ontario—provided examples of how operating as a chef has benefited them and their organization. They also discussed how trust and organizational culture are related to a finance officer's ability to operate as a chef.

More than a Buzzword: Understanding Equity in Budgeting (July 20). Attendees were treated to a panel discussion among presenters Glen Lee, finance director for the City of Seattle, Washington; David Schmiedicke, finance director for the City of Madison, Wisconsin; and Bertha Johnson, budget director for the City of Durham, North Carolina. Participants learned how each of these organizations embed equity into the budgeting process, including ways to define what equity means for each unique community; internal equity education and priority identification; and finally, how to incorporate the budget into advancing racial equity and other social justice initiatives to foster thriving communities.

Time to Talk Equity: When, How, and Why to Have the Discussion (July 23). Harpreet Hora, budget manager for the City of Roswell, Georgia; Lisa Marie Harris, director of finance/treasurer for the San Diego County Water Authority; and Kecia Dougherty, strategic workforce equity coordinator for the City of Dubuque, Iowa, discussed the difference between equity and equality, as well as implicit bias and its impact on hiring. The panelists also provided examples of how to begin developing an organizational culture that values diversity, equity, and inclusion (DEI), even if your organization doesn't have a formal DEI initiative.

Did you miss any of the sessions? All registrants for the virtual conference can view session recordings through GFOA's learning management system at **learn.gfoa.org**.

Meet the Speaker.

Many attendees asked questions after the sessions were over, and they were able to engage with presenters and network during this year's "Meet the Speaker" panels. Meet the Speaker opportunities were available for: *Rethinking Police Budgeting: Practical Approaches for a Better Community; Year in Washington: 2021 GFOA Federal Update; Thinking Probabilistically—The Essential Risk Management Tool; Life Cycle Costing: Promoting Long-Term Thinking in Asset Maintenance; Know Your Why: How the Finance Officer can Advance Community Well-Being;* and *Rethinking Local Economic Development in Travis County (Austin), Texas*. Attendees were also able to meet the new director of research and technical activities for the Governmental Accounting Standards Board.

Virtual Sponsors and Exhibit Hall

GFOA also wants to thank the 106 sponsors and exhibitors who provided valuable resources to conference attendees. For information about upcoming opportunities, stay tuned to **gfoa.org/2021-sponsor-and-exhibitor-resource-center**. We also encourage GFOA's Virtual Conference attendees to keep in touch with this year's sponsors and exhibitors. Their tiles will be available 24/7 on-demand through October on GFOA's LMS.

And finally, the Buyer's Guide Community Forum is a place for online discussion where GFOA members can interact with vendors throughout the year. It is open to GFOA members and to sponsors and exhibitors who are GFOA associate members. Log in by using your GFOA username and password at **community.gfoa.org**.

SAVE THE DATE

We look forward to gathering again in-person for GFOA's **116th Annual Conference**, June 5 to 8, 2022, at the Austin Convention Center in Austin, Texas. Watch for updates about registration at the beginning of 2022.

Natalie Laudadio is GFOA's senior communications manager.

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INTERRUPTIONS

Taming One of the Worst Office Productivity Killers

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BY SHAYNE KAVANAGH AND JAKE KOWALSKI

In today's workplace, technology has essentially reduced the cost of communication to zero. And while there are many benefits to more open communication, there is also a cost: We experience more interruptions during the workday.

One inquiry into workplace interruptions found the following:[1]

- The average worker experiences **seven interruptions** per hour.
- They spend about **five minutes** dealing with the typical interruption.
- About **80 percent** of these interruptions were described as adding little or no value.

This means that many people are spending up to three hours a day dealing with not very useful interruptions. GFOA members seem to agree—more than a quarter of respondents to a GFOA poll rated interruptions as the most annoying source of lost time at work, putting them at No. 2 on the list. (Meetings were No. 1.)

Saying that people spend up to three hours a day on interruptions understates the problem, though. Because interruptions occur at unpredictable times, we are constantly forced to break concentration to deal with them. Because it can take up to 25 minutes to reach full concentration and get into the flow of a task,[2] some people may be spending their entire workday in a chronically distracted state, never reaching full concentration. Academic studies show the insidious implications of chronic distraction, finding that students who are regularly distracted have significantly lower GPAs and exam scores than more focused students.[3]

We can assume that chronic distraction will not produce better results in the office than it does in the classroom. This is a problem for public finance officers because much public finance work, such as preparing budgets, forecasts, and month- and year-end closings, requires concentration.

One might think that the solution to this problem is to get better at multitasking. However, people are *not actually capable of true multitasking*—that is, working on several things at the same time. Instead, when we think we're multitasking, we're in fact rapidly switching our attention among different tasks. As we saw earlier, it takes time to ramp up to full concentration, so shifting attention rapidly is little or no better than chronic distraction. In fact, research shows that multitasking could reduce productivity by up to 40 percent![4] In a particularly cruel twist, people who think they are good multitaskers and who multitask often are worse at it than people who spend more time in a focused state.[5] People who focus have trained their brains to operate at their most efficient level. Multitaskers are training themselves to be constantly distracted, with its consequent effects on cognitive ability.

The solution, then, is to limit interruptions to provide more time for focused work. This will not be easy, but fortunately, research has provided us with insights on how to limit interruptions. Before we get into strategies, though, we need to recognize two distinct types of interruptions because the strategies dealing with each are distinct.

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The first is interruption by people, such as when a coworker calls us or comes to our workspace for a spontaneous conversation. This is probably the most obvious source of interruption for many of us. The second is interruption by technology. This is when we are distracted by notifications from our computer or smartphone, or even when we spontaneously interrupt our own workflow to check messages or visit a favorite social media application. Now, let's see how to deal with these two types of interruptions.

Interruptions by people

The healthcare field offers illuminating insight about the impact of interruptions. In a hospital, nurses are responsible for administering medications to patients, and they are regularly interrupted during this task by doctors or other nurses who want their attention. To illustrate, one study showed that almost all the 56 medication events the researchers observed were interrupted, and there were almost two interruptions per event.[6] These interruptions induce errors. The same study showed that a little more than one-third of the interrupted medication events had at least one procedural failure. This can be quite serious, as the patient could get the wrong dosage or even the wrong medication. Because these interruptions are literally a matter of life or death, the medical field has put a lot of thought into interventions to eliminate or mitigate interruptions, which we describe below.[7] The results have been impressive—one study showed that a single intervention reduced error rates by 20 percent to almost 50 percent.[8] If these interventions work in a hectic hospital setting, it stands to reason that they could work in a public finance office as well.

STAFF EDUCATION. Many people simply may not be aware of the serious consequences interruptions and distractions have for productivity. For example, recall that multitasking is a myth, yet many people still try to do it, and some even believe they are good at it. Consider sharing this article with your colleagues and having a conversation about what you all can do together to reduce interruptions. Furthermore, if your colleagues are aware of the consequences of interruptions, they are more likely to see your attempts to avoid interruptions as a well-meaning attempt to be productive and not as anti-social.

PHYSICAL SPACES THAT ARE NO-INTERRUPTION ZONES. Designate a certain part of the office as a no-interruption zone and allow staff to relocate there whenever they need to concentrate on a critical task. Ideally, the no-interruption zone should be a private office, as people in cubicles tend to get almost one-third more interruptions.[9]

If your office does not have the space for a no-interruption zone, consider if an offsite location can be substituted. For example, perhaps a space at the local library can be used when intense focus is needed, or a work-from-home option could be provided. Another option could be to create temporary no-interruption zones within your existing space. Staff could block out times on shared calendars for important tasks, just as they would block out time for a meeting. During this time, their workspace becomes a no-interruption zone.

There are a few pointers for making no-interruption zones work at their best. First, beware the boy-who-cried-wolf problem: If someone regularly designates a large portion of their calendar as a no-interruption zone, it may lose credibility—so consider limiting it to when it is most needed. Second, when you do use a no-interruption zone, be specific about your reasons. For example, if your calendar message describes the task you are working on, then your colleagues will understand why you can't be interrupted and will be more likely to respect the zone. Finally, combine the no-interruption zone with the visual indicators intervention, described below.

DO-NOT-DISTURB VISUAL INDICATORS. Establish visual signals for staff members to use when they are not to be interrupted—and get everyone's commitment to respect them. These signals could be virtual, like a do-not-disturb status on a phone system. Signals could also be physical. For example, Gwen Pilo, the finance director for the City of SeaTac, Washington, turned her own office into a no-interruption zone simply by closing the door and putting up a simple sign (combined with blocking time on her calendar). For people who work in a cubicle, wearing noise canceling headphones could also be a do-not-disturb signal.

SYSTEMATIC SOLUTIONS. Identify common sources of interruptions and then design solutions around that problem. For example, a larger finance office had one staff person whom we'll call Mary. Mary was regularly interrupted by questions from other departments because she gave the most helpful answers of all the finance staff. A systematic solution might be to play to Mary's natural strengths, changing her role to make helping other departments a primary job responsibility instead of a distraction. After all, mistakes that other departments make will often have to be fixed by the finance department later. Further, if departments first call other finance staff and get unsatisfactory responses before turning to Mary, then the finance department is enduring no-value interruptions in addition to what Mary experiences. In exchange, tasks that Mary was doing that were most at-risk for critical errors due to interruption could be shifted to other staff members who were not as skilled at dealing with questions from departments.

We can also implement our own systematic solutions. For example, many people tend to have the most energy at the start

of the workday, losing energy and the ability to focus near the end. A systematic solution would be to reserve mornings for important work that requires focus and open up the afternoon for meetings, urgent tasks that aren't important but are distracting, and other activities that have the potential to break your concentration.

Another simple systematic solution would be to practice a strategy of sticking with whatever task you are on until you complete it, or at least reach a satisfying milestone that provides a natural break point. Unfinished tasks can elicit the "Zeigarnik effect." If you've ever started a household project, stopped partway through, and then felt strongly compelled to complete it, you've experienced the Zeigarnik effect. Once we start something, we feel more compelled to finish it, compared to when we hadn't started it at all. Thus, an unfinished task can cause us to essentially interrupt ourselves as our mind continues to go back to it.

Finally, flextime could be used to avoid interruptions. The hours between 9 a.m. and 5 p.m. will always be the most prone to interruption. Flextime could allow employees to move some of their work time outside of traditional business hours. Trish Davidson, finance director for Rockingham County, Virginia, observed that when she sometimes comes to the office at 6 a.m., the couple of hours she spends working before regular business hours are more productive than the entire rest of her day!

CHECKLISTS. Because it's impossible to eliminate all interruptions, an anti-interruption strategy should also consider ways to mitigate the negative impacts of an interruption when it does occur. A good checklist can help.

QUESTIONS AND CONVERSATION STARTERS

- Are your colleagues aware of the potential for lost productivity caused by interruptions and chronic distractions? How can you get them on board with combating distraction?
- Can you designate a no-interruption zone that staff can use for tasks that demand focus?
- Can your office agree on signals that staff can display to indicate they should not be disturbed?
- What are your important sources of interruption? How can you mitigate them?
- Do you have checklists and a good organizational system to help you pick critical tasks back up after being interrupted?

This is not an exhaustive listing of everything that must be done to complete a task. A good checklist fits on one page and skips the obvious or unimportant steps. It focuses on the critical steps in a process that are most likely to be overlooked and that are not adequately checked by other mechanisms.[10] These are the biggest points of potential failure, so a checklist helps users reorient themselves to the task if an interruption throws them off.

PREPARATION. Another way to mitigate the effects of interruption is to optimally organize your workspace, which makes it easier to pick the task back up after an interruption. "5S" is a popular tool from Lean process improvement[11] that addresses how to organize a workplace. Each of the five Ss represents a step in the organizing process: sort the necessary from unnecessary; set in order, so the most important work tools are easy to find and accessible; shine, or keep the workspace clean and free of distracting clutter; standardize the approach so it can be replicated; and sustain it over time. Governments that practice Lean have used 5S widely. There are many Internet resources on how to use 5S, and you don't have to be a full-fledged Lean organization to benefit from it. Also, 5S is useful beyond just mitigating the impact of interruptions. For example, the municipal finance department at the City of Chula Vista, California, did an office-wide 5S project and was able to improve productivity so much that they were able to eliminate two vacant half-time administrative positions.

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Interruptions by technology

Interruptions from technology are different than those from people. They are generated automatically by software or by people who aren't usually expecting an immediate response (as with text messages or email). This is fundamentally different from a phone call and, especially, an in-person interruption, where the other person is expecting you to respond right away.

One might think this would mean that interruptions from technology would be easily tamed. Of course, this is not the case. In fact, email is one of the top sources of distraction in the workplace. The reason interruptions from technology are challenging is that excessively checking text messages, emails, and more has developed into a *habit* for many of us. Much of what we do is driven by habit. For example, researchers found that a little more than half of tasks performed at work were habitual.[12] Habits proceed without much conscious thought, and we have them because they relieve us of the need to spend energy thinking about routine tasks.

Sometimes, though, we make habits of undesirable behaviors. Recognizing excessive or unproductive use of technology as a bad habit is important for two reasons. First, it reveals that we are unlikely to be successful at curtailing this problem just through force of will. Attempting to override a habit simply by resolving to do things differently is very difficult. Conscious, intentional thought requires substantial effort. Habits require little effort. Therefore, good intentions are at a considerable disadvantage against habit, as the struggles of people who vow to quit smoking demonstrate.

The second reason why recognizing device-checking is a habit is important is that it allows us to take advantage of research on how to change habits. In *Good Habits, Bad Habits: The Science of Making Positive Changes that Stick*, Wendy Wood of the University of Southern California identifies four levers for habit change:[13]

- **Friction.** Make it easier to do the right thing and harder to do the wrong thing. This may be the single most important lever for habit change.
- **Context.** Our environment provides cues that prompt us to engage in our habits. Change the environment to increase constructive cues and decrease unhelpful cues.
- **Rewards.** Provide an incentive for engaging in desirable behaviors. The reward needs to be received as soon as possible after engaging in the desired activity.
- **Repetition.** Keep doing the right thing until the behavior becomes automatic.

In many cases, the creators of our devices and applications have designed them to become habitual. The interfaces are easy to use or "frictionless." They cue us with audio tones or visual displays to open the application. We are rewarded by the novelty associated with seeing the latest post on social media, what is happening in the news, and so on. So, we repeatedly access the technology, and it becomes a habit.

Mitigating technology interruptions therefore requires counteracting the habit-forming features of our devices and

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applications. The easiest place to start is with context and cues. Dr. Wood points out that the most effective way to eliminate cues that would prompt you to put down the task at hand and pick up your smartphone (or other device) is to leave your phone behind. For example, if you are meeting with a colleague, leave your phone in your office. You will be more focused in the meeting and your colleague will likely appreciate your undivided attention. Of course, it will not always be possible to escape your devices and applications, but most of them have options that allow you to customize notifications. Look for any cues your devices are giving you to engage in low- or no-value activity and turn them off. Examples include:

- **Audio or visual notifications of new email messages.** Today, hardly anyone uses email for truly urgent communications, so it isn't necessary to drop what you are doing to check messages.
- **News notifications on your smartphone.** Many applications push news alerts to our phones. This news is virtually never so important that learning about it can't wait.
- **Set up temporary blocks for low-priority contacts.** Many smartphones have customizable do-not-disturb settings, where the phone only notifies you of calls and messages from certain people. For example, you could create a setting that only notifies you of calls/messages from key elected officials.[14]

Friction may be the most important lever. The objective is to make it just hard enough to access the distraction that accessing it would require conscious effort—taking you out of the realm of habit. There are many ways to do this. For example, you could put your phone charger on the other side of the room and plug the phone in when you get to work. The phone is thus out of easy reach, but not so far away that it can't be accessed if needed. When traveling, you can keep the phone in a zippered backpack instead of in your pocket, making it slightly more difficult to get to. There are innumerable other ways you can add helpful friction to your technology:

- Michele Cassaro, deputy director of finance and administration for the Greater Rockford Airport Authority, Illinois, deleted distracting apps entirely from her mobile device. This way she can't be cued to use them when using her device for productive purposes. Also, removing these apps would force the user to access them via a personal computer, which might be enough additional friction to stop a habit.
- Remove the ability to access distracting applications quickly, such as taking them off shortcut menus. This might be especially useful for PCs, and especially for email. For instance, Gwen Pilo from the City of SeaTac removed the email shortcut from her desktop and now only opens and checks email at the start of the day, once midday, and at the end of the day.

QUESTIONS AND CONVERSATION STARTERS

- Are you bringing your devices with you to places where they do more harm by creating interruptions than they add in productivity? Can you stop bringing your device?
- What cues to engage in low- or no-value activity are your devices giving you? Can you eliminate those cues?
- What devices or applications are your biggest sources of distraction? How can you make using that device or app more difficult?
- What cues prompt you to pick up your device (like wanting to know the time)? Can you find a lower friction, less distracting way to accomplish the desired result (like wearing a wristwatch)?
- Is there are more positive habit (as in calling people personally) that you can associate with your device use that also adds to the friction of using the device?
- What immediate reward can you set up for engaging in more constructive behaviors?

- Sarah Rathlisberger, finance manager for the City of Monticello, Minnesota, has taken to storing her cellphone in a desk drawer. She can hear the phone ring (which is more likely to indicate something urgent) but can't as easily hear or see the numerous other, less important notifications her phone produces. Also, because she can't see the phone, the mere sight of it can't cue her to pick it up and use distracting apps.
- Develop complex passwords for social media sites and don't set up the password to be automatically filled in for you. Besides reducing the chances your profile will be hacked, you will have to look up the password every time you want to use social media, likely cutting down on how often you log in.
- Simply turn devices off when you aren't using them. Besides saving battery life, having to turn your device back on just to get a quick look at it will often be enough friction to stop a habit.

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Dr. Wood shows that you can also use friction more creatively. For example, perhaps you pick up your phone to check the time and then end up (wasting time) on a social media app. Get a wristwatch that you like. Now, you've reduced the friction associated with checking the time (just lift your wrist) and you've removed the cue for getting into social media. You might also build a new habit of making personal phone calls. Dr. Wood suggests making a phone call every time you access your phone. Family members or friends will often appreciate a quick call just to say "hello," and many work matters are often better resolved over the phone than email. Besides strengthening your personal relationships, making these calls adds a new source of friction to using your phone. Phone calls are more difficult than texts or email, so if you make it a habit to make a call every time you pick up your phone, then you are less likely to pick up your phone in the first place!

Finally, we come to rewards and repetition. Repetition is self-explanatory, while reward is a bit more complicated. Rewards don't work unless they're immediate. Wood suggests that because we use devices as a distraction and distractions are occasionally necessary, then a more constructive distraction could be a viable reward. For instance, keeping a good book or magazine nearby to reach for instead of your device would likely do more for your wellbeing than the latest news alert or social media post. Furthermore, a physical book or magazine can't bombard you with personalized advertisements that are optimized to grab at your attention or present links to lead you down rabbit holes you are better off staying out of. And, of course, if we enjoy the book or the magazine, then it is a good reward for staying off our devices. Rewards could also be intrinsic. For example, there are many proven health risks associated with multitasking, including decreased cognitive ability, reduced memory, greater stress, and increased anxiety and susceptibility to depression.[15] Knowing that you are improving your health and wellbeing by avoiding chronic distraction could be its own reward.

There are many **proven health risks** associated with multitasking, including decreased cognitive ability, reduced memory, greater stress, and increased anxiety and susceptibility to depression.

Conclusion

Interruptions are a serious threat to productivity. Recognizing the two types of interruptions, those from people and those from technology, allows us to develop strategies for dealing with each. Share this article with your colleagues and develop your plan for your office to reduce the consequences of interruptions. Here is a simple meeting format you could use:

- For the first ten minutes or so, people silently read the article. This way everyone starts with the same information. Often, you can't count on people reading ahead of time, so you can schedule the reading time as part of the meeting.
- Next, participants spend a few minutes, on their own, making notes about their top ideas for reducing the impact of interruptions in the office. These could be ideas from the article that they liked or ideas they come up with on their own. Research shows that a bit of quiet reflection time greatly improves the number and quality of ideas you get from a meeting.
- If you have a lot of participants in this meeting, you could break into groups of four and have people discuss what is on their lists and look for commonalities, which would be the most obvious ideas to commit to. The group could also agree to things that weren't on everyone's list. This group discussion should not take more than 10 minutes; then the groups can compare notes. Ideas that were on all the groups' lists would be top candidates, but it would be fine for the meeting participants to agree to ideas that not every group came up with. If you have a smaller number of total participants, you can follow essentially the same process but without multiple groups.
- Wrap up the meeting by writing on a flip chart the new behaviors you and your colleagues will commit to in the future. If the group discussion generates too many ideas, they might be too overwhelming to implement. If this happens, write all the ideas on the flip chart and use "dotmocracy" or some other method of prioritizing. For dotmocracy, every person gets a small number of sticky dots—the number of ideas on the flip chart divided by three is usually a good rule of thumb for the number of dots. Everyone then puts their dots by their favorite ideas, and the ideas with more dots win.

Shayne Kavanagh *is the senior manager of research for GFOA's Research and Consulting Center.* ***Jake Kowalski*** *is a consultant/analyst with GFOA's Research and Consulting Center.*

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What's Fair?

Exploring the Behavioral Science of Justice and Fairness

BY BRIAN HARWARD, ALISON TAYLOR, AND SHAYNE KAVANAGH

Issues of fairness and justice are central to the work of all government officials, as their roles and power are granted by the will of their constituents and their work can either empower or limit the livelihood of those same people. Although many of the concepts addressed here apply to all public officials, this article focuses on the role of the finance officer because of their role as coordinator of the budget process and steward to financial resources.

GFOA's Code of Ethics identifies fairness as one of its five core values. Treating people fairly is one of the "Five Pillars" of GFOA's Financial Foundations Framework. However, concerns about fairness are multifaceted and complex as well as social and political. Our goal is to define what fairness is and find ways to achieve it, and we will investigate three primary forms that fairness can take. This is important because fairness, or "justice, ("justice" and "fairness" are used as synonyms in this article) can be applied to "individual actions, laws, and public policies. If something is deemed unjust, this is a strong, maybe even conclusive, reason to reject them."[1] Public officials and public servants need to always be thinking about perceptions of fairness, especially in the current climate.

Fairness is one of the five core values in the GFOA Code of Ethics. Read the full code at gfoa.org/ethics.

By better understanding the three forms of fairness, public servants can better design local government institutions and conduct themselves in ways that are seen as fair.

Before we get to the forms of fairness, we also need to acknowledge the impact of political polarization. Finance officers, like everyone in government, feel the increasing polarization of politics.[2] When we see that even views on the pandemic are driven mostly by partisanship,[3] it is only to be expected that local public issues have become more politicized. Questions of fairness have become more political, but not just because everything else has too. Questions of fairness tend to highlight differences in core values and preferred outcomes between people, and these issues will be addressed in future articles.

Fairness takes on many forms, and the concept of fairness can be applied to the ways in which people and organizations are judged. We even have different ideas about what it means for fairness to be achieved. Kees van den Bos,[4] a researcher on fairness, observed how it affects our interactions: "If other persons' behavior seems to be fair, then people react favorably and acquiesce to demands or requests of those persons with little consideration of material outcomes. However, if a person is judged to be unfair, then people react largely in terms of the immediate material costs and benefits associated with various courses of action."

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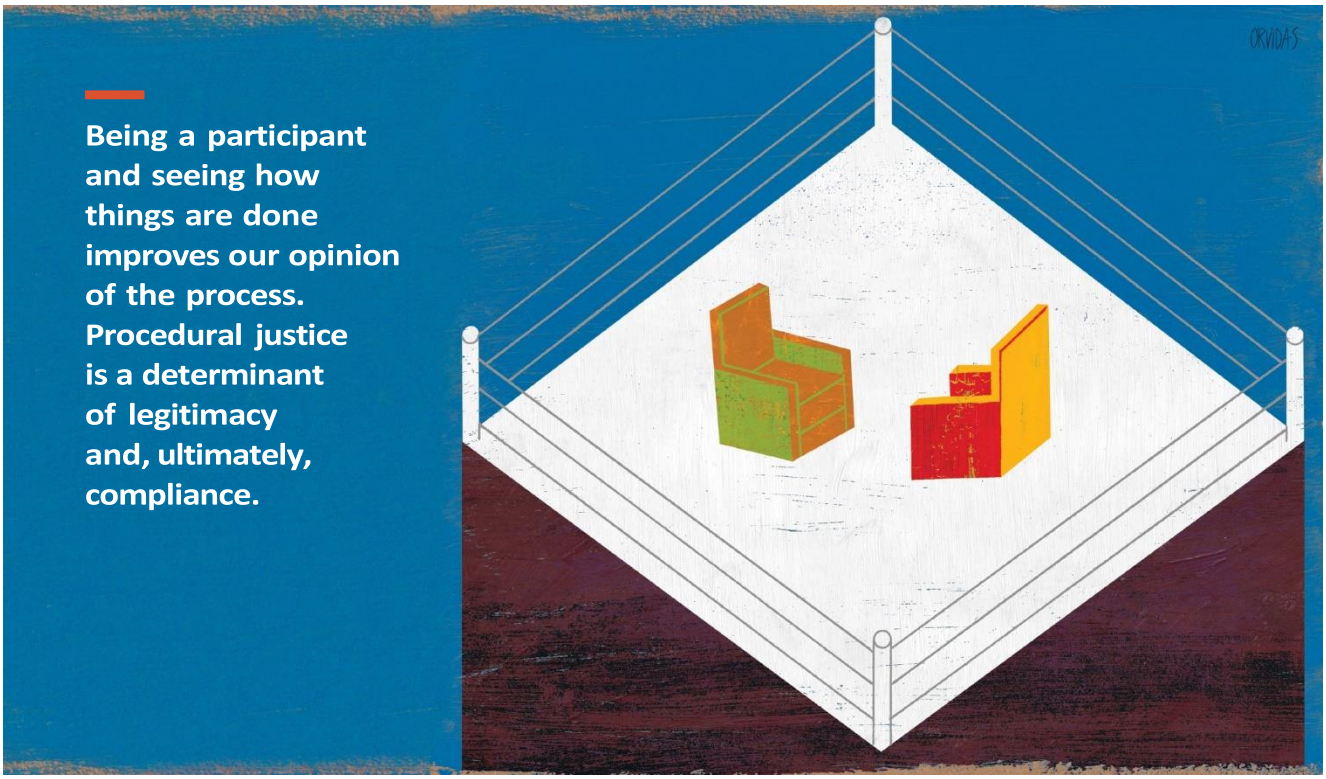

Perceived fairness is not, therefore, determined only by how resources are distributed. We can better understand how fairness is perceived by subdividing into three categories: procedural, interactional, and distributive justice.

- **Procedural justice** refers to fair processes. This could refer to the public engagement or negotiation processes that happen as part of annual budgeting.
- **Interactional justice** is about human interactions and defined by fair treatment of the people involved. In particular, it concerns whether everyone was treated with respect and empathy.
- **Distributive justice** refers to the fair distribution of resources.

Let's examine each category in detail.

PROCEDURAL JUSTICE

Procedural justice is at the heart of the democratic system of government. Modern democratic government provides the unique right and ability for citizens to influence government policy. In fact, establishing justice is one of the specific goals of the Constitution of the United States, as stated in the preamble. In many cases, though, the people who are affected by government decisions don't know how those decisions are made—and a lack of proper knowledge leads people to engage in conjecture and assumptions that might not be helpful as far as establishing perceptions of justice. For instance, the public might assume that partisanship or corruption plays a role in government decisions.

Participation increases satisfaction with decisions, in part because participation increases the perception of procedural justice.[5] Being a participant and seeing how things are done improves our opinion of the process. Procedural justice is a determinant of legitimacy and, ultimately, compliance.[6]

In budgeting, procedural fairness seems to be determined by perceptions of ethicality (decisions that are compatible with the ethical/moral values held by the people affected), accuracy (decisions that are based on good information and informed opinion), and bias suppression (decisions that aren't influenced by personal self-interest or narrow preconceptions) in decision-making processes.[7] (Find more examples of how procedural justice can be applied to financial decision-making in chapter 14 of the GFOA book *Financial Foundations for Thriving Communities*.)

ACTION TO TAKE

Consider if decision-making processes display the characteristics of procedural justice. Do people have the chance for input? Is the information used to make decisions seen as accurate? Are clear decision-making criteria applied equally to everyone? If the processes produce a bad decision, is there a way to recognize and correct it?

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INTERACTIONAL JUSTICE

Key components of interactional justice are truth and dignity in interpersonal interactions.[8] Whatever our ideology and values, nobody likes being lied to. Everyone expects human dignity. Interactional justice is relevant in local governance any time the public is engaged. It represents citizen satisfaction with how they are treated during those interactions. Whether in person, online, or via telephone, a judgment of interactional justice will be formed. Returning an email quickly, respectfully answering questions in public forums, or showing concern during a phone conversation can all influence perceptions of interactional justice. Following up with the public after consultation is also important because it shows that previous conversations were heard, and that decision-makers care enough to update and explain what was done.

Interactional justice, over which local government officials can exert a lot of control, has many benefits. Interactional justice can help people to be less self-serving.[9] It also overlaps with procedural justice. After all, we aren't likely to view a process as just if we are not respected and treated well personally. Interactional justice has unique value in persuading people who have negative views of the process, make complaints, or don't know if they want to engage. Interactional justice in government comes down to citizens feeling that those in power respectfully engage with ordinary citizens rather than dismissing their concerns.

Irate and judgmental members of the public can usually be calmed by responding to them with care and respect, building rapport quickly. You may even get an apology!

Finally, interactional justice does not in any way require persuading citizens of the merits of the public official's position. It only requires recognizing differences and exercising empathy.

ACTION TO TAKE

GFOA's Code of Ethics is based on values that have been proven to increase trust. Think about what you can do to live the values of the Code. GFOA has gathered many examples[10] to illustrate how this can be done.

DISTRIBUTIVE JUSTICE

Distributive justice is determined by comparing the "actual reward" of some resource to our internal belief of an ideal "just reward."[11] The more the actual and just versions of the process match, the higher our ratings of distributive justice. Evaluations of injustice lead to becoming disheartened, disengaging from the process, or acting to change the process. Judgments depend on many factors, including the allocator, observer, rewardee, nature of the reward, and context.

The "just reward" a person imagines is influenced by their ideology (equity, equality) and the topic at hand.[12] For example, one study found that distributive justice preferences for equity, equality, or needs regarding welfare depend on the particulars of the welfare policy under consideration.[13] Study participants didn't apply the consistent principles to unemployment, pensions, and healthcare; instead, they often expressed different preferences for each. Some people favor an equality-based reward for all of these. Others believe that a demonstration of true "need" for the benefit is more important than equality or equity. Ideology and the particulars of the policy under consideration determine individual preferences.

Some local governments have attempted to achieve distributive justice by giving each council ward or district an equal amount of money for road repairs each year, for example. This might be seen as fair by some people, but it might also be inefficient and ineffective, as the transportation needs may differ greatly from one district to the next. Another approach might be to define desired outcomes (such as a goal for quality of the roadway) and distribute resources to make sure that quality goals are met in all parts of the city.

ACTION TO TAKE

Consider how to ensure that different constituencies get a fair allocation of resources. As in our roadway example, a promising approach is to define outcomes that the community wants to achieve and distribute resources in a way that allows members of the community to realize those outcomes. Read more about this approach to budgeting on the GFOA website.[14]

EXPLORE THE FULL WHAT'S FAIR? SERIES:

Read GFOA's entire series of research reports on the behavioral science of justice and fairness at gfoa.org/fairness. Topics include the three forms of fairness, understanding political polarization with moral psychology, equity and equality, group dynamics and negotiation and persuasion.

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A FLY IN THE FAIRNESS OINTMENT

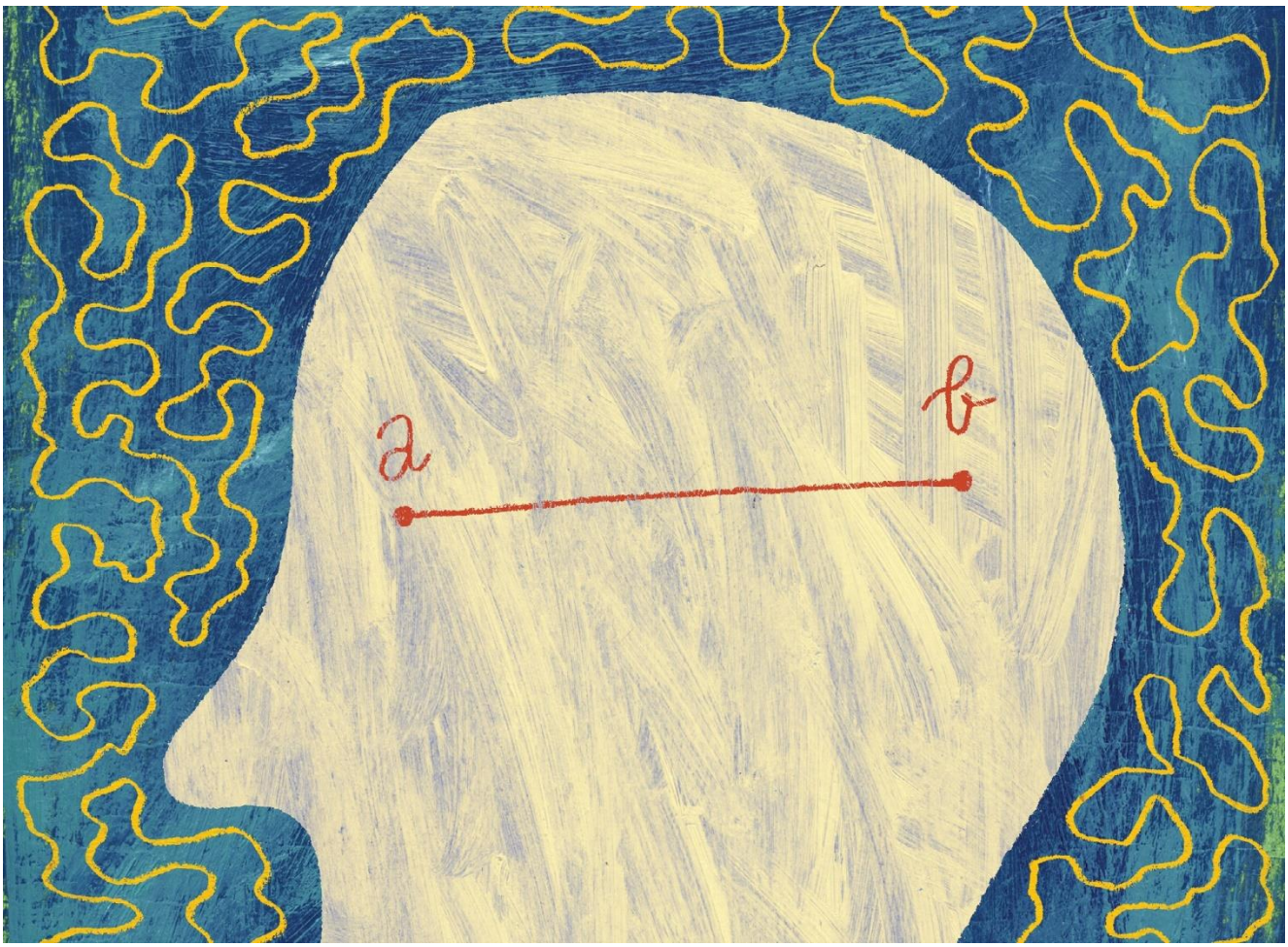
MENTAL SHORTCUTS IN JUDGING FAIRNESS

People do not judge fairness rationally or comprehensively, according to the three types of fairness outlined previously. People seek certainty, but they also want to arrive at decisions with minimal cognitive effort. People take mental shortcuts that allow them to make decisions when there is uncertainty or incomplete information, deciding faster but with less accuracy. Sometimes these shortcuts produce good results, or at least good-enough results. Other times they do not.

For example, when determining what is fair, people often rely on trusted public figures, political parties, and news sources instead of examining the issue at hand. Word choice can also impart a sense of fairness/justice by association. For instance, citizens may support a ballot initiative that is worded in a way that signals their values. Terms like "racial justice" or "patriotism" could garner support for policy proposal from a liberal or conservative, respectively, even when the content of the policy may not match their values.

We also participate in motivated reasoning. This means that we want to continue believing what we currently believe. We are likely to believe that which confirms our existing attitude and discard that which disagrees with it. This is in part due to our desire to view ourselves as consistent and our dislike for admitting we were wrong. It can be hard for someone to change their mind to the point of seeing something as fair that they previously thought was unfair, or vice versa.

People take mental shortcuts that allow them to make decisions when there is uncertainty or incomplete information, deciding faster but with less accuracy.



None of this means that finance officers shouldn't take the steps to increase fairness that we described earlier. It means that the three forms of fairness aren't guaranteed to influence people's perceptions of fairness. They do, however, stack the odds of being seen as fair in the finance officer's favor.

SUMMARY AND ACTIONS TO TAKE

Fairness is a multifaceted concept. To help ensure that citizens feel that they're being treated fairly, consider procedural, interactive, and distributive justice.

Improve procedural justice in decision-making processes. Provide transparency about the way in which decisions are made. Give people the opportunity to provide input. Develop criteria for making decisions, which will help promote open discussion of the personal values and differences of opinion. Framing the conversation by acknowledging these considerations can help reveal and resolve hidden tensions. Take steps to make sure everyone agrees that the information used to make the decision is accurate. Make provisions to review decisions and correct mistakes.

Interactional justice can help increase perceptions of fairness, even when there is lack of agreement among participants. Ensuring that interactions with key stakeholders are timely, respectful, and clear can help ease tensions over perceived fairness of decisions. The GFOA Code of Ethics is based on values proven to increase trust; think about what you can do to live the values of the code. GFOA has gathered examples to illustrate how this can be done at gfoa.org.[15]

Consider strategies to address distributive justice. For example, can your government define a standard for service and use the budget to decide how to live up to that standard for all citizens? Where concerns remain over distributive justice, clearly explain the procedure taken to make the decision and the reasons for it. This will help people to accept the decision, even if they do not agree with it.

Remember, people do not judge fairness rationally or comprehensively. The steps explained in this article do not guarantee that people will perceive fairness—but they do increase the odds.

Brian Harward *is an organizational psychologist and research scientist at Ethical Systems.* ***Alison Taylor*** *is the executive director at Ethical Systems and an adjunct professor at the New York University Stern School of Business.*
Shayne Kavanagh *is the senior manager of research for GFOA's Research and Consulting Center.*

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Of Narratives & Numbers

BY NICOLE GRABEL AND SHAYNE KAVANAGH

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Do numbers tell the story or do we? Recognizing the way our own narratives influence the way we see numbers can lead to better decision making.

It is probably safe to assume that finance officers are more comfortable with numbers than most of the decision-makers the finance officer supports. These decision-makers are likely more comfortable with narratives. Numbers are often part of the conversation, but psychological research shows that people often grossly misunderstand and/or misuse numbers in favor of their preferred narrative. Of course, finance officers are people too, and they can fall prey to the same pitfalls as less numerate people. A better understanding of the relationship between narratives and numbers can help us structure decisions more wisely.

In this article, we will explore narratives and numbers in four parts:

What we see is all there is. We tend to overemphasize the information that is most tangible or available. Numbers are often abstract by comparison.

We string that into a causal story. People are good at finding patterns. Often, this is a big advantage, but it can also lead us to find patterns where there are none.

We continually confirm that story. We want to be right. We tend to overweight information that supports our preferred conclusions and discount information that doesn't.

We translate our inferences imperfectly. We are not good at evaluating the accuracy of our stories.

WHAT WE SEE IS ALL THERE IS

Numbers are an abstraction of reality. Therefore, people tend to gravitate toward vivid information like examples or anecdotes. In particular, people tend to emphasize information that is easy to recall. They may recall recent experiences and overlook relevant but older information. For example, the views of the citizen who spoke at the most recent public hearing may be weighed more heavily than views expressed at older meetings. People also recall vivid or extreme examples more easily. So, for instance, a recent natural disaster might get more attention in planning mitigations than another type of disaster that has historically been more commonplace.

People tend to emphasize information that is easy to recall.

People's attraction to narratives and examples means that we can be swayed by anecdotal evidence and overlook broader, more informative statistics. We've all encountered the argument: "Well, I know a person who…[insert personal experience that seemingly disproves a broader statistic]." This can happen in public administration too. For example, when evaluating the effectiveness of a program, people might focus on specific program clients that the program has helped or failed to help rather than looking at a larger sample of program participants.

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WE STRING WHAT WE SEE INTO A CAUSAL STORY

Human beings are great at finding patterns in information, but the downside of this ability is that we are prone to find patterns in places where meaningful patterns don't exist. These false patterns become the basis for a causal explanation of what we observed. The most basic manifestation of this tendency is termed "post hoc ergo propter hoc," which means because one event preceded another, the preceding event was the cause. For example, if the police budget goes up (or down) and the crime rate then goes down (or up), people might conclude that the change in the police budget was the cause. Perhaps the budget change had something to do with it, but there are many possible causes of crime, so it is also possible that the budget change had nothing to do with it.

WE CONTINUALLY CONFIRM THAT STORY

Once we have a story, we want it to be true. This biases how we take in information. The aptly named "confirmation bias" is a phenomenon in which we take note of evidence that confirms our story and (subconsciously) ignore evidence that disconfirms it. For example, imagine a school implementing a new program to improve reading. Supporters of the program may tend to focus on students the program helps and ignore or discount those the program doesn't help.

> Once we have a story, we want it to be true. This biases how we take in information.

Biases may also affect our perception of the past to better support our current beliefs. "Hindsight bias" means we tend to see past events as more predictable than they were ("I knew this would happen" or "you should have seen this coming"). This might cause decision-makers to underestimate the uncertainty inherent in many public finance decisions. "Choice supportive bias" is where we tend to recall mostly the positive attributes of a choice we have already made (and even ascribe new, fabricated, positive attributes to the choice) and forget the drawbacks. This would make critical examination on previous budget decisions, for example, more difficult.

WE TRANSLATE OUR INFERENCES IMPERFECTLY

Of course, our stories must meet reality at some point. However, our biased brains often prevent a clear-eyed assessment. One of the most prominent biases in this vein is the "overconfidence bias." The overconfidence bias can manifest in various ways:

Thinking we are better than we are relative to other people. For example, in a survey of 76 GFOA members, 81 percent thought they were in the top 50 percent of finance officers for their decision-making ability.

Thinking we can predict the future more precisely than we really can. To illustrate, research has shown that when people are asked to put a range around some future value (like next year's revenue), they are likely to give a narrower range than what they should be confident in.

We are too optimistic about how new ventures will turn out. For instance, people routinely underestimate budgets and schedules for new projects.

Another pitfall in making clear-eyed assessments is our ability to correctly interpret uncertainty. A common application of this is if someone tells us something will "possibly" or "probably" happen. When people are asked to put a percentage chance on what they mean by "possibly" or "probably," the numbers they give can vary greatly. In fact, some people mean much less than a 50 percent chance, while others mean a chance much greater than 50 percent. This could lead to serious errors in communication.

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Access the series on the GFOA website at **gfoa.org/materials/behavioral-science-2021.**

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Case study on narratives (and numbers)

Let's examine a case study that illustrates many of the pitfalls we just reviewed. We'll also see one way to overcome these pitfalls.

A superintendent was presented with an idea by the school district's English Department for a program to help middle-school students who were struggling with writing in their English classes. The program would feature small-group learning, with two students per teacher, to provide focused help for students who were a year or two behind their peers in their writing skills but who seemed well-suited to catch up. The superintendent loved the idea. Not only did it fill a need to improve students' writing skills, but it also aligned well with his theory on how the school district could best help children, which was for highly skilled teachers to provide intensive, targeted support for struggling students. Therefore, the superintendent and the district made a substantial commitment to this idea: The program was given a dedicated room, complete with new computers, new carpeting, and a new paint job—at a cost of $40,000. Further, four full-time equivalent teacher positions were dedicated to run the program. Besides the financial commitment, the superintendent showed his personal commitment. On his regular visits to the school buildings, he would stop by to see how the program was going—and he liked what he saw. Students were engaged in orderly and concentrated study with teachers by their sides.

At the same time, a smaller investment was made in a math program to help struggling students. This program was a hybrid of multiple teaching and learning styles. At any one time, one-third of the class would participate in group lecture with the teacher, a third would work independently, and a third would work on computer-aided lessons. However, this program was only offered as a concession to the Math Department, which had loudly voiced its displeasure with the disproportional resources going to English. The superintendent was not personally invested in this program. When he did go to observe it, what he saw justified his ambivalence: The class was chaotic, noisy, and did not present a productive learning environment. Further, the teacher of the program appeared stressed.

When it was time to build next year's budget, the superintendent was expecting to cut the math program. However, examining data on program effectiveness was a principle of the district's budget process, so it was important to honor this principle and examine the data for these programs. Regardless, the superintendent reasoned that the math program would be cut because the data would show the program's presumably poor results, which would help build support among the rest of the district's management for cutting the program. Then he got a surprise: The scores of the students in the math program exceeded expectations. On average, students made 18 months' progress in a year. Meanwhile, there was no detectable improvement in the abilities of the participants in the English writing program, considering both grades and the quality of writing samples.

It turned out the noise that the superintendent observed in the math program was the natural byproduct of middle schoolers getting excited about something (in this case, math), and the chaos was partially a result of students sneaking into the class because they had heard that this was the place where they'd finally conquer math. Conversely, the apparent order in the English class was because, as attendance data showed, about half the students were cutting the class (so they weren't there to cause disorder), and the concentrated work between students and teachers turned out to be not much more than a glorified study hall, where students would get tutoring on their regular classwork rather than systematic instruction on how to improve their writing abilities. Perhaps less surprisingly, the English program cost more—almost four times as much!

The decision was clear. The English program was canceled, and a new English program was modeled on the successful math program.

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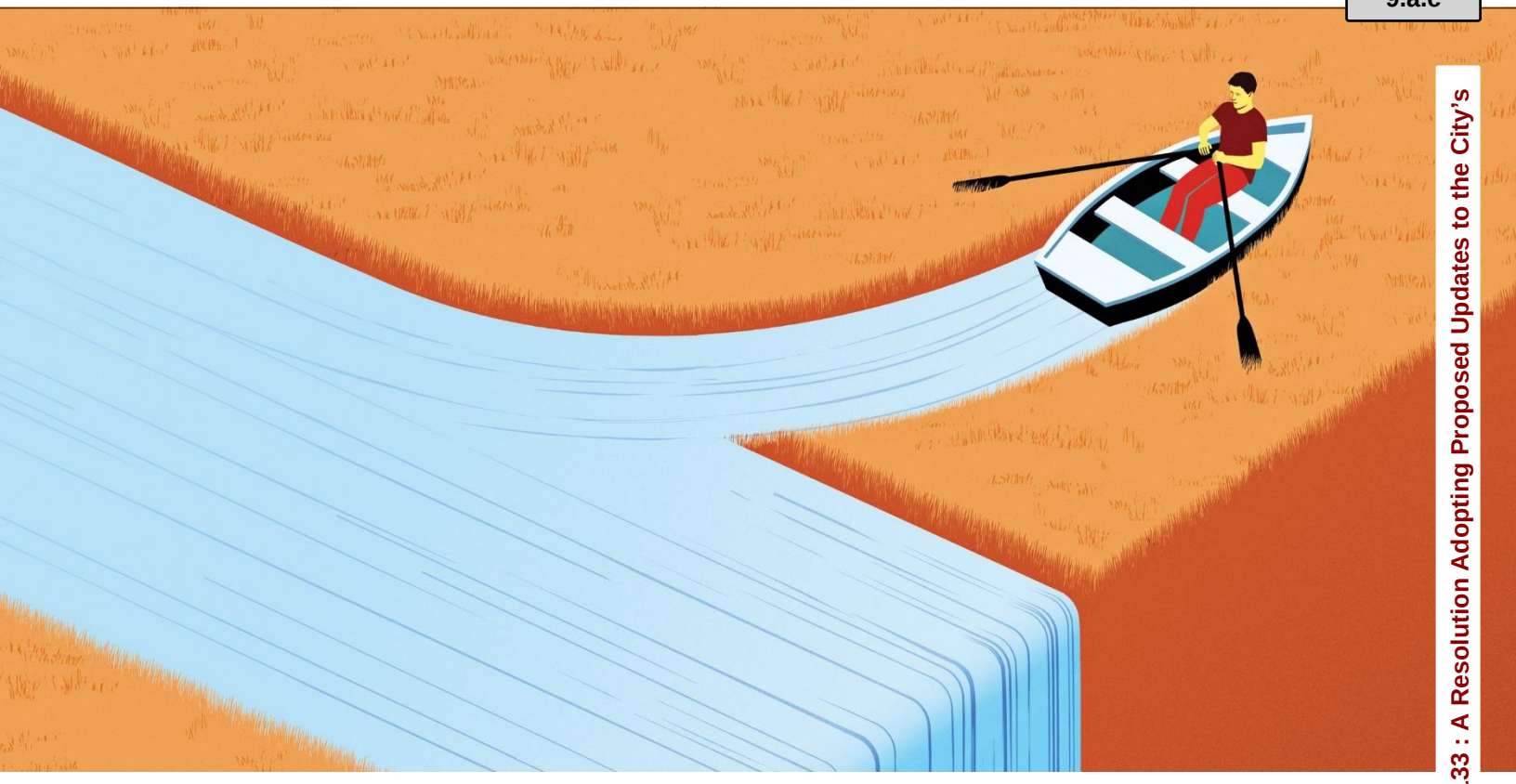

HOW TO AVOID THE PITFALLS OF NARRATIVES AND NUMBERS

In the case study, we saw one way to counteract the pitfalls of narratives, but what else can be done? One way we can't avoid the pitfalls is by just being smart. In fact, research has shown that more intelligent people (as measured by intelligence tests) are more susceptible to the types of biases we described. This might be because intelligent people are good at coming up with believable stories and arguments as to why that story is true. So, if we can't outsmart biases, what are our options?

Independent and structured judgment

You can break a decision down into separate criteria. For example, if you were evaluating potential new programs to achieve some policy goal (like reducing homelessness), you could have criteria for how effective the program would be and how much it would cost. It might be possible to further disaggregate these categories. The cost of the program might disaggregate into initial start-up costs and ongoing costs. The goal is to make the evaluation process focused and deliberate. This could reduce the possibilities for confirmation bias, for example, because you would be forced to look at evidence for all the evaluation categories and not limit yourself to evidence in categories that support your preferred evaluation result. For example, if you favor the program and it has a low start-up cost but a large ongoing cost, you might focus on the lower start-up cost and ignore the ongoing cost. If you establish separate criteria that require you to consider both, you sidestep your confirmation bias.

> Data can bring a different perspective to decision-making than one's personal judgment.

You might also engage different people in evaluating each criterion. This way, you bring different perspectives and prevent anyone's "story" from dominating the evaluation. For example, a common problem when evaluating multiple criteria is the "halo effect," where if the thing being evaluated does particularly well on one criterion, the evaluator then tends to judge the thing better on other criteria as well. So, if our homelessness program was very effective for helping veterans, for instance, someone might then judge the program to be more effective for helping other kinds of people than it actually is. Splitting up the evaluation criteria among multiple people can help you avoid the halo effect.

Enlist the outside view

Enlisting the outside view is about finding a wider pool of evidence to inform judgement. To continue the example of

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the new homelessness reduction program, the judgments of staff might be too optimistic about how much the program will cost, how successful it will be, and so on. We could enlist the outside view by looking at other local governments where a similar program has been tried to see how successful it was and how much it cost. These kinds of analogs can be useful for bringing an outside perspective to our potentially biased judgments.

Another way to bring in the outside view is to induct objective data into decisions. Data might bring a different perspective than one's personal judgment, which we saw in the case study.

Prompt multiple construal

As we have seen, we are good at telling ourselves stories. We can harness this talent for better decision-making by using the technique of multiple construal. Decision-makers can be asked to imagine multiple, different future outcomes. This helps people think more broadly about the future, beyond their preferred narrative. Scenario planning is a formal, structured way of doing this. Scenario planning asks decision-makers to consider multiple versions of the future and to think about decisions that would help the organization thrive in any version of the future. Long-term forecasting sometimes uses scenario planning by showing different versions of forecasts. The GFOA book *Informed Decision Making Through Forecasting* describes ways to use scenario planning in forecasting.

Another technique is called the pre-mortem. It asks people to think about the ways a decision could go wrong before committing to the decision. This helps reduce unwarranted confidence about how the decision will turn out and opens up space for thinking about how to mitigate risks.

Calibrate the way you communicate

Finance officers often need to communicate uncertain future quantities, like forecasts. Using probabilities to express uncertainty can help with this. For example, a revenue forecast might be described in this way: "I'm 75 percent certain that revenues will increase by at least one percent next year." Research has shown that people prefer advisors who quantify their uncertainty but are still confident. The phrase we just saw omits hedging language like "maybe," "I'm not sure, but…" and so on, making it come across as confident even though it is expressed as a probabilistic likelihood.

CONCLUSION

People prefer narratives. Numbers can sometimes be underweighted in decision-making or, worse, become nothing more than a tool for confirming our preferred narrative. Recognizing the way in which narratives influence decision-making allows us to employ strategies that use numbers more wisely for making those decisions better.

The content from this article comes from the field of behavioral science. We encourage you to learn more about the growing field of behavioral science and how it can be applied to budgeting. Look for additional articles from GFOA and consider checking out GFOA's recent webinar series on behavioral science (at gfoa.org/behavioral-science).

Nicole Grabel *is a principal of behavioral science at BehavioralSight.* ***Shayne Kavanagh*** *is the senior manager of research for GFOA's Research and Consulting Center.*

GFOA POLICY CHALLENGE

Financial Policy Challenge

Recognition for Leading Governments

BY KATIE LUDWIG

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In 2020, GFOA launched the Financial Policy Challenge, an opportunity for GFOA members to adopt and share financial policies that are essential to a strong financial foundation.

Our surveys show that significant portions of the GFOA membership do not have some of the policies that GFOA considers critical. For example, only about half of GFOA members have a one-time revenue policy. GFOA members have continually affirmed their belief that financial policies are important, and the Financial Policy Challenge is a way to access policy templates and share examples. By working together, GFOA members can make these policies much more common.

CHALLENGE WINNERS

GFOA is pleased to announce that as of June 2021, 12 local governments have earned recognition for completing the challenge. To be deemed "complete" a local government had to submit a policy or policies that addressed at least seven policy categories, and for each category, the policy had to include a majority of GFOA's recommended policy elements.

We will highlight the first set of winners in upcoming issues of *GFR*. This month, we are featuring interviews with the City of Mequon, Wisconsin; the City of Brookfield, Wisconsin; the Waukegan Park District, Illinois; the City of Austin, Texas; the Unified Government of Wyandotte County, Kansas; and the City of Thousand Oaks, California.

THE CHALLENGE CONTINUES

GFOA will review submissions every summer and winter, and we encourage you to submit your policies at gfoa.org/financial-policy-challenge. If you are planning to update or revise your polices, you can also view submitted policies from other governments on the same site.

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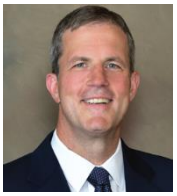
City of Mequon, Wisconsin



William Jones, city administrator, submitted Mequon's policies on capital planning, structurally balanced budget, debt, long-term forecasting and planning, reserves, one-time revenues, user fees, investment, and procurement.

What is the value of having financial policies in place?

As finance officers, we all know that little, if anything, gets done at the state or local level without the financial resources to pay for it. Moreover, and to safeguard the long-term availability of these resources, units of government need to guarantee that a strong financial foundation has been established and remains in place. Financial policies ensure that a government's day-to-day activities are conducted in a manner that does not weaken this foundation, or the financial position of the government. Financial policies also guide the work of, and engender public trust in, the elected and appointed officials who are responsible for the lawful and careful stewardship of oft-limited resources that are mostly derived from the taxpaying public.

How have your financial policies helped during the COVID-19 pandemic?

One of the underlying reasons for maintaining financial policies is to set a foundation and build resilience for unexpected events. During the COVID-19 pandemic, Mequon's financial policies were used extensively to ensure budgetary alignment between actual versus budgeted revenues and expenditures. This included enhanced reporting to the city's elected officials in areas where revenues or expenditures varied by five percent or more from the budget, and the adoption of several budget amendments throughout the course of the 2020 fiscal year. Coincidentally, many of these initial steps were initiated to maintain the city's existing fund balance (and, likewise, adherence to its fund balance policy) while simultaneously preserving the organization's wherewithal during a time when the long-term impacts of the pandemic were still largely uncertain.

How do you make sure that internal stakeholders are aware of the policies and/or ensure that they are complying with them?

Following Common Council approval of Mequon's updated policies in 2018, Finance Department staff posted the full suite on the city's website so that they would be readily available to members of the public and staff alike. Additionally, all city staff received an overview of the policies, along with other organization-wide training efforts (like CPR, customer service), to further support both understanding and compliance. Lastly, any substantial expenditures (otherwise requiring council approval) or more infrequent/extraordinary financial transactions (as in debt issuance, donations) are always measured against these policies to promote rigor and ensure adherence.

Do you have any additional advice or insight related to financial policies that you'd like to share with your peers?

Through the course of this endeavor, more than 40 jurisdictions throughout the United States and Canada posted policies on the GFOA website. Like a lot of work that is done at the local government level, there is no pride of authorship in these materials, which are now available for the taking. So, if your jurisdiction has not yet developed a set of financial policies or it has been a while since you last updated what's currently on the books, it's time to get to work. Put this project on this year or next year's to-do list and start the process of cutting and pasting!

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City of Brookfield, Wisconsin

Robert Scott, director of Finance and Administration, submitted the city's policies on capital planning, structurally balanced budget, debt, long-term forecasting and planning, reserves, one-time revenues, user fees, investment, and procurement.

What is the value of having financial policies in place?

The value of having financial policies in place is twofold: one, it demonstrates to elected officials and external stakeholders that a government takes the framework in which it operates seriously from a financial perspective to the point of formally documenting policies and following best practices. Secondly, it provides a government's financial professionals with a structure for their work to support their organization, and guidance for other internal stakeholders to understand the parameters in which they are expected to operate.

How have your financial policies helped during the COVID-19 pandemic?

They provided solid reference points as we navigated through a number of issues, including a number of newly elected aldermen taking office smack dab in the middle of the chaos. In particular, having well-established debt and investment policies were good tools to use and to justify decisions or recommendations we were making, ensuring that our financing and investing programs stayed on track. Our operating budget policy also provided guidance as to keeping our 2020 and proposed 2021 budgets as structurally balanced as possible, given the pressures on numerous revenue sources. Finally, our procurement policy works well in supporting the rules that must be followed when procuring goods and services for which the government is seeking federal reimbursement.

How do you make sure that internal stakeholders are aware of the policies and/or ensure that they are complying with them?

Internal stakeholders are made aware of our financial policies via our scheduled, periodic reviews of such policies. These involve all departments, the Finance Committee, and the Common Council. Newly elected aldermen and appointed department heads receive copies of the policies as part of their orientations, and all the policies are published on the city intranet. For certain policies that are more operational in nature (for example, the procurement policy), Finance Department staff interact with user departments to ensure awareness and compliance with the relevant provisions.

Waukegan Municipal Beach

Waukegan Park District, Illinois

Jon Beckmann, superintendent of finance; **Kalina Mendez**, supervisor of finance; and **April Yarza**, cash receipts and registration software coordinator, submitted the district's policies for capital planning, debt, long-term forecasting and planning, reserves, user fees, investment, and procurement.

What is the value of having financial policies in place?

The Waukegan Park District believes that stakeholders need a roadmap for financial issues and reporting. Financial policies also help provide transparency with internal and external stakeholders. These financial policies benefit internal controls related to day-to-day financial activities and support the audit process.

How have your financial policies helped during the COVID-19 pandemic?

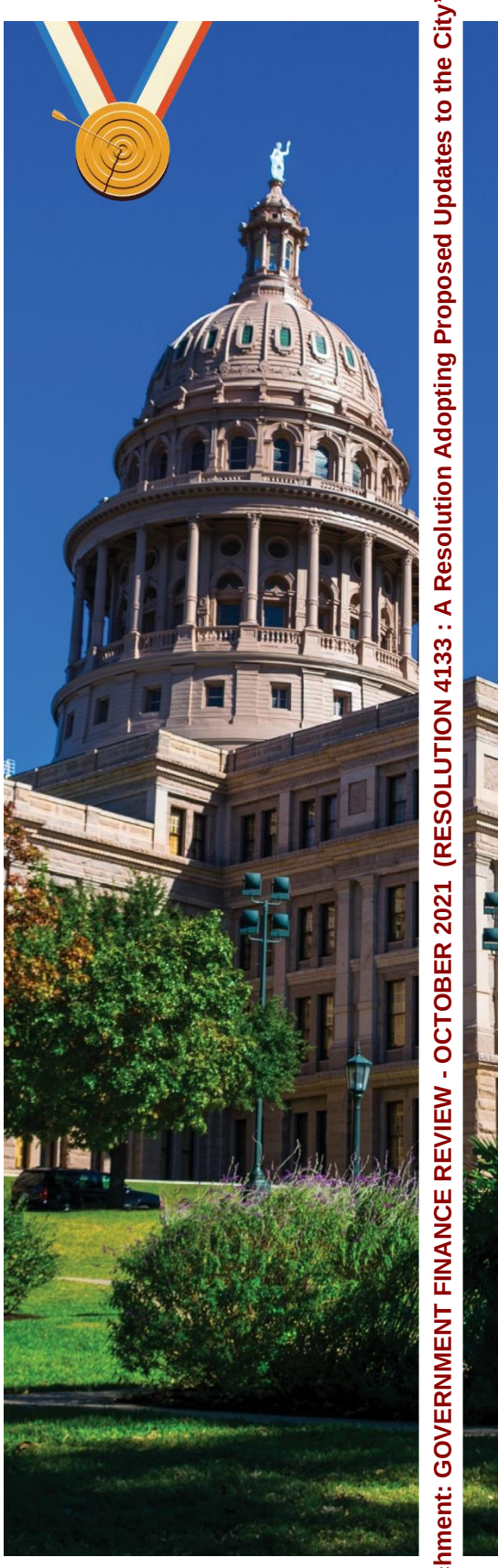
Our fund balance policy, implemented in 2017, has allowed us to have the proper reserves, despite facility shutdowns or a small downturn of the economy. This policy, combined with having cash balances, prevented staff layoffs while using our reserves.

How do you make sure that internal stakeholders are aware of the policies and/or ensure that they are complying with them?

Twice a year, the Waukegan Park District sends emails to staff about updated policies and provides training to walk through any questions.

Do you have any additional advice or insight related to financial policies that you'd like to share with your peers?

I think having a network like GFOA allows government agencies to share knowledge that can benefit their organizations. Being a member of GFOA provides many useful tools that benefit the district in creating these various financial policies. The Waukegan Park District has adopted several policies from GFOA and the IGFOA state association.



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City of Austin, Texas

Kimberly Olivares, chief performance officer, submitted the city's policies on capital planning, structurally balanced budget, debt, long-term forecasting and planning, reserves, one-time revenues, and investment.

What is the value of having financial policies in place?

Financial policies institutionalize good financial management practices, help the organization avoid unnecessary risk, support favorable bond ratings—which in turn reduce the cost of borrowing—and clearly communicate the policy framework within which staff is working. The City of Austin approved its first set of financial policies in 1989, ensuring that the city's financial resources would be managed in a prudent manner.

How have your financial policies helped during the COVID-19 pandemic?

Several of the City of Austin's financial policies pertain to reserves and their intended purposes. During the COVID-19 pandemic, the city used its reserves to help our community before federal assistance arrived, or for items not covered by the federal assistance the city received. Because of the city's past prudent reserve policies and its current cost-cutting measures—which did not include furloughs or layoffs—the city was able to weather the pandemic with only a minimal drop in our reserves. The financial policy mandates a 12 percent reserve, and the city's reserve dropped to 11.9 percent for the general fund. In other funds, reserves were used to help enterprise departments meet their operational needs.

How do you make sure that internal stakeholders are aware of the policies and/or ensure that they are complying with them?

The policies are reviewed annually for compliance. Further, each policy has an "owner" who is responsible for monitoring associated application and compliance. The status of the compliance with each financial policy is provided to the council and the public as part of the budget adoption process.

Do you have any additional advice or insight related to financial policies that you'd like the share with your peers?

Regular review of financial policies for compliance and regular communication regarding the status of the financial policies are incredibly important, but so is reviewing those policies through the lens of effectiveness and relevancy. Compliance with a policy does not necessarily equate to ongoing relevancy, so it is imperative that organizations regularly review their financial policies and make appropriate adjustments. Consideration should be given to the economic or political conditions, range of government operations that may have changed, and validation that the original purpose of the policy still exists and has not changed. In addition to the review of existing policies, the government should also consider the need for new policies to address the needs of the organization.

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Wyandotte County Courthouse

Unified Government of Wyandotte County, Kansas

Kathleen VonAchen, chief financial officer, submitted the county's policies on capital planning, structurally balanced budget, debt, long-term forecasting and planning, reserves, one-time revenues, user fees, and investment.

What is the value of having financial policies in place?

Financial policies set parameters and standards for the fiscal activities of the government. The purpose of the policies is to assist the government's officers and employees in conducting financial activities in an accountable manner and in making better fiscal decisions. The goals we have set for our financial policies include:

- Promote accountability and responsibility for financial activities and assets.
- Ensure legal use of public funds.
- Maintain public trust.
- Promote strong internal controls.
- Establish a framework for financial operations without limiting management discretion or independence.
- Improve the quality, accuracy, and timeliness of the Unified Government's financial reports in compliance with generally accepted accounting principles and the Governmental Accounting Standards Board.
- Provide management with financial data that is timely, accurate, and understandable.

How have your financial policies helped during the COVID-19 pandemic?

Our governing body's commitment to achieving the minimum reserve targets over the past years set up our organization to have the available financial resources for responding to the needs of the public health crisis.

How do you make sure that internal stakeholders are aware of the policies and/or ensure that they are complying with them?

All our financial policies are formally adopted by our governing body. During the fiscal year, we periodically report on compliance with our policies. They have become a part of our organization's ongoing operations.

Do you have any additional advice or insight related to financial policies that you'd like to share with your peers?

Successful compliance with financial policies requires that both management and the elected officials have actively engaged in developing the policies and that there was strong consensus on their final adoption. I would also like to point out that we created a website for our financial policies at wycokck.org/Finance/FAPolicies.aspx.

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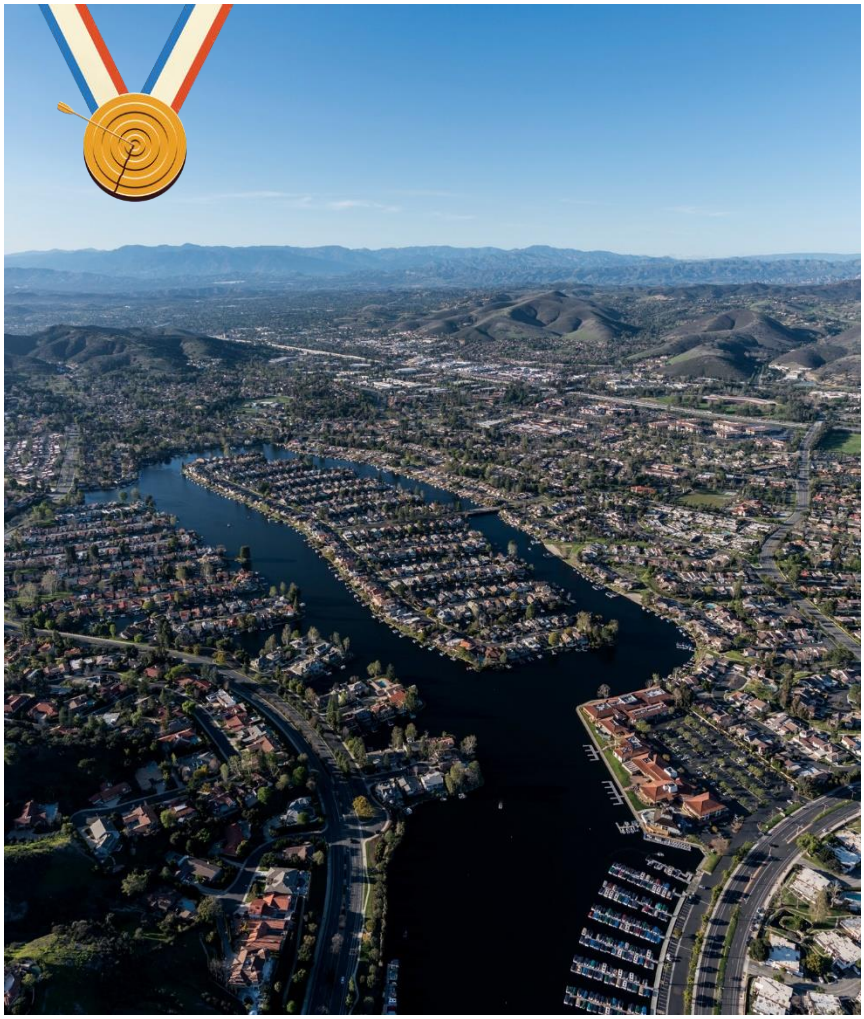

City of Thousand Oaks, California

Jaime Boscarino, finance director/ treasurer, submitted the city's policies on capital planning, structurally balanced budget, debt, reserves, user fees, investment, and procurement.

What is the value of having financial policies in place?

It provides standard guidance for all employees to adhere to. Policies ensure that we apply financial and budgetary guidance consistently across the organization and that we operate in an open and transparent framework, both internally and to the public. They ensure that we have stringent internal controls in place to safeguard taxpayer funds. Our financial and budget policies are also included in our biennial budget process and adopted by our city council. Staff reviews and updates them regularly to make sure they remain applicable and up to date with governmental regulations.

How have your financial policies helped during the COVID-19 pandemic?

The COVID-19 pandemic has been a time of great uncertainty. Knowing that we have sound financial and budget policies in place assisted staff in navigating this challenging time. With a strong fund balance designation policy in place that established general fund reserves of 20 percent for emergencies and working capital, we knew that Thousand Oaks was in a position to weather the crisis.

How do you make sure that internal stakeholders are aware of the policies and/or ensure that they are complying with them?

Our finance staff are highly knowledgeable about our financial and budget policies. This knowledge base enables them to hold training for staff citywide to share that knowledge with staff across the organization, such as training on our capitalization policy for our engineering staff. They are also able to work with staff one-on-one to answer questions and provide guidance. All policies are available for every employee to access on our internal website.

Do you have any additional advice or insight related to financial policies that you'd like to share with your peers?

If you are in an organization that lacks a specific financial policy, don't feel like it's too burdensome to create a policy. Rely on GFOA and other agencies as a great starting point in developing a policy so you aren't recreating the wheel. Having financial policies is vital in operating a financially responsible organization.

Katie Ludwig is a senior manager in GFOA's Research and Consulting Center.

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Issuing Financial Statements *Faster*

Preparing financial statements takes time, but these tips can help governments speed up the process.

BY TODD BUIKEMA

GFOA has long advocated for state and local governments to prepare their financial statements in accordance with generally accepted accounting principles (GAAP).[1] While GAAP-compliant financial statements present useful information to the reader, they do not on their own provide a comprehensive financial picture of the government. The Governmental Accounting Standards Board (GASB), the GAAP standard-setting body for governments, encourages governments to also prepare annual comprehensive financial reports (ACFR).[2,3] (See Exhibit 1.)

The ACFRs of approximately 4,400 governments participating in GFOA's Certificate of Achievement for Excellence in Financial Reporting program (COA program) are awarded a certificate for substantially meeting the program criteria. One of the requirements is that the government must submit its ACFR to GFOA within six months of its fiscal year-end. To identify standouts for timely reporting, GFOA reviewed submission times for award-winning ACFRs for the fiscal years ended 2018 to 2020. For that timeframe, we received an average of 13 ACFRs within a period of 100 days or fewer—that's 0.3 percent. GFOA reached out to officials at three governments that did so for all three of the fiscal years—Marni Hall, director of financial reporting for the City of Columbus, Ohio; Cory Gall, associate vice president of administrative services at Carl Sandburg College in Galesburg, Illinois; and Dawn T. Donovan, town comptroller for the Town of Eastchester, New York—to find out what they are doing to produce their reports so quickly. Based on those interviews, we have compiled a list of the actions they took that may help other governments issue more timely financial statements.

It takes time to prepare a government's financial statements, and GFOA is aware of the challenges governments face in issuing their financial statements in a timely manner. Several factors contribute to the timing of when a government can issue its annual financial statements, either a GAAP-financial statements-only report or an ACFR. Many of these factors were addressed in a December 2019 *GFR* article titled "A Timeless Question

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about the Timeliness of Financial Reporting," written in response to concerns raised by the Securities and Exchange Commission and others about the timeliness of governments' financial statements (at gfoa.org/materials/timeless-question-gfr1219). However, these issues can usually be overcome through targeted efforts based on forethought and planning. In this article, we will explore how governments that achieve considerably more timely publication of their ACFRs are able to do so.

Have a plan

Issuing a report in fewer than 100 days from your fiscal year-end requires planning. Numerous tasks must be completed before financial statements can be prepared and audited, and even the most experienced people forget to do something. Governments should therefore create a schedule of tasks, including when the task needs to be completed and the position/person responsible for completing it. This schedule should not only include tasks specific to preparing the financial statements, but also for all steps necessary for year-end closing. Preparing financial statements takes time, and if numbers change, even by as little as $1 in just one account, the financial statements may also need to change—which means that the general ledger needs to be finalized.

The schedule should be detailed. Tasks can range from specific year-end journal entries that need to be completed, such as pension and other postemployment benefit (OPEB) liability adjustments, each of the notes, and the financial statements. (See Exhibit 2 for an example.)

To meet the required deadlines, all parties involved need to review the proposed deadlines to ensure that they agree. A member of the financial reporting team should maintain the schedule, which should be reviewed *each day* to ensure that deadlines are being met. It can be useful to use a tickler system such as calendar reminders—with sufficient advance notice—for the parties responsible for each assignment, especially regarding sections of an ACFR that primarily or exclusively require review and minimal updates. Examples may include the summary of significant accounting policies and disclosures for which everything other than final trial balance or financial statement amounts can be prepared in advance.

Accruals

As governments prepare the year-end closing schedule, it will become apparent that completing the tasks requires information from many other departments within the organization, and possibly from external entities.

Accounts payable is an example of an area where the help of other departments will be needed to complete the year-end closing process. It is hard to know what you owe

EXHIBIT 1 | ANNUAL COMPREHENSIVE FINANCIAL REPORT OVERVIEW

An annual comprehensive financial report (ACFR) provides the financial statements required by GAAP, plus the following, for a general-purpose government:

- **Introductory information.** The ACFR offers background on the structure of the government, the environment in which it operates, and the types of services it provides. It also provides a forum for management to offer a more subjective and forward-looking analysis of the government's financial situation than would be appropriate for the basic financial statements and required supplementary information.
- **Information on individual funds and discretely presented component units.** The basic financial statements provide information on individual governmental and enterprise funds only for major funds, and for other fund types (internal service funds, each type of fiduciary funds) in aggregate. An ACFR provides individual fund data for nonmajor funds and other fund types, and for nonmajor discretely presented component units as well.
- **Schedules necessary to demonstrate compliance with finance-related legal and contractual provisions.** The ACFR offers a means for management to provide any additional schedules that may be needed to demonstrate finance-related legal compliance.
- **Statistical data.** The ACFR includes a statistical section that offers multiyear trend information, along with relevant economic and demographic information. (GASB Cod. Sec. 2200.101.)
- **Optional sections.** Governments also have the option to include additional sections in an ACFR; many include the federal funds single audit report.

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EXHIBIT 2 | FYE 12/31/20X1, GENERAL LEDGER CLOSING AND FINANCIAL STATEMENT TASKS

TASK	ASSIGNED TO	DATE DUE	COMPLETION DATE
GENERAL LEDGER CLOSE			
FYE closing memo to departments	Comptroller	11/30/20X1	
Bank reconciliations	Accountant 1	1/15/20X2	
Other balance sheet account reconciliations	Accountants 1 & 2	1/25/20X2	
Accounts payable accruals	Accountant 1	2/2/20X2	
Water billing receivable	Accountant 2	1/31/20X2	
Final actuarial report for police pension plan	Comptroller	11/30/20X1	
Police pension liability adjustment	Accountant 2	12/31/20X1	
Review account reconciliations	Comptroller	2/10/20X2	
Close FY 20X1 general ledger	Comptroller/IT	2/17/20X2	
FINANCIAL STATEMENTS			
Table of contents	Accountant 1	2/20/20X2	
Transmittal letter*	Accountant 1	2/20/20X2	
Organizational chart	Accountant 1	2/20/20X2	
Principal officials	Accountant 1	2/20/20X2	
Certificate of achievement	Accountant 1	2/20/20X2	
MD&A*	Comptroller	3/10/20X2	
Statement of net position	Accountant 2	2/28/20X2	
Statement of activities	Accountant 2	2/28/20X2	
Note 1—Summary of significant accounting policies	Accountant 1	2/28/20X2	
Note 2—Cash and investments	Accountant 1	2/28/20X2	
RSI—Police pension fund	Accountant 1	2/28/20X2	
Nonmajor governmental funds—Combining balance sheet	Accountant 2	2/28/20X2	
STATISTICAL SECTION			
Table 1—Net position past 10 years	Accountant 2	3/2/20X2	
Table 2—Statement of changes in net position past 10 years	Accountant 2	3/2/20X2	
AUDIT			
Interim fieldwork	All	9/10 to 9/14 /20X1	
Confirmation letters	Accountant 1	1/2/20X2	
Year-end fieldwork	All	2/25 to 3/15 20X2	
Independent auditor's report	Comptroller	3/28/20X2	

** Department heads and others with operational knowledge are needed to prepare these documents.*

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your vendors if you do not have the invoices available in the accounting department. In situations where invoices are routed to departments for approval before being entered into the accounts payable system, governments need to reach out to departments and request that they approve the invoices and route them back to the accounts payable department so they can be entered into the system. (While GFOA recognizes that some governments use systems without electronic approval processing for invoices, routing invoices for approval without some form of tracking or entry into a system is not a good practice.) Vendors may not be timely with submitting their invoices to the government, so estimates may be required. Departments could provide estimates of known expenditures that should be accrued to the current fiscal year. In either situation, before the end of the fiscal year, all departments should be given the timelines for when invoices or estimates need to be submitted so they are entered into the proper fiscal year.

Another example of needing other departments' help to complete the year-end closing process is accounts receivable. In governments that have decentralized billings, the billings must be accrued to the proper fiscal year. Intergovernmental revenue, including grants, taxes, and shared revenues, also needs to be accrued, and depending on the governmental agency providing the revenues, the receipts may not yet be readily known or available at the time of the year-end closing. If a government that has 60-day availability periods for revenue recognition chooses to wait 60 days to accrue actual rather than estimated receipts of intergovernmental revenues, issuing its financial statement within 100 days of its fiscal year-end will be a challenge. Governments can reach out to the providing governmental agency to obtain estimates or use their own professional judgement and make estimates based on known information and historical trends. As with accounts payable, departments should be notified, sufficiently before the fiscal year-ends, of the deadlines for submitting actual billing information or estimates, so they are entered into the proper fiscal year.

Don't wait

The preparation of financial statements begins before the end of the fiscal year, as shown in Exhibit 2. While some of those tasks had due dates after the fiscal year-end, many of them should be started well before. From an accounting perspective, some adjustments can be made throughout the fiscal year to reduce the amount of work that needs to be done at year's end. For example, a government makes debt service payments on its debt (such as bonds, leases, or notes) in a governmental fund and appropriately charges principal and interest expenditures. The government should make the conversion entry for the government-wide statements in the conversion/consolidation fund at the same time (see Exhibit 3).

Capital assets are another area where governments can make adjustments throughout the fiscal year. Rather than waiting until the end of the fiscal year to determine what purchases were made or the status of construction projects, governments should update the capital asset ledger for additions and deletions throughout the fiscal year. Governments could also charge depreciation expense on depreciable assets each month so if the asset is disposed of the net carrying value is current.

For governments that provide postemployment benefits for their employees, such as a defined benefit pension or other postemployment benefits (like retiree healthcare), periodic actuarial valuations are needed. To perform valuations, the actuary will need items such as census data—personal and demographic data about current and future beneficiaries. The government should update census information throughout the year. Depending on your organization's contract with the actuary, the government could also provide the updates to the census data and any other items the actuary needs during

EXHIBIT 3 | CONVERSION ENTRY

	DR	CR
Debt service fund: Expenditures—		
debt service—principal	$100,000	
Expenditures—debt service—interest	39,135	
Cash		$139,135
(Semi-monthly debt service payment)		

	DR	CR
Conversion/consolidation fund:		
Bonds payable	$100,000	
Interest payable	39,135	
Expenditures—debt service—principal		$100,000
Expenditures—debt service—interest		39,135
(Reclassification of debt service expenditure to reduction of related liability for government-wide reporting)		

> "Without dedicated resources, the timely completion of the project plan and checklist is at risk."
>
> **MARNI HALL**, Director of Financial Reporting, City of Columbus, Ohio

the fiscal year—after the second or third quarter of the fiscal year, for example. This would allow the actuary to begin the calculation process earlier and just make updates for any changes occurring at the fiscal year-end. Alternatively, the actuarial valuation might use year-old data that would be rolled forward to the measurement date. If a pension plan has a different fiscal year-end from the contributing government, it might be possible to complete all the valuation work before the employer's fiscal year-end.

Preparing a complete set of GAAP financial statements is a process that, for most governments, only happens once a year—but they should consider doing it more often. Statements could be prepared only for internal use, so it wouldn't be necessary to make all the GAAP-required accruals or prepare a complete set of note disclosures. It may be helpful to prepare the statements using the current general ledger balances and to analyze those statements to ensure that balances are being reported properly, and perhaps to identify trends that might require explanation in the required supplementary information or letter of transmittal. As new general ledger accounts are added during the year, they need to be mapped properly to the financial statements. Preparing statements during the fiscal year will help keep preparers' knowledge of statement preparation fresh and reduce the amount of time it takes to find errors in the statements at the end of the fiscal year.

In addition to the monthly reconciliations of cash and investments that most governments prepare, organizations could save time at the end of the year by performing reconciliations of all balance sheet accounts throughout the year. For example, if a government has a utility billing system, the outstanding receivables at the end of each month from the system should be compared to the general ledger balance, and any discrepancies could be resolved. The same can be done with the accounts payable system. While staffing constraints might make it difficult to reconcile all balance sheet accounts once a month, governments could rotate accounts so that all will be reconciled every two or three months. Of course, this would not be applicable to accounts that are only updated at the end of the year (as in the deferred outflows and inflows of resources associated with postemployment benefits, which are updated each year based on the actuarial report).

Another key document that governments with federal grants or loans may have to prepare is the schedule of expenditures of federal awards (SEFA). The SEFA contains not only the expenditures for each grant, but also information about the federal agency that provided the grant and any pass-through entities that served as intermediaries in providing the funding to the government (such as a state agency overseeing federal funds that are passed through to a local government) and the identity of any subrecipients to which the reporting government has passed through federal funds. As with preparing GAAP financial statements, governments should prepare a draft interim SEFA before the end of the fiscal year to help save time in preparing the final. Governments should reach out to the administrators of the grant programs within their organizations to obtain information needed for the SEFA, namely: the federal agency providing the grant; the name of any other entities (government or nonprofit) that the grant was passed through by the federal government, and the name of any entities to which sub-grants were made; the assistance listing (AL) number (formerly the catalog of federal domestic assistance or CFDA number); and the grant identification

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number, if available. Better yet, governments should routinely collect this information when the funds are made available in the program's budget. (See Exhibit 4.)

Audit

The independent auditor's report is integral to the issuance of timely financial statements and ACFRs. Governments need to work closely with their auditors and agree on timelines for deliverables to complete the audit so the government can issue its financial statements. Making sure that the auditors are aware of the government's desire to issue timely financial statements begins with the independent audit procurement process, where applicable. The government's request for proposals should include its timelines issuing the financial statements so any potential auditor understands the requirements of the government before placing a bid. After a firm is selected, the government should also ensure that the audit contract includes the dates for when deliverables are due from the auditor. Governments that have one or more single-employer pension plans or sponsor of one or more multiple employer plans should include similar considerations should in procuring of actuarial services for those plans.

Having an auditor who is familiar with government accounting and with the government itself is also essential to completing the audit in a timely manner. An auditor who has audited the government for multiple years and therefore has a good understanding of the processes and controls in place can complete the audit more quickly. GFOA recommends that governments enter into multiyear audit contracts to "allow for greater continuity and help to minimize the potential for disruption in connection with the independent audit. Multiyear agreements can also help to reduce audit costs by allowing auditors to recover certain 'startup' costs over several years, rather than over a single year."[4]

The audit process does not occur only at year's end. Most audit firms will schedule some time before the end of the fiscal year to do interim audit work like updating and testing internal controls. The interim audit might also include performing compliance procedures. As noted above, governments can help reduce financial statement preparation time by completing an interim SEFA, perhaps with adjustments for federally funded programs for which they anticipate higher spending nearer to the fiscal year-end. Auditors could use the interim SEFA for a preliminary identification of major programs and begin the compliance testing during the interim audit work period. In the first year with a new independent auditor, most or all the work needed to understand and document policies and procedures should be performed before the fiscal year-end.

Of course, auditors need material to audit. Government staff should follow the audit schedule discussed earlier so they know when materials are due. In many cases, these materials will become deliverables to the auditors. Delays in providing the auditors with government-prepared statements and schedules to audit will delay the issuance of the audit report. Governments also need a review process to make sure the materials going to the auditors are accurate.[5]

Providing accurate materials within the agreed-upon timeframes also helps build trust with the auditor. This trust won't reduce the amount of work, but it will ensure that the auditor will be there for your government, ready to work and share in your goal of issuing timely financial statements. If the government fails to meet agreed-upon deadlines or provides materials that are inaccurate, the audit process may be delayed, which may hinder the issuance of the independent auditor's report.

EXHIBIT 4 | DRAFT INTERIM SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

	AL#	GRANT ID	FEDERAL EXPENDITURES
U.S. Department of Housing and Urban Development			
Passed through State of XYZ Department of Housing			
Community Development Block Grants/Entitlement Grants	14.218	20X1-1	$1,435,545
U.S. Department of Homeland Security			
Passed through County of ABC			
Hazard Mitigation Grant	97.039	QFR-201	$547,998
U.S. Department of Justice			
Bulletproof Vest Partnership Program	16.607	20X1	$140,921

Component units

Governments are required to include component units in their financial statements. These legally separate organizations, whether they are other governments or nonprofits, can issue their own financial statements and be audited by their own auditors, and they can have a fiscal year that is different from the primary government.

Ideally, the primary government and its component units would have the same fiscal year-end, but that doesn't always happen. While it is possible to change an entity's fiscal year, this isn't what we're proposing. Rather, primary governments could use a difference in the fiscal year-end of its component units to its advantage. Assume, for example, that a primary government's fiscal year-end is 12/31/X1, and its component unit's year end is 2/28/X1. GAAP allows for primary governments to use component unit financial statements whose fiscal year-end falls within the same fiscal year as that of the primary government, or within the first quarter subsequent to the primary government's fiscal year-end.[6] In this example, the primary government could use the component unit's 2/28/X2 financial statements, but the timing of issuing the audited financial statements may hinder the primary government's ability to issue timely financial statements. The primary government should consider using the component unit's 2/28/X1 financial statements in its 12/31/X1 financial statements, which would allow the primary government to receive the final audited financial statements in plenty of time to be included in the 12/31/X1 financial statements. A similar advantage may be gained when a pension or other employee benefit trust fund for a government's own employees and retirees has a different fiscal year-end, regarding both the financial statements and the actuarial valuation and disclosures.

To better coordinate the timing, governments with component units (especially those with fiscal year-ends that are the same as the primary government's) may find it beneficial to include the component unit as part of the government's contract for audit services. The component unit would be assured of a timely and coordinated audit, and economies of scale might be achieved by having one firm perform multiple audits. The primary government can incorporate language in the audit contract to ensure that all audit reports are issued by a required due date.

It takes teamwork

If a government is going to issue financial statements within 100 days of its fiscal year-end, staff time needs to be devoted to make it happen. Private-sector entities are profit-driven and have staff members who are devoted to preparing financial statements. Governmental entities are not profit-driven; their focus is on providing public services. The finance/accounting department for most governmental entities is small and lacking in staff members who are devoted to preparing financial statements. During the financial statement preparation period, ongoing staff duties may need to be reprioritized or delegated to others so staff can focus on the financial statements. Governments should be open to requiring financial statement preparers to work overtime so they can meet the reporting deadlines.

If a government's staffing size does not allow for dedicated time to prepare financial statements, a solution is to hire a third-party firm or a temporary accounting employee or employees to prepare the financial statements. The advantage of hiring a third party is that it would be devoted exclusively to preparing financial statements and would not have to handle other issues that arise in running the government.

While a government's independent auditor is precluded from providing that substantive expertise to their audit clients, using a second CPA firm for this purpose might be a good option.

The commitment to prepare timely financial statements comes with a price, either for hiring a third-party or devoting staff time to this endeavor, which takes time away from other projects and may require additional accounting staff. All departments need to help provide information for preparing the financial statements. The support of senior management, possibly including elected officials, is also critical to making timely financial reporting possible.

Todd Buikema *is the assistant director for publications in GFOA's Technical Services Center.*

[1] GAAP *Financial Reporting as the Base Line for State and Local Governments*, GFOA best practice.

[2] *2020-2021 Codification of Governmental Accounting and Financial Reporting Standards (Cod.)*, Section (Sec.) 2200, "Comprehensive Annual Financial Report," paragraph.101, Governmental Accounting Standards Board. Also see footnote 3, below.

[3] At the time of publication, the Governmental Accounting Standards Board has proposed but not finalized changing the term "comprehensive annual financial report" to "annual comprehensive financial report," which would be abbreviated as "ACFR." GFOA has adopted this language in this article in anticipation of it becoming GAAP shortly after publication.

[4] *Audit Procurement*, GFOA Best Practice.

[5] Auditors often uncover errors, even formula errors in spreadsheets.

[6] *2020-2021 Codification of Governmental Accounting and Financial Reporting Standards (Cod.)*, Section (Sec.) 2600, "Reporting Entity and Component Unit Presentation and Disclosure," paragraph.119, Governmental Accounting Standards Board.

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Stress Tests

Building Budgeting Resilience in an Ever-Changing World

BY JACK RYAN-FELDMAN

In an unpredictable world, how do you ensure your budget can withstand unexpected crisis? Enter the budget stress test. This process reveals vulnerabilities in revenue streams and how flexibility in expenditures can help to develop more resilience.

Local government professionals have long known that they operate in an increasingly volatile, unpredictable, complex, and ambiguous world. This is not a new concept, but the health and economic crisis brought on by the COVID-19 pandemic has been an important reminder. Local governments need to respond by making sure they're accounting for this reality in their budgeting process and long-term financial plans.

Long-term decisions in an unpredictable world

Local governments make decisions every day that have a long-term impact on their communities—and these decisions are difficult enough, given the challenges each community faces. Communities deal with changes to the size or demographic composition of their population, changes to the composition of local business, and mandates from state legislatures, all of which create challenges on the revenue side of the ledger. Long-term obligations such as debt and collective bargaining agreements coupled with the new and increasing demand for government services challenge governments from the expense side.

But that's not all. The environment of the community itself also changes at a fast clip.

All models are wrong, but some are useful

Given all the changes governments face, it's easy to see why someone would think there's no point in creating a long-term financial plan, as it will become obsolete in the next 12 months. Creating that plan takes a lot of time and effort. What's the point? Well, we need to remember

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The shift to working remotely happened virtually overnight in 2020, causing a wide range of potential long term effects for communities with large concentrations of commercial office space.

what long-term plans and models are for. A long-term financial plan is not a map; it's a compass that allows decision-makers to see where they are headed and if they've strayed from the path (as in the government's strategies and plans). If the government has strayed, a long-term financial plan won't provide directions back to the path, but it does give the government an idea of how far away it is. So, yes, governments need to have a baseline long-term financial plan that shows the organization's structural balance and trajectory, assuming two percent annual inflation in revenues and expenses. But you shouldn't stop there—the model is only somewhat useful at this juncture.

One way to acknowledge the volatile, unpredictable, complex, and ambiguous world local governments operate in is to create a few scenarios that represent how a government would respond to various stressors. Then governments can "stress test" their budgets for resiliency in the face of economic shocks and other scenarios.

The first step here is understanding what assumptions are embedded in a "baseline" long-term financial plan, and alternatively, to see what a budget looks like when those assumptions are cast aside.

Enter the budget stress test

A budget stress test will primarily reveal three things: the susceptibility of certain revenue streams, the flexibility of expenditure decisions within the budget, and the margin a government has for enduring this new reality. According to recent research, the State of Utah was the first state to perform a budget stress test.[1] A local government of any size can undertake a simplified version of this stress test.

Start with your 5-year model, including baseline assumptions. As mentioned above, start with the baseline 5-year model of your operating fund. Undertaking this exercise will help you understand the organization's history as it relates to:

- Revenue sources
- The relevant economic drivers of its expenditure history
- The major drivers of the growth from year to year
- The long-term commitments made as they relate to debt, pensions, and collective bargaining agreements
- The structural balance of the operating fund, absent any changes

Develop alternative scenarios for the stress test. After you've reviewed the baseline long-term financial plan, you'll be able to identify the assumptions embedded in this document and the conditions and circumstances required for actualizing the plan. The onset of the COVID-19 lockdowns in March 2020 is an instructive case study for this part of the stress test. The economic questions for that period centered on

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the kind of recovery the U.S. economy was going to experience as the economy reopened. As you may recall, there were "V-shaped" and "U-shaped" recoveries predicted, as well as a host of others including the "W," "K," and "swoosh-shaped" recovery. If you were conducting a stress test on your budget at that time, these were the alternative scenarios to forecast. Each one would have a different implication for revenues and expenditures, so a government would need to measure the resiliency of its budget under each scenario.

Moving to the present, we have additional scenarios to consider. Assumptions about population growth or decline and economic development patterns are embedded in your baseline assumptions. You'll need to think about the following types of scenarios as you consider what other scenarios to test:

- What if economic development patterns accelerated or decelerated?
- What happens if the largest employer in your community closes or leaves town?
- What natural disasters is your community susceptible to? (Even the unlikely ones—the country has experienced a number of unexpectedly severe weather events, fires, and so on in recent years.)
- What is your community's competitive advantage, and what would happen if it went away?

EXHIBIT 1 | THE STRESS TEST IN ACTION

MILLIONS

Think about realistic budget adjustments. Next, think through the potential budget adjustments available to the organization and how easily those adjustments could be made. This is a difficult exercise, but it is instructive. The largest expenses for most local governments are personnel, debt, and capital, and each one is obviously important in its own way. Think through the budget alternatives available in each of these areas to determine how intractable the situation is. Some examples of budget alternatives include making use of cash reserves, holding existing position vacancies open for some period of time, and deferring capital expenditures while implementing new service fees (addressing both expenditures and revenue).

Once you've compiled a list of possible budget alternatives and their impacts, the next step is to categorize how easy or difficult these alternatives would be to access or implement. Consider "ease of access" through all lenses, including operational, political, and legal. In the example above, holding open vacant positions could be relatively easy to implement, but what impact would it have on operations? Certain capital expenditures can be deferred, but at the expense of further decay and therefore more expense in the future.

referendum or change in existing law are very difficult to implement.

report results. You have now calculated lost expenditures for your specified scenarios, identified potential solutions, and categorized them by

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Newark, New Jersey experienced unprecedented flooding and power outages after Tropical Storm Ida unleashed record rainfall and tornadoes throughout the Northeast. Budget stress tests can help communities assess their budget's resilience in the face of natural disasters, which have increased in severity in recent years.

accessibility. Now it's time to find out if your solutions rise to the challenge. How resilient is your budget in the face of potential economic impacts? Exhibit 1 demonstrates the stress test in action. In this example, the community has budget alternatives available to them that are easy or moderately easy to implement in response to Scenario A, but difficult or very difficult options are left in more severe situations like Scenarios B and C.

One note on political and interpersonal sensitivities as they relate to the stress test: Developing the budget alternatives and measuring their impact create obvious challenges, especially if you're tinkering with a sacred cow. This test can be conducted in public, as in the case of the State of Utah, where the analysis is part of the public budget process, or it can be completed internally by your organization's budget team or finance department. The results can be presented publicly or only distributed within the department. The important thing is to identify your organization's resilience. The implementation within your government will need to be specific to the realities of the organization.

A budget stress test will primarily reveal three things: the susceptibility of certain revenue streams, the flexibility of expenditure decisions within the budget, and the margin a government has for enduring this new reality.

Promoting resiliency through the budget

The next crisis probably won't be a pandemic, a financial crisis, or a dot-com bust (the proximate causes of the last three recessions in the United States). In the volatile, unpredictable, complex, and ambiguous world environment that local governments operate in, the next crisis probably won't be predicted with any meaningful amount of advance warning. The importance of conducting a stress test is to determine whether your organization's budget is capable of handling crises of different magnitudes. The goal is that when another crisis emerges, the magnitude of its impact will be within the parameters of your stress test, allowing decision-makers to effectively adapt and rise to the challenge.

Jack Ryan-Feldman *is a director at Baker Tilly Municipal Advisors, LLC.*

[1] Juliette Tennert, Angela J. Oh, Jonathan Ball, and Thomas Young, "From a Balanced Budget to Fiscal Sustainability," Kem C. Gardner Policy Institute at the University of Utah, 2019.

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In Practice

FINANCE

Collaboration and the City of Scottsdale's High Performance and Innovation Team

BY KATIE LUDWIG

The City of Scottsdale's High Performance and Innovation initiative is an organization-wide effort to measure, analyze, improve, and report on the services provided by the city. The team that works on this effort is made up of leaders throughout the organization, and they believe that collaboration has been the key to its success.

Shane Stone is a management associate in the city manager's office and leads the Central High Performance and Innovation Team (H-PIT or Central Team). "My biggest task and the biggest task of the Central Team is simply to empower the four teams, soon to be five teams," he said.

Shane explained that there are currently four H-PIT partner teams: the Data Analytics Team, the Process Improvement Team, the Benchmarking and Quarterly Performance Report (QPR) Team, and the Behavioral Insights Team Scottsdale (BITS). The city is developing a fifth team that will be focused on developing new initiatives and programs that provide innovative solutions to existing problems.

"We have tremendous work happening, and the role of the Central Team is to bring those teams together, to collaborate, to understand what we're all doing and find ways that we can help and support each other," he added.

Above, Scottsdale H-PIT team leaders (from left to right) Cassie Johnson, Jen Jensen, Shane Stone, Cindi Eberhardt, and Adam Samuels.

Approximately 35 people are engaged with the Central Team. All the partner team leads serve on the Central Team, and some serve on a couple of partner teams. Shane said he expects the number of people involved to rise to about 40 after the fifth team is up and running.

Another important role of the Central Team is to promote the work of each of the sub-teams, showcasing their work to the rest of the organization as well as externally to other cities, primarily

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through their work to achieve silver-level certifi ation through What Works Cities.

"This initiative is so much more than numbers and evidence-based decision-making and performance measures that come out at the end. This is much more about teamwork, collaboration, and innovation, faith, and bravery to do things diff rently," said Cindi Eberhardt, team lead for BITS. Like all the team leads, Cindi's work on H-PIT is in addition to her "day job" as the strategic initiatives program manager for Planning, Economic Development, and Tourism. During the pandemic, she has also been serving as the administrative lead for the recovery efforts as part of the city's response to the pandemic.

Cindi was first exposed to the city's performance management efforts back in 2009, when she was volunteering with the city's Citizen Budget Review Commission. The commission was looking at performance measures and noticed that the city's goals, objectives, and performance measures didn't really match up with what the departments were working on. Brent Stockwell, the assistant city manager, championed the effort to address this mismatch. Brent's goal was to bring together a team of folks to develop reasonable performance objectives and goals and then tie them back to the actual work being performed in the city, Cindi explains. He believed that rather than being 100 percent of one person's job, the effort would be more successful if it was a portion of the job for many people.

> "This initiative... is much more about teamwork, collaboration, and innovation, faith, and bravery to do things differently."
>
> CINDI EBERHARDT, BEHAVIOURAL INSIGHTS TEAM LEAD

BEHAVIORAL INSIGHTS

The work of BITS grew out of the city's partnership with What Works Cities and a private firm called The Behavioural Insights Team, which helps organizations make better use of behavioral science in their decision-making and program design (and was the inspiration for the team's name).

"What we do is apply behavioral science techniques—easy messaging and nudges—to address a pain point in a program or service that ultimately has a positive impact on the lives of our citizens," she explained. "That's the reason we do it. The result is that we want to make sure we're helping our client departments actually serve the community better by making that connection and relieving that pain point."

BITS sometimes uses randomized control trials to test approaches to relieving a given pain point, comparing outcomes for a control group that receives the traditional government response to outcomes for another group that receives a treated response. "We've had a lot of ah-ha moments, a lot of times when we thought we intuitively knew what the results would be, and results that surprised us. And we've learned along the way," Cindi said.

BITS also works to make sure that the lessons they've learned inform the way the city communicates, particularly during the pandemic, when both employees and the public have been inundated with information. She explained that BITS has focused on using behavioral insights to simplify messages both internally and externally.

BITS has learned that creating sub-teams to work on diff rent projects works well. "We've learned that it's

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really difficult when you have 14 people in a room that all sit there and talk about a trial. So, as we've evolved, when we identify a project that we want to work on, we'll create sub-teams and then have a leader work on carrying that through to the end, and then present the results to the team as a whole," Cindi said. Her sub-team leaders have told her that they appreciate the opportunity to gain experience leading a project. She believes these opportunities for employees to enhance their leadership and professional skills have played a role in the overall success of the city's H-PIT initiative by encouraging more employees to get involved.

Another key to the city's success is ensuring that all city employees are aware of the H-PIT initiative and understand why the city has invested in the initiative. When an organization is rolling out any new initiative, it will be much more difficult to obtain employee buy-in if they don't understand the reason for it and the potential benefits, Cindi said.

DATA ANALYTICS

Cassie Johnson is the director of the Strategic Initiatives Division for the Scottsdale Police Department. She oversees planning, research, and accreditation as well as the department's budget section. She is also the team leader for the Data Analytics Team and serves as the Police Department's data coordinator for the city's open data project.

The Data Analytics Team was one of the first H-PIT partner teams that added members who were not members of the larger H-PIT. Cassie explained that the focus of this team is diff rent from that of the city's open data initiative. The coordinators of these initiatives work together, but they are distinct efforts. The Data Analytics Team is focused on helping employees understand all the data the city has available and how to use it in decision-making.

The city's data portal includes roughly 50 data sets. The Data Analytics Team encourages employees to use the open data portal as a resource, but it also reminds them that they can create data warehouses on the city side that don't have to be public.

Cassie described an effort that the Data Analytics Team organized called "Progressive Data Day." The Data Analytics team invited all the data coordinators for the city to a meeting and asked them to bring a friend who also likes to work with data. The meeting brought together 46 people from diff rent city departments to talk about data. Attendees couldn't sit with the person who had invited them to the meeting or with people that they work with regularly; the goal was to meet new people and develop new connections across departmental silos.

"They just started having this really open, frank conversation about the type of things they use day to day to do their job," Cassie said. Eventually, the conversations shifted to ways in which data sets could be shared and used across departments. She said it was exciting to see the silos begin to break down.

The Data Analytics Team sets annual goals and has been successful in developing action plans to achieve its goals. One initiative the team has implemented to get more departments thinking about data is called "Data for Donuts," where staff submit their data and explain how they have used data in decision-making. Teams are rewarded with donuts and a traveling donut-shaped trophy. Cassie said her hope is that these "fun projects make data a little less scary."

The action plan that the Data Analytics Team had put together right before the COVID-19 pandemic included several externally focused action items intended to bring community members into the data conversation. The pandemic prevented progress on these action items, but the team will include those items in its next action plan.

BENCHMARKING/QUARTERLY PERFORMANCE REPORT

Adam Samuels is a senior budget analyst in the city's Central Budget Office, and he is the leader of the Benchmarking/Quarterly Performance Report (QPR) Team. This team's efforts are focused both internally and externally, and they do benchmarking on three diff rent levels—internally, regionally, and nationally.

The city produces a quarterly performance report that is available to the public. The report includes at least one performance measure from every division in the city. The measures are ultimately annualized in the city's budget book. Every quarter, Adam's team reaches out to staff from the diff rent divisions to collect the performance measure information. The key, he said, is using measures that tell a story, are easy for the public to understand, and are a good representation of the division or department's day-to-day activities.

The city's quarterly performance report is an online interactive dashboard[1] that displays data as a series of bar charts. Each division has its own section in the report. Users can scroll through and hover their mouse over the diff rent measures to read more about each measure, including an explanation of why the department has met its goal (or not). Adam explained that the quarterly performance report is very useful for teasing out seasonal trends in diff rent performance measures and can be a jumping-off point for deeper conversations about what's driving the trend and how the city might need to adjust its strategy or operations.

Adam is also the city's liaison to the Valley Benchmark Cities collaborative,[2] which includes the 11 largest cities in the Phoenix metropolitan area. Representatives from the member cities meet monthly to discuss ways of improving performance and better serving the community. The collaborative produces an annual online report that includes 24

The City's quarterly performance report is an online interactive dashboard that provides a quarter-by-quarter progress update toward achieving the performance measures included in the annual budget book.

measures. The data is reported in the aggregate, showing the minimum, maximum, and median for each measure.

"It's a really useful tool to see how we're doing, in comparison with other cities in the valley," Adam said, adding that the city participates in ICMA's Open Access Benchmarking initiative[3] to compare itself to other cities across the United States.

PROCESS IMPROVEMENT

Jennifer Jensen is a senior management analyst in the Information Technology Department, and she leads the Process Improvement Team, which is made up of approximately 10 people from different departments. "Basically, we go out and look at processes within the city, which are usually either brought up by senior management or suggested through our SharePoint site, and we want to see what we can do to make those processes more effective and efficient," she said.

The city has a citizen volunteer, Hank Carmean, who sits on the H-PIT and on the Process Improvement Team. "He's amazing," Jen said. "He came from process improvement in his original work life, and he's really helped us out a ton." Hank has donated hundreds of hours to work on process improvement, including writing the first draft of almost every document that the Process Improvement Team has ever produced.

The Process Improvement Team was originally formed to put together a handbook on how to do a process improvement project. They looked at what other organizations across the country were doing, and "then we had to try it out," she explained. "We did a bunch of process improvement events to see what worked and what didn't. What we found works best is using facilitators who aren't in the department that you're trying to get to do the process improvement—things work better because they're not buried in the process. They can look at it with a fresh set of eyes."

After the team developed the handbook, they offered process improvement training for city employees. Over four years, the team trained about 50 employees. Jen said these training sessions "allow people in diff rent departments to do some smaller process improvements in their own department—things that didn't need those big, formalized process improvement events. They could just take a small process that they were frustrated with, get their group together, and take care of the issue themselves." She said that both the Police Department and the Fire Department have initiated a lot of these smaller process improvement projects, and they've been successful.

In addition to the small department-level process improvement projects, the Process Improvement Team has also completed many bigger projects "that have really changed processes for citizens." One example she gave was the process for facility reservations. The old process required residents to call a number, leave a voicemail, and wait for a call back. The new process is online, so people can see what facilities are available at certain times and then make the reservation themselves. "That was really groundbreaking at the time," Jen said.

The Process Improvement Team had to make some changes to its typical practices during the COVID-19 pandemic because the members weren't meeting in person. "Process improvement is typically butcher paper on the wall with stickies. We used the Miro tool and Microsoft Teams, and did something that was 100 percent virtual," she said. The project addressed out-processing in the Police Department. "I think they did a wonderful job on it," she said. "It was truly innovative."

"Process improvement is just trying to get people in the city together to collaborate to make things better, and once we make things better, then we work with Cindi to make sure that people understand how we've made things better and how to make the communications better," Jen explained. "I'm an accountant at heart. It's great to come in and make things better, but I don't always communicate as well as she does, and so she helps out a lot with that."

THE VALUE OF COLLABORATION

"I think the biggest value of collaboration is diversity of perspective," Shane said. "Innovation is coming up with new ways to do things, a lot of times things that you've done for a long time, and you get into patterns because you have people from a similar mindset approaching the same problem."

Similarly, Adam thinks the benefit of collaboration is that it breaks down silos within the organization. "If you

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only work with people you see on a daily basis, you don't know if what you're doing is actually working because you're basically looking at yourself in the mirror and agreeing with yourself," he explained. "It really is critical to have those outside thoughts, outside perspectives, because otherwise, you can't innovate."

Adam also noted that "almost every division of the city has a representative on the High Performance and Innovation Team, and part of what that does is help with buy-in from the diff rent departments."

"Collaboration also is important because there's a limitation to what any one person or one team can do—but when you bring people together, you're just going to get more capability," Shane added.

Cassie believes that another benefit of collaboration is the opportunity to learn from peers. "We all have our diff rent strengths, but then we also learn from other people's strengths and take on some of those," she said. "With our regular team leader meetings, we're constantly learning from one another."

Cassie shared that she and Adam have held joint meetings with their two teams (Data Analytics and QPR/Benchmarking) to make sure they are truly promoting high performance. "Your data should be supporting your performance metrics, and when they're failing, you issue a process improvement or behavioral insights process, and then you go back to the data and you monitor it—so it's all a cyclical process, and when we're all working together, we can make sure that we're doing that the right way. It's a long and tedious and complex procedure to get all of those things aligned," she said.

Cassie provided an example of when this process worked well. The city's property and evidence warehouse was relatively new, and it filled up very quickly. If the city was going to have to acquire additional space, it would have an impact on the budget. "We were tracking it in a quarterly performance report, and we had the data on disposition rates, so we could tell this is going to be an issue," she said. The next step was to commission a process improvement project exploring several options for space. As a result, the Police Department was able to justify additional technology, equipment, and staffing to speed up the process for disposing of items stored in the warehouse that were no longer needed.

WORKING THROUGH THE PANDEMIC

The team leads admitted that the COVID-19 pandemic presented some challenges to the city's high performance and innovation initiative.

"I will say that the last year has been really hard because there are so many competing priorities with the pandemic and public safety issues, and all of those components. People's time has been taxed in a diff rent way and mental capacity to take on additional things has been strained in stressful situations," Cassie said.

"I do agree that there have been some challenges getting the teams together, but for me, at least from my team's perspective, this has been a really golden opportunity, both on the external and internal benchmarking side, to use the pandemic as a case study, and to compare year over year," said Adam. "That's been an opportunity for us, in addition to a challenge."

"At the end of spring, last year, headed into summer, it made it tough to get this work done, but when we ramped back up to full strength, people were amped up. They were ready to get back to work on this because it's something that people really cherish," Shane said.

Cindi said that she suspended meetings of the Behavioral Insights Team during the pandemic to alleviate time pressures on the team members, who were busy doing the work of messaging for the pandemic and executing programs to assist the residents who were most aff cted.

Jen said that her team only completed one project last year because the people they were working with had other things, namely pandemic response, that took precedence. "You can't get a group of people together and say, 'Hey, can you give me 20 hours so we can improve your process?' when they barely have their eyes over the top of the water," she explained.

Instead, her team shifted gears slightly to focus on training to help more staff get a better understanding of process improvement. They brought in trainers for two half-day virtual sessions that about 55 people attended. Most—but not all—of the attendees were members of the Process Improvement Team, so these sessions helped get that information to a broader audience within the organization.

"Coming out of the pandemic, and out of the virtual, we will probably keep some of the team meetings. It does help when you don't have to drive 20 minutes for a 45-minute meeting and then drive back," Jen said.

HELPING AND LEARNING FROM OTHER GOVERNMENTS

Jen said that one of her team's goals for next year is to develop a process improvement facilitator program that might include a certifi ation, which would be a carrot to get more people more involved. She envisions staff including the certifi ation on their resumes to show leadership that they are committed and want to move forward in the organization. "It's really easy to stay in your silo and not do much," Jen said, "but when you go out and engage with everybody else, that really is a cachet."

The team leads shared some advice for local governments that might be looking to implement a high performance and innovation initiative.

"I think one of the most important things is to be willing to look outside of your organization. Scottsdale started pretty early on in some of the performance management efforts, but there are cities that got involved before we did, and there are cities that have more resources to put into process improvement—so we are constantly

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collaborating and reaching out to other cities to find out how we can do this better," Shane said. "We have also had the opportunity to talk to other cities that are following in our footsteps and starting their performance management efforts, which is also valuable because it makes us re-engage with our own history and consider it through another lens."

KEYS TO SUCCESS

"It's important to be iterative," Shane said. "The high performance and innovation team looks wildly diff rent than it did in 2009, and it looks wildly diff rent than it did when I joined the city a year and a half ago. You have to be willing to constantly improve what you're doing to be constantly improving what the whole organization is doing."

Cindi believes one of the keys to the city's success has been finding people within the organization that have exhibited a skill, strength, or expertise and then empowering them to take H-PIT to the next level.

"I think that empowering someone and asking them to go out and find members to build their teams is a tremendous way to not only continually develop that person, but also serve the mission of across-the-board collaboration, meeting the objectives of the organization. It gives people the feeling that they are being trusted and have accountability," Cindi said.

Adam off red two pieces of advice to local governments that might want to implement an organization-wide performance and innovation initiative. "First, find the champion. If you can find somebody in upper-level management who can really stick out their neck for you, especially in the early stages of your operation, that's very important. If you don't have that buy-in, the project will die on the vine."

Adam's second piece of advice is to start small. "We started really small and built up from there. Don't think you can do everything immediately because you will burn yourself out quickly and not be able to accomplish anything," he said. "Take the opportunities to learn from what you did and go forward from there."

On a related note, Cassie emphasized the importance of having regular conversations—at least once a year—to review accomplishments and objectives, asking questions like "What did we do in the last year?" and "What do we want to do next year?" Once you have an idea of what you want to accomplish, then the team should talk about realistic expectations and timeframes. "The Data Analytics Team really struggled at the very beginning. Part of that was that we had two diff rent ideas about what our team was supposed to be," she explained. Clarifying the team's scope was a critical first step. "You need the champion who's going to give you a clear direction and set those clear expectations for the team, including the timeframe for getting them done."

Cassie emphasized the importance of setting aside adequate time for planning meetings. She recalled the first time her team went through its action planning exercise. She had scheduled the meeting for three hours instead of the usual one hour. "You could see the dread on some of the faces when they found out it was going to be a three-hour meeting," she said. This was the amount of time needed to get through the exercise, and by the time it was over, the team felt good about their plan for moving forward. They identifi d 17 action items that they wanted to complete in the upcoming year and got them all done.

Cassie also reminds leaders to "celebrate your wins."

"In our industry, we are really good about moving on to the next thing; you're busy and you have competing priorities, and we don't celebrate our accomplishments as we go. But if you let those successes get lost in the mix, you won't be able to appreciate the growth you've achieved," she said.

Similarly, Jen advises managers to celebrate their people. "Let them know that they've done a great job. Let their leadership in their department know that they've done a great job. Find opportunities for the greater organization to see what they've learned, how much they've grown, and what wonderful people they are," she said.

Jen also emphasized that it's important to support people as they struggle through any challenges. "Every day on every project isn't awesome. There's a lot of learning that goes on. There aren't any failures—we're just learning how to be better the next time," she explained.

LEADERSHIP FORUM

The city has a Leadership Forum that regularly brings together leaders from across the organization. Cassie, Adam, and Shane spoke at a recent meeting of the group to give an update on the QPR, data, and H-PIT in general, and Cassie noted that it's important to use opportunities like this to bring attention to the effort, to give accolades to employees who are doing good work, and to get more people interested in joining the effort.

"Part of why we have all these meetings for the general city employees is because we want to have as much buy-in from the city as a whole as possible, so we can really do our best work," added Adam.

"We are a very lean organization, and that's obvious from the fact that these are our bonus tasks," Cassie said. "But serving on H-PIT provides huge professional development opportunities. Being able to lead signifi ant process improvements—where you can see physical, tangible financial impacts, or a behavioral insights program that has a huge national impact or running Valley Benchmark Cities—those are big wins for people to be able to put on their resume."

Katie Ludwig *is a senior manager in GFOA's Research and Consulting Center.*

[1] https://scottsdaleaz.app.envisio.com/corporate/performance_analytics/published_static/eX60nf

[2] https://app.benchmark.envisio.com/reports/custom/public/5923

[3] https://icma.org/documents/icma-open-access-benchmarking-data-and-definitions

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Implementing GASB 87 for existing lease contracts.

BY MICHELE MARK LEVINE

Sometimes anticipation is the worst part of a dreaded event, and perhaps this will be the case with the implementation of the Governmental Accounting Standards Board Statement No. 87, *Leases* (GASB 87). GASB 87 is first due to be implemented by governments for their earliest fiscal years beginning after June 15, 2021, but it might seem to you that we've been talking about this statement for a long time. We started out with a generous implementation period for GASB 87, which was originally scheduled to become effective for periods two and a half years after issuance. Then, due to COVID-19, GASB granted an 18-month postponement for GASB 87—based on pleas for mercy from governments—even while permitting only a one-year deferral for other pronouncements. This resulted in an unusually long total lead time between the promulgation of the standard and its required implementation. The good news is that during this extended period, GASB provided lots of implementation guidance to help, and GFOA has discussed the new accounting for leases in many articles, conference sessions, and webinars.

Many governments are now well into the fiscal years for which they will first issue GASB 87-compliant financial statements. Having completed (or nearly so) the process of identifying contracts that are or include leases, many governments are now facing the devil in the details of implementation. Specifically, many are pondering how to (1) determine the lease terms; (2) classify leases as short-term or other than short-term leases; (3) calculate (or measure, in GASB parlance) lease liabilities and lease assets (for lessees), and lease

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receivables and deferred inflows or resources (for lessors); and (4) prepare the necessary journal entries for preexisting leases at transition.

To answer some of the questions, let's think about an example of a lease that predates implementation. A complete set of assumptions and questions and answers about the implementation for such a lease from the perspectives of governments on both sides of the transaction, along with an Excel file containing calculations and journal entries for the implementation, are available on GFOA's website at **gfoa.org/materials/lease-example-preexisting** . This article will discuss questions and answers generally, from the lessee's perspective, but you'll have to go to the website to see the numbers and the answers to many of the same questions from the lessor's perspective.

The basic assumptions for our example are the following:

- A city with a June 30 fiscal year end (FYE) leases a building to house certain administrative functions.
- The 10-year lease term began on July 1, 2012 (initial inception) and will end on June 30, 2022.
- The lease is accounted for in the city's general fund and was originally properly accounted for as an operating lease, based on pre-GASB 87 generally accepted accounting principles.
- The rent is paid annually on July 1 for the July to June year. The rent payment was set in the contract at a specific dollar amount for the first year, and thereafter each year's rent is adjusted by the change in a price index for similar property in the region, making this a variable lease payment.
- The lease contract does not contain a stated interest rate, nor does the city know what rate the landlord is charging. The city concludes that it is not able to impute an interest rate, so it will use its incremental borrowing rate as the discount rate for calculating the present value of future lease payments.

Assuming that the city didn't early implement, it must first report in accordance with GASB 87 in its financial statements prepared for FYE June 30, 2022. However, GASB 87 tells us that changes made to implement the standard should be made "retroactively by restating financial statements, if practicable, for all periods presented."[1] Additionally, the transition guidance tells us that "Leases should be recognized and measured using the facts and circumstances that existed *at the beginning of the earliest period restated*"[2] (emphasis added). That means the lease term and the measurement of the lease liability and lease asset will all be based on facts and circumstances as if a lease term begins on July 1 of—wait. Of which year?

The answer depends on whether the city issues single-year or comparative financial statements for FYE 2022. If single-year statements are presented, then the assumed start of the lease term for will be July 1, 2021, the first day of FYE 2022.[3] On the other hand, if the city will issue two-year comparative financial statements for FYE 2022, the assumed lease term begins July 1, 2020, the first day of FYE 2021.

Next question: What is the term (length) of the lease? Assuming that, as of July 1 of the appropriate year (as just discussed), there are no remaining extension, purchase, or termination options that could affect the term (see further discussion of these options, below), then June 30, 2022, will be the end date of the lease term. An assumed inception date of July 1, 2021—the one that would be applicable if the city issues only single-year financial statements—is not more than a year before the lease term ends, making this a short-term lease. If that's the case, applying GASB 87 will be virtually the same as continuing the prior accounting for an operating lease, and no restatement will be needed. However, if the city issues comparative financial statements, the assumed inception date of July 1, 2020, is more than a year before the June 30, 2022, term end, and then we have some more work to do! The remainder of this discussion will assume that comparative statements are going to be issued.

> Many governments are now well into the fiscal years for which they will first issue GASB 87-compliant financial statements.

If you're thinking that assuming a July 1, 2020, inception date means that we are going to be measuring the lease liability using assumptions that we will likely know already are "wrong," then you are right! Most notably, in the case of our example, the index that will be applied to calculate the amount of the variable lease payment due on July 1, 2021, will be measured based on the index that had been applicable to the

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Examples of Lease Implementation based on GASB 87

Visit gfoa.org to review examples of lease transactions and events based on Governmental Accounting Standards Board (GASB) Statement 87, *Leases*, as amended and expanded on by subsequent GASB pronouncements through August 2021.

The examples are available for download at **gfoa.org/materials/lease-example-preexisting.**

July 1, 2020, payment, despite the actual amount of the July 1, 2021, payment already being known, and likely paid, at the time of the measurement. Similarly, the city's incremental borrowing rate, which will be used as the discount rate in measuring the lease liability, should be the city's estimated rate as of July 1, 2020.

What about other aspects of the lease agreement that could affect measurement? For instance, what if—way back when the lease began on July 1, 2012 (as opposed to this assumed inception date of July 1, 2020, for our GASB-87-compliant lease)—there had been one or more of the following provisions:

- Extension, termination, or purchase options?
- Additional payments such as for a portion of the landlord's building insurance, maintenance costs, or taxes, that are required by the contract to be made by the city each year?
- Prepayments, such as for the last period's rent, made by the city upon initial inception?
- A damage deposit made by the city upon inception?
- Concessions from the landlord?

Let's look at these one at a time.

Extension, termination, and purchase options. In determining the term of the lease, as hinted at above, only those extension, termination, and purchase options that remain as *options* as of the assumed implementation date are treated as options.[4] Any option in the preexisting lease contract that had already been exercised would no longer be an option, but it would affect the lease's noncancellable period.[5,6] Any option that had already expired should simply be ignored. For those that remain options, the probability of their exercise that should be used to determine the options' effects, if any, on the lease term (for example, if extension and purchase options are reasonably certain *to be*

exercised, or if termination options are reasonably certain *not to be* exercised) should be the probability that would have been assigned as of the assumed implementation date of July 1, 2020.[7]

Additional payments. Insurance, taxes, and maintenance costs are non-lease components of a contract and are not included as future lease payments in the measurement of the lease liability. They should be treated as expenditures/expenses of the period to which they relate.[8]

Prepayments. In government-wide financial statements, a prepayment made by the city to the landlord on July 1, 2012, would have been being reported by the city as an asset in its government-wide financial statements prior to implementing GASB 87. Upon implementation, that separate asset should be derecognized and its value become part of the lease asset, which would be amortized over the remaining lease term. The general fund treatment of a prepayment will depend on whether the city had initially reported it as an additional expenditure for FYE 2013 when paid (using the purchase method of accounting for prepaid items), or if the city had carried it as a prepaid item in its general fund since inception (using the consumption method of accounting for prepaid items). If the former, the prepayment will be ignored in the general fund accounting upon transition, and the amount of the general fund debt service expenditure in the final year would only be the amount actually paid that year. (See the additional discussion of governmental fund recognition, below).

Damage deposits. The accounting for a damage deposit would be unaffected by GASB 87. The deposit should continue to be carried as an asset in both the general fund and government-wide, until it is returned. If damages occur for which the deposit will be reduced, the expenditure/expense should be recognized, and the deposit asset reduced, in the period in which the damage occurs or when it becomes known, if later.

Concessions. Original concessions, if any, received by the city before the assumed July 1, 2020, inception date need not be included in measurement (as a reduction) of the lease asset upon implementation, as it will not affect any future payments. However, if an initial concession were being amortized over the life of the original operating lease, the unamortized amount would be derecognized and included as a reduction to the lease asset as of the assumed inception date of the GASB 87-compliant lease. Any concessions yet to be received by the city should be considered when measuring the future lease payments, as an offsetting reduction of payments in the period(s) when they will be received, thereby reducing amount of the lease liability and lease asset.

Finally, let's look at how the transition would be recognized in a governmental fund. For a lease other than a short-term lease, a governmental fund recognizes an expenditure (capital outlay) in the amount of the lease asset, However, while this article refers to the beginning of the earliest period restated as an assumed lease term inception date, GASB 87 itself only identifies it as being the "as of date" for recognizing and measuring the lease liability and lease asset, leaving the governmental fund recognition unspecified. Therefore, arguably, that treatment at transition is optional.[9]

Please do take the time to review the detailed illustration based on this example—at **gfoa.org/materials/lease-example-preexisting** —that serves as a companion to this article because, while we're not *there* yet, *there* is just around the corner from *here*.

Michele Mark Levine *is the director of GFOA's Technical Services Center.*

[1] GASB 87, paragraph 93.

[2] GASB 87, paragraph 94.

[3] As will be discussed later in this article with regard to governmental fund recognition, GASB has identified the beginning of the first period being restated as the date upon which the GASB-87-compliant lease should be recognized and measured. For this discussion, however, it is helpful to think of that as being the inception date of a new lease.

[4] GASB has issued an Exposure Draft, titled Omnibus 20XX, (Omnibus ED) which proposes to clarify that for the purpose of determining lease term, termination options exclude those that are conditional, such as on the noncompliance of the other party to the lease contract (Omnibus ED, paragraph 11.a.).

[5] The Omnibus ED proposes that the lease term exclude periods after the assumed exercise of a purchase option (Omnibus ED, paragraph 11.b). As this proposal seems a logical necessity, its adoption is assumed here.

[6] If a purchase option has already been exercised, such that the purchase by the lessee has become contractually required as of the assumed implementation date, even if the purchase itself will take place (or did take place) after that date, the lease would be accounted for as a contract that transfers ownership, in accordance with GASB 87, paragraph 19, and GASB Implementation Guide No. 2020-1, question 4.8.

[7] Of course, unless such an assessment had been made on that day, hindsight might possibly highlight the importance of information that was already available on July 1, 2020, for use in making the assessment.

[8] GASB Implementation Guide No. 2021-1, question 4.11.

[9] A government could instead recognize a capital outlay only of the amount actually paid in that first year, plus any prepayments that had been being reported in the general fund (in order to derecognize them), rather than also recognizing another financing source in the amount of the lease liability.

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PERSPECTIVE

The Benefits and Challenges of Transparency Websites

BY KATHERINE BARRETT AND RICHARD GREENE

For many years, the City of Round Rock, Texas, has been putting "boatloads of data" on its website, according to Chief Financial Officer Susan Morgan. But having reams of fiscal information on the Internet didn't mean anything was easy to find. That's been changing, however, and now, with the aid of the Texas Comptroller's office, this growing community of 120,000, 20 miles north of Austin, is one of 12 local governments that has earned the highest possible evaluation in the comptroller's Transparency Stars program: five stars.

This four-year-old initiative provides guidance, graphic support, and a consistent approach to local government transparency. Stars are earned for meeting comptroller-set standards for providing the public with basic financial and budget data, as well as contracting and procurement, economic development, public pension, and debt information.

Why does this matter? R.J. Cross, author of the annual "Following the Money" report for U.S. PIRG (a federation of U.S and Canadian public interest research groups), says that greater transparency in websites

increases "public trust in government." Though empirical research to back this up is somewhat thin, Cross and others argue, sensibly, that giving taxpayers a chance to see inside the government's books counters suspicions of nefarious internal government machinations. Moreover, it empowers taxpayers to participate more fully in their governments.

On an even more practical level, clear, publicly available information can save time for overworked finance offices. According to OpenGov, a company that provides transparency services to local governments, websites that provide clear, understandable budget and finance information to residents reduce public records requests by about 20 percent and cut the time spent answering questions from the city council by about half.

As with so many beneficial governmental operations, challenges abound. U.S. PIRG's Cross cites a shortage of resources—both time and staff—to find errors, help ensure privacy and security, focus on data standardization, and provide regularly scheduled updates.

One of the biggest issues she sees is technological weaknesses. Antiquated software and paper-based processes make it difficult to keep websites updated and error-free. Technology can also fall short when legislatures or city councils lay out transparency mandates that practitioners find difficult to achieve because the information does not originally exist in the mandated format.

What's more, government officials vary in their needs and desires. Some are intent on exhibiting performance measurements, others want to focus on in-depth budget details, and a growing number are looking for equity scorecards to show how dollars are divvied up in terms of geographic or demographic diversity. The menu is long, while time and money are always limited.

An important early step to making transparent information useful is to find out what the public wants.

Another hurdle that must be cleared is providing information that's useful to people whose education level, interest, and access all vary greatly. The City of Philadelphia, Pennsylvania, has been successfully dealing with this issue. It is one of 28 cities that are currently getting assistance from the City Budgeting for Equity and Recovery program run by What Works Cities, a part of Results for America. In the last several years, Philadelphia has made great strides in reaching out to its population to better communicate budget and other financial information at different levels that will meet the varying needs of residents.

For example, its 744-page five-year 2022 to 2026 financial plan is summarized in several different forms, including a four-page infographic version and a "Community Engagement Recap" that explains how the city's outreach programs helped form the FY 2022 budget and beyond. City documents are presented at a seventh-grade reading level, and the infographic was translated into Mandarin, Vietnamese, Spanish, French, Arabic, and Russian. In summer 2021, the city posted a short budget process video on YouTube.

Like almost all evolving transparency efforts, these achievements have come with a lot of lessons learned. In January 2021, Philadelphia reached out with a community survey to provide input on its upcoming budget. It received 13,000 replies—a good response, but troubling when the data was analyzed. While the city is 44 percent Black and 15 percent Latino and has a household median income that is far below the U.S. average, a large portion of the respondents to the survey were White women with graduate degrees.

The problem, said Sadia Sattar, deputy budget director, was that the survey was run mostly through online channels. Next time, she plans to meet residents where they are—for example, stationing survey takers outside local grocery stores. "This is a city with a high population that is under the poverty level. You have to be careful that when you produce things, they are accessible to everybody," she said.

An important early step to making transparent information useful is to find out what the public wants. "We encourage governments to ask community members what types of information they're most interested in, and in what format," said Greg Jordan-Detamore, strategy and design lead for OpenCities, part of the What Works Cities technical assistance effort. One way to find this out is by testing a website for usability—getting permission from a select group of users to observe how they use websites and the kinds of problems they encounter.

This approach helped the City of New Orleans, Louisiana, understand why information it was posting to its website about contracting was getting disappointing reactions from local businesses. The OpenCities team began to research the question by first talking to vendors and then asking them to demonstrate how they located open bid opportunities in the city.

The OpenCities team discovered that many individuals who were looking for bid opportunities were not using the city website at all. The reason? Historically, New Orleans' website had provided a link to their third-party procurement solutions platform (BRASS), which led users out of the

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city website domain. Vendors who bookmarked that site stopped seeking information on the city website and missed out on timely announcements and updates posted to the Purchasing and Supplier Diversity Offices' primary web pages.

"There is a lot of insight you can uncover simply by observing," said Owen O'Malley, OpenCities project manager.

Much help is available from nonprofit groups and companies that specialize in government transparency, as well as state agencies. For example, staff in the Ohio Treasurer's office provides technical assistance to local governments on a voluntary basis, while also assisting local governments in displaying data. The Project Mountaineer program, run by the West Virginia State Auditor's office, provides interested city and town officials with interactive dashboards and "enhanced reporting functionality and fiscal health monitoring."

In the State of Texas, changes to the comptroller's approach over the years reflect the way transparency websites have morphed over time.

The first such effort there, called the Leadership Circle, ran from about 2009 to 2014 and focused on providing an online government checkbook. Data was provided in PDF form, which could not be downloaded, easily accessed, or analyzed. The effort did not have rigorous standards, and local governments were admitted into the "Leadership Circle" relatively easily.

In contrast, data in the seven-year-old Transparency Stars program must be provided in a downloadable format and PDF presentations are not accepted. Forms are provided to aid local governments in making information accessible to the visually impaired and to ensure that the information provided is complete and meets all the comptroller's criteria.

Texas provides visualization tools and assistance for governments that have problems, questions, or special circumstances that don't fit neatly into a mold. Today, 205 local governments in the state have received at least one Transparency Star. There's still a long way to go in a state with 254 counties, 50 community college districts, more than 1,200 cities, more than 1,200 school districts, and nearly 2,500 special purchase districts, all of which are eligible for voluntary participation.

The assistance provided by Texas has been a real boon to Tarrant County, another of its 12 five-star recipients. According to Kandice Boutte, assistant director of the Tarrant County Budget and Risk Management Department in Texas, the idea of providing clear financial information for residents wasn't new to the county, but the Texas Transparency Stars program provided guidelines for putting pertinent information in one central location and helped it think about the placement of information, the ease of navigation, and the number of clicks it might take a user to get the information they needed. "The program allowed us to focus our efforts and take a step back to think about this as an actual consumer," she said.

Boutte sees the most value has flowed to residents. "If you have a question, you should be able to get answers in a centralized place," she said. "We live in a world where folks protest and have questions and want to hold elected officials accountable. Part of our job is to provide information to the public, so they know what their tax dollars are being spent on."

Katherine Barrett *and* ***Richard Greene*** *are principals of Barrett and Greene, Inc (greenebarrett.com). and are co-authors of the recently released* Making Government Work: The Promises and Pitfalls of Performance-Informed Management.

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PERSPECTIVE

Twos Are the New Fives

BY JUSTIN MARLOWE

There's a subtle but seismic shift happening in the municipal bond market. States and localities should be aware of it and its consequences.

First, a quick "bond math" refresher. Let's say a city issues a ten-year $5,000 municipal bond with a semi-annual 2.5 percent coupon. This bond requires the city to make interest payments of $62.50 twice a year, and then pay back the $5,000 at the end of year ten. If an investor buys that bond for 100 percent of its face value, or at "par," they will receive those coupon payments and the $5,000 when the bond matures. They could also pay more than 100 percent—a "premium"—if they think the bond is a particularly attractive investment or pay less than 100 percent—buy it at a "discount"—if it's less attractive. Keep in mind that most municipal bond coupon payments are exempt from federal income taxes and often from state and local income taxes.

When issuers set coupons on their bonds they go through a "Goldilocks" exercise. A bond that sells at a high premium suggests the issuer could have raised the same amount of money but with less debt service. Extreme premiums are also unattractive to some investors because they don't produce noticeable cash inflows until close to the bond's maturity. By contrast, if the bond sells at a discount, the issuer might not raise all the money it needs. Discount bonds also have unique tax implications—for example, the "de minimis" rule—that makes them

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unattractive for many issuers. For these reasons, an issuer's goal is to sell the bonds at a slight premium. That suggests the coupons were, just like Goldilocks' porridge, not too hot and not too cold.

For more than a decade, five percent, known as "fives," was the Goldilocks coupon rate. Fives were considerably higher than the taxable equivalent coupons on U.S. Treasuries and corporate bonds. This made them appealing to big institutional investors like mutual funds, which liked their value relative to other potential bond investments. High coupons also appeal to individual investors who care about future cash flow. In an environment where interest rates and income tax rates are both expected to rise, as has been the case for about the last decade, it helps to have more tax-free cash flow from coupons to reinvest at higher interest rates later. Fives did that trick without pricing at too high a premium.

Fives also worked for issuers' long-term debt management plans. Many state and local debt managers have professed that "fives always save a lot of interest." This is because they've tended to price at such large premiums that refinancing later, even at higher market interest rates, would still produce premium pricing. This flexibility is invaluable to government debt managers. Consider also that premium bonds generate more money to invest in projects. If an issuer expects to raise a million dollars with a bond, but the bond prices at 110 percent, then they've actually raised $1.1 million. That's why it's no surprise that more than half of all new-issue munis with maturities of longer than eight years were fives, and most of the major municipal bond market indices are derived from the prices and yields of fives.

Now it seems the golden era of fives is over. To illustrate, let's compare trends in coupons on new-issue munis during two time periods: January to June 2019 and January to June 2021. According to data from Ipreo, 34 percent of all new ten-year maturities in the first half of 2019 were fives, while fours and threes comprised 18 percent and 23 percent, respectively. By the first half of 2021, fives were only 17 percent of new issues, and fours and threes were both 17 percent. In fact, twos were the new leading category, at 21 percent of new issuance.

As expected, lower coupons have also meant lower prices. In the first half of 2019 the median price on a new ten-year maturity was 111.53 percent. In the first half of 2021, this median price had dropped to 106.33 percent. Keep in mind also that the share of new munis issued with default insurance held steady at about 23 percent across these two time periods. There's also no evidence that issuers are selling bonds with shorter call periods. About 35 percent sold with ten-year calls across both periods, along with nine- and eight-year calls at about 18 percent of total issuance, each. In other words, these changes in prices are due in large part to lower coupons.

So, what does the demise of fives mean for future state and local debt management? Two key considerations come to mind right away.

One is that lower coupons open the door to creative uses of taxable munis. In the first half of 2019, less than five percent of all new issue ten-year bonds were taxable. In the first half of 2021 it was just short of 18 percent. Much of this surge was for taxable refundings. When rates are low overall, and the spread between taxable and tax-exempt rates narrows, then the tax advantage of tax-exempt munis erodes quickly. At the same time, investors that don't benefit from the tax exemption can buy taxable munis and take down a much better rate of return than Treasuries or corporates. As long as low rates, tight spreads, and lower muni coupons persist, taxable issuance has real advantages.

For more than a decade, five percent, known as "fives," was the Goldilocks coupon rate.

A second implication is that the era of easy refunding might also have come to an end. With interest rates and tax rates expected to rise, issuers can no longer count on guaranteed savings from refundings. "Scoop and toss" refinancings that save money by extending the maturity of existing debt will become much more difficult to execute. High premiums on new issues, often used to finance smaller maintenance and other projects at the margin, will become scarcer. Debt managers hoping to squeeze out a few additional dollars for capital projects by shaving off a few basis points on the next debt issue might be a thing of the past.

Issuers should start planning now for a world where twos are the new fives.

Justin Marlowe *is a research professor at the University of Chicago, Harris School of Public Policy, and a fellow of the National Academy of Public Administration.*

10 Steps to Getting Lean

Making lean process improvements isn't as difficult as you might think—try using the following ten steps.

1 **Choose a process.** Thoroughly define the assignment, including the reasons why the process needs to be improved.

2 **Set a goal.** Know your goal for improving the process, and make it specific and measurable—for example, increasing value by reducing the cost of the process or by increasing the benefit it produces.

3 **Get colleagues involved.** Resistance to improvement ideas can arise over the course of the improvement process among management or staff. Even the best ideas come up against resistance. To avoid this situation as much as possible, involve colleagues early in the analysis and include them in generating solutions.

4 **Draw the current process.** A team made up of stakeholders with different perspectives should create a value stream map (or process map) to illustrate the current process

5 **Analyze for deficiencies.** Using the same team, identify areas of inefficiency, redundancy, conflict, or where problems or frustrations arise.

6 **Consider alternatives.** Make recommendations on how to avoid problem areas and create a better process. Try to design the ideal process from the customer's point of view

7 **Prepare an action plan.** Identify how to get started in implementing your chosen solution. Recognize that all changes are not immediate and consider short-term and long-term strategies.

8 **Identify who is accountable for action.** Your action plan should assign tasks to individuals and place realistic timelines/deadlines for completion.

9 **Measure for success.** Determine how you will both measure and communicate progress in implementation to all involved stakeholders.

10 **Keep going.** A successful Lean event will start to build momentum for more improvement projects. Debrief on the process to identify areas you would change for the next effort and schedule time to start over new a new process. Over time, it might also make sense to re-analyze the same process for additional improvements that may have seemed out of reach the first time through.

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DATE: **August 5, 2024**
SUBJECT: **RESOLUTION 4135 A Resolution Approving a Master Services Agreement for Implementation of a New Agenda Management System with Civic Select of Manhattan, Kansas, in the Initial Amount of $34,582 During Fiscal Year 2025**

Background

In late 2023, City staff was notified that the vendor currently used by the organization to produce agenda packets, minutes and videos, Accela (owned by Granicus), will discontinue support in October 2025, with dissolution in 2027.

A panel of six staff members across five departments was assembled in March 2024 and began to meet regularly to evaluate and choose a new agenda management vendor. Beginning with ten potential vendors, the panel narrowed that to five that would meet the needs of the City. A rating system was developed, and each vendor prepared a demonstration for the panel.

Analysis

The timeline for the project began with the goal for the Common Council to approve a vendor prior to the preparation of the FY2025 budget, so the cost could be factored into the budget. Initial kickoff of the project to system launch will entail 5-6 months of configuration and training. Therefore, if the process begins in late 2024 or early 2025, the new software can be in place prior to losing support from the current vendor.

The following table reflects the costs associated with each vendor. For clarification purposes, the first vendor, eScribe, was not able to demo the product the City would purchase as it is not complete. They instead presented a product for the panel that is being phased out. The new product would be ready for initial viewing sometime in 2025. The second vendor, iCompass, bases their business model as self-directed software in which staff would build and train in the system individually. Next in the table is Civic Select. Included in the price is the migration of up to 7,500 files from the City's current vendor into their system. Peak offered a good product that would fit the needs of the organization. Finally, the Peak 2 solution includes additional hardware and Granicus staffing for professionally produced videos.

The panel unanimously felt that Civic Select was the best fit for the organization and contained all the requirements needed to successfully produce professional agendas, agenda packets, minutes and videos. This decision was further confirmed by the panel after speaking with many communities that currently utilize Civic Select, and who expressed positive comments about the product and customer service.

Fiscal Impact

The implementation cost for Civic Select is a bit higher than the second-place selection Peak, however the ongoing annual fee is lower, making up the difference in cost in just a year. The annual fee for Civic Select is also lower than the amount the City is paying its current vendor, Accela ($15,479). Please keep in mind that the current vendor must be retained until the new vendor is in place, meaning both vendors will be invoicing the City for the majority of 2025.

Vendor	**Passageways**	**Diligent**	**CivicPlus**	**Granicus**	
Software	**eScribe 6.0**	**iCompass**	**Civic Select**	**Peak**	**Peak 2**
Implementation	$1,350	Self-directed	$20,549	$7,526	$55,935
Total Annual Cost	$6,457	$16,600	$14,033	$19,874	$33,083
Final Total Year 1	$7,807	$16,600	$34,582	$27,400	$89,018
Annual Adjustment	5% - Year 2		3% - Year 2	15% - Year 2	15% - Year 2

As indicated above, the proposed Master Services Agreement with Civic Select provides for automatic one-year renewals on an annual basis, including a 3% cost adjustment for 2026. One-time funds necessary to cover Year 1 software implementation costs, as well as expenses incurred for operating both systems simultaneously during a portion of 2025 are available through the City's allocation via the American Recovery Plan Act.

Recommendation

A recommendation is forthcoming from the Finance-Personnel Committee on August 14, 2024.

Attachments:
Exhibit A Quote (PDF)
Exhibit B Mequon, WI Proposal (PDF)
Exhibit C CivicPlus Master Services Agreement May 2024 (DOCX)

COMMON COUNCIL
OF THE
CITY OF MEQUON

RESOLUTION 4135

A Resolution Approving a Master Services Agreement for Implementation of a New Agenda Management System with Civic Select of Manhattan, Kansas, in the Initial Amount of $34,582 During Fiscal Year 2025

RECITALS

A. The City of Mequon has utilized an agenda management vendor, Accela, since 2014 for all agendas, meeting packets, minutes and videotaping of meetings.

B. The City has been notified that the current agenda management software will no longer be supported as of October 2025 and will be discontinued as of September 2027.

C. A panel of employees was assembled to evaluate potential replacement vendors.

D. The panel chose Civic Plus Civic Select as the best solution for the City.

E. The Finance-Personnel Committee recommended approval of the agreement.

BASED UPON THE FOREGOING RECITALS, IT IS RESOLVED by the Common Council of the City of Mequon, Wisconsin that:

1. The Master Services Agreement with Civic Plus of Manhattan, Kansas, in the form attached hereto is approved, subject to any clerical, technical and/or legal changes deemed necessary and appropriate by the City Attorney.

2. The Mayor and the City Clerk are authorized and directed to execute and deliver the same.

_____
Approved by: Andrew Nerbun, Mayor

Date Approved: August 14, 2024

I certify that the foregoing Resolution was adopted by the Common Council of the City of Mequon, Wisconsin, at a meeting held on August 14, 2024.

_____
Caroline Fochs, City Clerk

CivicPlus
302 South 4th St. Suite 500
Manhattan, KS 66502
US

Statement of Work
Quote #: Q-61906-1
Date: 1/17/2024 2:42 PM
Expires On: 11/30/2024

Client:
City of Mequon, WI

Bill To:
MEQUON, WISCONSIN

SALESPERSON	Phone	EMAIL	DELIVERY METHOD	PAYMENT METHOD
Megan Poole		megan.poole@civicplus.com		Net 30

Discount(s)

QTY	PRODUCT NAME	DESCRIPTION
1.00	CivicClerk Year 1 Annual Fee Discount	Year 1 Annual Fee Discount
1.00	CivicClerk Year 1 Annual Fee Discount	Year 1 Annual Fee Discount
1.00	CivicClerk Year 1 Annual Fee Discount	Year 1 Annual Fee Discount

One-time(s)

QTY	PRODUCT NAME	DESCRIPTION
1.00	CivicPlus Media: Implementation Fee	CivicClerk Media Implementation Fee
1.00	CivicClerk Premium Configuration	CivicClerk Premium Configuration
1.00	CivicClerk Custom Template Design	CivicClerk Custom Template Set - includes 2 Agenda templates, 1 Item Report template, 1 Minutes template, 1 Agenda Script template
2.00	Virtual Consulting Fee	1 hour Virtual Consulting
1.00	CivicClerk Virtual Training (Half Day Block)	Training (Virtual) - half day, up to 4 hours
1.00	CivicClerk Historical File Import (up to 7,500 files – PDF / MP3 / MP4)	CivicClerk Historical File Import (up to 7,500 files – PDF / MP3 / MP4)

Attachment: Exhibit A Quote (RESOLUTION 4135 : Agenda Management Vendor)

Acceptance

The undersigned has read and agrees to the following Binding Terms, which are incorporated into this SOW, and have caused this SOW to be executed as of the date signed by the Customer which will be the Effective Date:

For CivicPlus Billing Information, please visit https://www.civicplus.com/verify/

Authorized Client Signature

By (please sign):

_____
Printed Name:

_____
Title:

_____
Date:

_____

CivicPlus

By (please sign):

_____
Printed Name:

_____
Title:

_____
Date:

_____

Organization Legal Name:

_____
Billing Contact:

_____
Title:

_____
Billing Phone Number:

_____
Billing Email:

_____
Billing Address:

_____

_____
Mailing Address: (If different from above)

_____

_____
PO Number: (Info needed on Invoice (PO or Job#) if required)

_____

Attachment: Exhibit A Quote (RESOLUTION 4135 : Agenda Management Vendor)

CIVICPLUS

agenda and meeting management

SELECT

Premium Implementation

Proposal valid for 60 days from date of receipt

Attachment: Exhibit B Mequon, WI Proposal (RESOLUTION 4135 : Agenda Management Vendor)

Powering and Empowering Government

PS01052024

CivicPlus Company Overview

CivicPlus History

CivicPlus began in 1998 when our founder, Ward Morgan, decided to focus on helping local governments work better and engage their residents through their web environment. Over the years, CivicPlus has continued to implement new technologies and merge with industry forerunners to maintain the highest standards of excellence and efficiency for our customers.

Our portfolio includes solutions for website design and hosting, parks and recreation management, emergency and mass communications, agenda and meeting management, 311 and CRM, process automation and digital services, codification, licensing and permits, web governance and ADA remediation, social media archiving, and FOIA management.

EXPERIENCE

25+ Years

10,000+ Customers

850+ Employees

RECOGNITION

Inc. 5000 11-time Honoree

GovTech 2024 Top 100 Company

Stevie® Awards Recognized with multiple, global awards for sales and customer service excellence

Our commitment to deliver the right solutions in design and development, end-user satisfaction, and secure hosting has been instrumental in making us a leader in government web technology. We are proud to have earned the trust of our over 10,000 customers and their 100,000+ administrative users. In addition, over 340 million residents engage with our solutions daily.

Primary Office

302 S. 4th Street, Suite 500
Manhattan, KS 66502
Toll Free: 888.228.2233 | Fax: 785.587.8951
civicplus.com

Attachment: Exhibit B Mequon, WI Proposal (RESOLUTION 4135 : Agenda Management Vendor)

Powering & Empowering Government

We empower municipal leaders to transform interactions between residents and government into consistently positive experiences that elevate resident satisfaction, increase revenue, and streamline operations.

Government leaders tell us that one of their most pressing needs is to improve how residents access and experience municipal services; however, they struggle with budget cutbacks and technology constraints. CivicPlus enables civic leaders to solve these problems, making consistently positive interactions between residents and government possible.

What sets us apart is our Civic Experience Platform. CivicPlus is the only government technology company exclusively committed to powering and empowering governments to efficiently operate, serve, and govern using our innovative and integrated technology solutions built and supported by former municipal leaders and award-winning support teams. With it, municipalities increase revenue and operate more efficiently while fostering trust among residents.

Attachment: Exhibit B Mequon, WI Proposal (RESOLUTION 4135 : Agenda Management Vendor)

Features & Functionality

Agenda & Meeting Management Select System

CivicPlus' Agenda & Meeting Management Select software is the fastest, most intuitive way to streamline the entire agenda management process — from creating agenda items to managing live meetings. It provides time-saving automation while allowing clerks to balance these conveniences with manual controls and overrides. Internal collaboration with Select is easy with customized workflows, version tracking, and built-in communication tools.

Our innovators designed it to offer configuration flexibility so that the system can be scaled from the most simple agenda process to the most complex. Built-in integrations and a suite of APIs make working with other internal applications easy. Agenda & Meeting Management Select's user-defined roadmap ensures that the product will continue to grow and adapt as transparency requirements and compliance expectations change.

Fully Integrated, Cloud-Based Software Suite

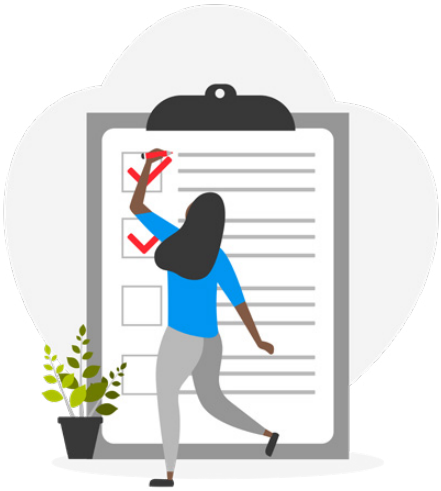
- User-friendly, modern interface
- Unlimited users
- Unlimited storage
- Highly configurable to your agenda and meeting management processes
- Adaptable permission settings
- Confidential attachments
- Field-level versioning
- Integrated code of ordinances
- Built-in integrations with Dropbox, Microsoft's One Drive, Google Drive, Laserfiche, Zoom, and API availability (additional fees may apply)
- Single sign-on through the CivicPlus Platform
- Secure Cloud-Based Hosting
- Automatic Updates
- Customer-Defined Roadmap
- Enhanced Analytics for Data Visibility

Part of the Integrated CivicPlus Platform

Our powerful CivicPlus Platform is the foundation on which all our CivicPlus solutions are built, allowing them to work seamlessly and securely, leveraging existing data, and reducing information silos so your administrative staff can collaborate efficiently. Administrators can take advantage of authentication using our identity provider integrations to provide a single sign-on experience for internal users. The entire system is cloud-based, eliminating the need for internal application management. Agenda & Meeting Management Select is hosted in Microsoft's Azure cloud service, providing a stable multi-user environment while ensuring high availability and uptime. CivicPlus is also the only technology provider that offers an integration between our agenda & meetings software and an online code of ordinances—with Municode Codification.

Attachment: Exhibit B Mequon, WI Proposal (RESOLUTION 4135 : Agenda Management Vendor)

Agenda Management



FLEXIBLE, CUSTOMIZED TEMPLATES

Standardized templates throughout the system provide consistency and clarity to agendas, packets, staff reports, and minutes.

EFFICIENTLY MANAGE AGENDA PACKETS OF ANY SIZE

The software compiles your items and all the legislation, memorandums, or supporting documentation into a bookmarked PDF packet quickly and easily, no matter the size of the packet. Create multiple packet versions instantly to include or exclude specific attachments for your different internal and external users. Last-minute changes to the agenda or packet can be made and published with minimal effort.

Administrators choose what they publish to the public, internal users, and elected or appointed officials and when the information goes out. Automated email notifications can be enabled so all users, both internal and external, know when the meeting documents are published.

CONVENIENT, ANYTIME AGENDA MODIFICATIONS

Changes to the agenda can be made at any time by administrators without affecting global configurations or settings. Drag-and-drop reordering allows you to move items and automatically renumbers everything on the agenda. One-touch copy and move functions enable you to duplicate or move agenda items from meeting to meeting, eliminating the need for duplicate data entry.

CREATE AGENDA ITEMS IN SECONDS

An easy-to-use item entry allows staff members to enter agenda items, upload attachments, and send through the workflow with a few clicks. Configurable field types and our embedded text editor ensure that you are capturing all the information needed for Select to generate staff reports. Automated PDF file conversion and built-in integrations with Microsoft's OneDrive and Google Drive simplify the inclusion of supporting documentation and attachments.

AUTOMATE YOUR APPROVALS PROCESS

The workflow engine streamlines the routing of your agenda items, automates notifications, and gives full transparency to collaborators as it passes through the approval process. As contributors change items, the system tracks revisions, keeping them visible within the item fields and on the item timeline. In-app messaging and task assignments keep everyone in the loop and agenda prep moving forward.

CUSTOM TAGS TO GROUP LIKE AGENDA ITEMS

Administrators can set up tags that can be used by staff when creating their agenda items for improved searching and reporting. Associate like content with pre-defined tags relevant to your community.

Attachment: Exhibit B Mequon, WI Proposal (RESOLUTION 4135 : Agenda Management Vendor)

Meeting Management

AUTOMATED MINUTES SETUP

A fully-integrated minutes module will automatically migrate all your agenda content. No manual pre-meeting minutes setup or agenda import is required. Move from the meeting agenda to the minutes module with a single click.

KEEP UP WITH THE MEETING ACTION

Meetings move fast. Agenda & Meeting Management Select's cloud-based platform allows you to move quickly through your agenda items, recording official actions and discussion, without having to wait for the system to catch up. The clean, intuitive interface gives single-screen access to all your meeting controls. (additional fees apply)

SPEAKER MANAGER

Speakers can be added to the discussion at any time during the live meeting, while the built-in speaker timer helps keep meetings running efficiently.

EASY, INTUITIVE MINUTES-TAKING

While in your live meeting, use the Minutes module to capture critical meeting actions from a single screen with a clean and intuitive user interface. Take roll and manage attendance, record motions and votes, enter speaker information, and record comments or discussion to be brought into your minutes document.

If using CivicPlus Media's integrated video streaming and video-on-demand service, you can also create bookmarks for the accompanying video during the live meeting. Additional fees apply

Attachment: Exhibit B Mequon, WI Proposal (RESOLUTION 4135 : Agenda Management Vendor)

Board Portal

FLEXIBLE ACCESS

Your officials can choose how to access meeting content—helping them work better, faster. Efficiently deliver packets of any size by paper, email, Dropbox, OneDrive, Google Drive, or post to the Board Portal. It is optimized for all devices, including desktops, laptops, and tablets. No separate application required.

A PERSONAL MEETING REPOSITORY

Give officials a personal, secure location to review and take notes on all meeting content, including agendas, supporting documents, minutes, and media.

FIND WHAT YOU NEED- FASTER

Agenda & Meeting Management Select automatically indexes published meeting content with Board Portal search functionality, so it is easy for officials to find information quickly. Our full-text search tool empowers officials to locate past items, attachments, minutes, and agendas by searching a keyword, date range, and more. An item summary view allows officials to see the motions, votes, and any comment or discussion on the item that was recorded in the meeting minutes in an intuitive display, preventing a manual search through full minutes documents.

Attachment: Exhibit B Mequon, WI Proposal (RESOLUTION 4135 : Agenda Management Vendor)

Public Resident Portal

CONTENT ACCESSIBILITY

It's not enough to be transparent by publishing your agendas and other meeting documents online. Your meeting content must be accessible to all members of the public.

Closed captioning is also available with our CivicPlus Media service for live streaming and on-demand video. Additional fees apply for CivicPlus Media and closed captioning.

CONTENT TRANSPARENCY

Build public trust with access to fully searchable meeting content, including legislative decisions and public meeting videos. Meet municipal transparency requirements while keeping residents engaged and informed.

Public Resident Portal

- Resident portal to embed on any webpage gives access to all meeting content on a single page
- PDF downloads of Agenda, Packet, Minutes, Notices, and Other pertinent meeting documents
- HTML agenda view hyperlinks attachments within the meeting agenda for direct access to specific documents
- Full-text search and filtering options
- Email notifications
- Social sharing
- Side-by-side agenda and video display with optional CivicPlus Media live streaming and on-demand video service (additional fees apply)
- Optional Motions and Vote minutes display updates the HTML agenda view to allow residents to quickly see the final disposition of agenda items without having to read full minutes documents
- Mobile-responsive
- Custom branding
- Integrated live or on-demand video with bookmarks to easily jump to desired content (additional fees apply)
- Optional public commenting forum
- Easily jump to past, current, upcoming events with an embedded calendar and continuous scrolls

Attachment: Exhibit B Mequon, WI Proposal (RESOLUTION 4135 : Agenda Management Vendor)

The Civic Experience Platform

Developed specifically to enable municipalities to deliver consistently positive interactions across every department and every service, the Civic Experience Platform includes technology innovations that deliver frictionless, one-stop, and personalized resident interactions. Local governments that leverage our Civic Experience Platform also benefit from:

- Single Sign-On (SSO) to all of your CivicPlus products supporting two-factor authentication and PCI Level password compatibility
- A single dashboard and toolbar for administrative access to your CivicPlus software stack
- Access to a continually growing and fully documented set of APIs to better connect your administration's processes and applications
- A centralized data store with robust data automation and integration capabilities

CIVICPLUS PORTAL

CivicPlus Portal empowers residents to be more engaged and informed about progress in your community. Portal streamlines the resident user experience as they interact with the CivicPlus products leveraged by you – driving revenue, trust, and satisfaction.

With a single username and password, they can watch a public meeting recording, submit a public works request, pay a utility bill, or register for an upcoming event. The result is more engaged and informed voters and fewer phone calls, walk-ins, or emails to your department asking how to find documents or submit records requests.

INTEGRATION HUB

Integration Hub is a tool that can help you unify your disparate cloud-based solutions and your CivicPlus solutions, assemble powerful workflows, and setup complex automations—without the need for a developer. With Integration Hub's easy-to-use drag-and-drop interface, non-technical users can build integrations for syncing content and data between CivicPlus solutions or with third parties (for an additional fee) saving your staff's valuable time. The possibilities are endless with Integration Hub, but here are a few examples of integrations you can create with Select today:

- Automatically add agenda or minute files to the Document Center to be displayed on a CivicEngage® Central website after they are published in Select
- Set-up a workflow to post in the CivicEngage Central News Flash once you've published your Select meeting documents

Shorten your pre-meeting to-do list and send your meeting information instantly with a custom integration using the Integration Hub.

Attachment: Exhibit B Mequon, WI Proposal (RESOLUTION 4135 : Agenda Management Vendor)

Integrated Code of Ordinances & Web

As the only local government software provider with an integrated codification, agenda and meeting management, and municipal website solution offering, our suite allows for digital transformation of the entire legislative process - from the start of the agenda process to the final online publishing of the newly adopted legislation.

If you are a customer of CivicPlus' codification services, the cutting-edge integration between your meetings & agenda management and code of ordinances reduces the manual steps associated between your agenda management and codification processes. As an example, you can send ordinances directly to the CivicPlus for codification by our team of legal editors. When pushed from Agenda & Meeting Management Select, this uncodified legislation will be visible on the landing page of our Online Code Hosting platform nearly instantaneously. You can also take this to the next level by integrating our Municipal Website solutions with our Online Code Hosting system, allowing for one-stop search, capabilities. With this integration, the public can instantly access your code, meetings, packets, and agendas in one simple search straight from your municipal website.

EXAMPLES OF MEANINGFUL CIVIC EXPERIENCE INTEGRATIONS

The following are examples of integrations between the CivicPlus Agenda & Meeting Management Select with other CivicPlus solutions and tools. If you have yet to experience all that CivicPlus can provide, please reach out for additional information and a quote.

CivicEngage Municipal Websites	• Set-up a workflow to post in CivicEngage's News Flash once you've published your meeting documents. • Automatically add agenda or minute files to CivicEngage's Document Center to be displayed on your website after they are published in Select. • Meeting information and dates are automatically integrated to the CivicEngage Calendar. • Meeting files are automatically included in the website's search results.
Codification	• Send adopted ordinances to the Codification Legal Team in one click. • Send ordinances straight to your online code portal as "Adopted and Not Yet Codified". • Instantly link your online code to the meeting content produced within Select.
CivicPlus Media	• Share high-definition, on-demand video or live video feeds of your meetings directly from Select and CivicPlus Media, seamlessly integrated with your meeting agendas and equipped with clear bookmarking and navigation.
Integration Hub	• Third-party integrations examples include integrations with Zoom, Webex, and GoToMeetings, and with Laserfische, Google Drive, Dropbox, and other APIs.

Attachment: Exhibit B Mequon, WI Proposal (RESOLUTION 4135 : Agenda Management Vendor)

Implementation

Project Timeline

Twenty to Twenty-Four Weeks

While every implementation is unique, the following timeline can provide you with information about the different implementation stages and what you can expect at each stage.

PHASE 1: INITIATE	• Project Kickoff communication including timeline, deliverables, and an implementation questionnaire to capture details for your configuration
PHASE 2: ANALYZE	• Template Review meeting to review and discuss needs for Proposed Agenda Template • Obtain internal approvals on Proposed Agenda Template and send in final approval
PHASE 3: OPTIMIZE	• Virtual consulting session(s) to review current processes and documents and discuss desired goals, best practices, and configuration options • Premium system configuration is completed and handed off for review, testing, and feedback • Configuration adjustments made per submitted feedback
PHASE 4: EDUCATE	• Live, virtual training sessions are conducted within configured site
PHASE 5: LAUNCH	• System Launch

Attachment: Exhibit B Mequon, WI Proposal (RESOLUTION 4135 : Agenda Management Vendor)

Premium Implementation Plan

Implementation & Support Experience Designed for You

Agenda & Meeting Management Select has the experience and expertise to help administrations of any size transform the entire meeting management process. We know implementation can't be a one size fits all solution and offer flexible packages designed to meet your desired outcomes.

Our Premium Implementation Package is the perfect fit for automating manual or inefficient agenda and meeting processes. It is designed for organizations with less than 50 internal users and a desire for a guided implementation experience. A dedicated and knowledgeable Implementation consultant will manage your project from end-to-end—consulting and collaborating with your team, configuring the system to automate your process, and delivering live virtual training to your user groups. Key project staff will have online access to the timeline and all expected checkpoints and deliverables for a fully transparent implementation.

Beyond implementation, your users will feel empowered by our in-application support tools, a full online help center, as well as phone, email, and live chat support with members of the dedicated, award-winning Technical Support team.

CONSULTING

Up to 2 Hours of Virtual Consultation

During this consulting session, your implementation consultant will be reviewing your submitted project questionnaire with your key project staff. The implementation consultant will review your custom template designs and discuss the configurations that will be made to ensure your workflows match your current agenda and meeting processes.

DESIGN

We will design up to 5 custom templates to ensure consistency in system-generated meeting documents: Agendas, Item/Staff Report, Minutes, Agenda Script.

CONFIGURATION

Our team will configure your system with Premium customization options to map existing processes to our Agenda & Meeting Management Select system. Additional custom configurations can be made by administrative users at any time using Help Center resources.

TRAINING

Up to 4 hours of Virtual Training

Your implementation consultant will guide user groups through live, virtual training sessions using your custom configured Agenda & Meeting Management Select solution. We recommend no more than 20 users per session. Individual sessions are either 30 or 60 minutes in duration.

Attachment: Exhibit B Mequon, WI Proposal (RESOLUTION 4135 : Agenda Management Vendor)

Continuing Services

Technical Support & Services

With technology, unlimited support is crucial. Our live technical support engineers based in North America are ready to answer your staff members' questions and ensure their confidence.

AWARD-WINNING

CivicPlus has been honored with one Gold Stevie® Award, two Silver Stevie® Awards, and four Bronze Stevie® Awards in the categories of Front-Line Customer Service Team of the Year – Technology Industries, Customer Service Training or Coaching Program of the Year – Technology Industries, Customer Service Department of the Year – Computer Software – Up to 1000 Employees, and Most Valuable Response by a Customer Service Team (COVID-19). The Stevie Awards are the world's top honors for customer service, contact center, business development, and sales professionals.

CIVICPLUS HELP CENTER

CivicPlus customers have 24/7 access to our online Help Center where users can review articles, user guides, FAQs, and can get tips on best practices. Our Help Center is continually monitored and updated by our dedicated Knowledge Management Team to ensure we are providing the information and resources you need to optimize your solution. In addition, the Help Center provides our release notes to keep your staff informed of upcoming enhancements and maintenance.

CONTINUING PARTNERSHIP

We won't disappear after your website is launched. You'll be assigned a dedicated customer success manager. They will partner with you by providing information on best practices and how to utilize the tools of your new system to most effectively engage your residents.

Support at a Glance

- Technical support engineers available 8 a.m. – 6 p.m. (CST) Monday – Friday (excluding holidays)
- Accessible via phone and email
- 4-hour response during normal hours
- 24/7 emergency technical support for named points of contact
- Dedicated customer success manager
- Online self-service help with the CivicPlus Help Center (civicplus.help)

Maintenance

- Regular review of site logs, error messages, servers, router activity, and the internet in general
- Full backups performed daily
- Regularly scheduled upgrades including fixes and other enhancements
- Operating system patches
- Testing and development

Attachment: Exhibit B Mequon, WI Proposal (RESOLUTION 4135 : Agenda Management Vendor)

Hosting & Security

Redundant power sources and internet access ensures consistent and stable connections. We invest over 1.0M annually to ensure we adapt to the ever-changing security landscape while providing maximum availability. CivicPlus' extensive, industry-leading process and procedures for protecting and hosting your site is unparalleled.

CLOUD-HOSTING WITH AZURE

The infrastructure is fully hosted within the Azure Cloud environment using their Infrastructure as a Service (IaaS) model. Using a mix of Azure Virtual Machines and Storage Accounts, all processing and data storage in done within this environment. All users need is a web browser to access and utilize the application. Your system is monitored 24/7/365 with a 99.9% guaranteed up-time (excluding maintenance). Additional details regarding our hosting and security services can be provided upon request.

DISASTER RECOVERY

Agenda & Meeting Management Select utilizes Azure's Site Recovery Services and Geographically Redundant Storage Accounts (GRS) to provide disaster recovery between Azure regions. All data is written to a GRS account which creates copies of that data in data centers across multiple Azure regions, so access to the data is always available. Site Recovery Services allows us to quickly spin up and failover to clones of our Azure Virtual Machines.

Attachment: Exhibit B Mequon, WI Proposal (RESOLUTION 4135 : Agenda Management Vendor)

Disclaimer

Proposal as Non-Binding Document

A successful project begins with a contract that meets the needs of both parties. This proposal is intended as a non-binding document, and the contents hereof may be superseded by an agreement for services. Its purpose is to provide information on a proposed project we believe will meet your needs based on the information available. If awarded the project, CivicPlus reserves the right to negotiate the contractual terms, obligations, covenants, and insurance requirements before a final agreement is reached. We look forward to developing a mutually beneficial contract with you.

Attachment: Exhibit B Mequon, WI Proposal (RESOLUTION 4135 : Agenda Management Vendor)

Enhancement Options

CivicPlus Media: Live Streaming & On-Demand Video

Increase resident engagement and participation by sharing high-definition live video feeds of your meetings directly from Agenda & Meeting Management Select and CivicPlus Media. Stream up to 3 concurrent live proceedings and seamlessly integrate all video content directly into your meeting agendas. Videos feature clear bookmarking and navigation so viewers can quickly find discussions of interest. Viewers can watch videos from any device with no software or application downloads necessary. Integrated closed captioning services are available at an additional cost.

Live Meeting Manager

CivicClerk's fully integrated Live Meeting Manager will automatically migrate all your agenda content. No manual pre-meeting minutes setup or agenda import is required. One-click control allows you to update your in-chamber display screens, set your video bookmarks, and queue items in the Board Portal for your elected and appointed officials.

- Display Pages – Keep meeting participants informed and engaged by displaying the current item, speaker, or vote results automatically to the constituents attending the meeting.
- Flexible Voting – Minutes takers can record motions and votes instantly in Live Meeting Manager or initiate electronic voting when desired. Apply motions and votes to individual agenda items or multiple agenda items as a group.

Boards & Committees Module

The Boards and Committees module tracks vacancies, applications, and appointments. Interactive dashboards give you quick access to actionable information. Easily manage rosters and generate communications using customized templates. Store system-generated communications and other necessary documentation at the board or individual member level. Track training and other internal requirements. Additional fees apply.

Historical File Import

As part of your implementation project, we will import up to 7,500 PDF, MP4, or MP3 documents to your new system. The process includes indexing your imported agendas for keyword searching and retrieval. You and your citizens will still have access to this historical information with increased functionality. Historic meeting documents imported into CivicPlus Agenda & Meeting Management Select by your implementation consultant will be optimized for character recognition to improve complete text search, and accessibility for screen reading assistive devices.

Attachment: Exhibit B Mequon, WI Proposal (RESOLUTION 4135 : Agenda Management Vendor)

CIVICPLUS

CivicPlus Master Services Agreement

This Master Services Agreement (this "Agreement") governs all Statements of Work ("SOW") entered into by and between CivicPlus, LLC ("CivicPlus") and the customer entity identified on the SOW ("Customer"). This Agreement governs the use and provision of any Services purchased by Customer, as described in any signed SOW, and the effective date of this Agreement shall commence on the date of signature of the SOW ("Effective Date"). If a SOW has not been executed, then the Effective Date shall be determined as the start date of implementation of any software solution by CivicPlus for Customer. CivicPlus and Customer referred to herein individually as "Party" and jointly as "Parties".

Recitals

I. WHEREAS, CivicPlus is engaged in the business of developing and providing access to proprietary community engagement and government content, workflow, and general management software solutions, platforms and associated services (the "Services"); and

II. WHEREAS, Customer wishes to engage CivicPlus for the procurement of the Services and/or receive a license subscription for the ongoing use of the Services, as set forth in the SOW;

NOW, THEREFORE, Customer and CivicPlus agree as follows:

Agreement

Term & Termination

1. This Agreement shall commence on the Effective Date and shall remain in full force and effect for as long as any SOW is in effect between CivicPlus and Customer, or Services are being provided by CivicPlus to Customer, unless terminated in accordance with this §1 or as otherwise provided in this Agreement (the "Term"). Either Party may terminate this Agreement or any SOW as set forth in such SOW, or at its discretion, effective immediately upon written notice to the other Party, if the other Party materially breaches any provision of this Agreement and does not substantially cure the breach within thirty (30) days after receiving notice of such breach. A delinquent Customer account remaining past due for longer than 90 days is a material breach by Customer and is grounds for CivicPlus termination. CivicPlus reserves the right to withhold, remove and/or discard Customer Data without notice for any breach, including, without limitation, Customer's non-payment. Upon termination for Customer's breach, Customer's right to access or use Customer Data immediately ceases, and CivicPlus shall have no obligation to maintain or forward any Customer Data.

2. Upon termination of this Agreement or any SOW for any reason, (a) the licenses granted for such relevant SOW by §11 below will terminate and Customer shall cease all use of the CivicPlus Property and Services associated with the terminated SOW and (b) any amounts owed to CivicPlus for work performed prior to termination shall immediately become due in full and payable. If Customer has paid in advance for the Services, and this Agreement terminates due to material breach of this Agreement by CivicPlus, CivicPlus shall refund Customer a prorated amount of any amount already paid. Upon termination by Customer for convenience or due to material breach by Customer, in addition to any remedy

Attachment: Exhibit C CivicPlus Master Services Agreement May 2024 (RESOLUTION 4135 : Agenda Management Vendor)

provided in this Agreement or provided in law or equity, CivicPlus shall be entitled to retain any amounts already paid. Sections 7, 8, 10, 14, 15, 18, 32 -34, 40, and 42 will survive any expiration or termination of this Agreement.

3. At any time during the Term, CivicPlus may, immediately upon notice to Customer, suspend Customer and any of its Users access to any Service due to a threat to the technical security or technical integrity of the Services.

Invoicing & Payment Terms

4. Customer will pay the amounts owed to CivicPlus for the development and implementation of the Customer's Services, as defined in the SOW ("Project Development"), subscription and licensing, and annual hosting, support and maintenance services ("Annual Recurring Services") in accordance with the payment schedule set forth on the applicable SOW. Invoices shall be sent electronically to the individual/entity designated in the SOW's contact sheet that is required to be filled out and submitted by Customer (the "Contact Sheet"). Customer shall provide accurate, current and complete information of Customer's legal business name, address, email address, and phone number in the Contact Sheet upon submission of a signed SOW. Customer will maintain and promptly update the Contact Sheet information if it should change. Upon Customer's request, CivicPlus will mail hard-copy invoices for a $5.00 convenience fee to be added to the mailed invoice.

5. Each SOW will state the amount of days from date of invoice payment is due. Unless otherwise limited by law, a finance charge of 1.5 percent (%) per month or the maximum rate permitted by applicable law, whichever is less, will be added to past due accounts from due date until paid. Payments received will be applied first to finance charges, then to the oldest outstanding invoice(s). If the Customer's account exceeds 60 days past due, support will be discontinued until the Customer's account is made current. If the Customer's account exceeds 90 days past due, CivicPlus may suspend in progress Project Development and Annual Recurring Services will be discontinued, and the Customer will no longer have access to the Services until the Customer's account is made current. Customer will be given 15 days' notice prior to discontinuation of Services for non-payment.

6. During the performance of Project Development, if Customer requests a change that requires repeated efforts to previously approved work product and such change causes CivicPlus to incur additional expenses (i.e. airline change fees, resource hours, consultant fees, Customer does not show up for scheduled meetings or trainings), Customer agrees to reimburse CivicPlus for such additional expenses. CivicPlus shall notify Customer prior to incurring such expenses and shall only incur those expenses which are approved by Customer.

Ownership & Content Responsibility

7. Upon full and complete payment of amounts owed for Project Development under the applicable SOW, Customer will own any website graphic designs, Services content, module content, importable/exportable data, and archived information ("Customer Content") created by CivicPlus on behalf of Customer pursuant to this Agreement. "Customer Content" also includes, without limitation, any elements of text, graphics, images, photos, audio, video, designs, artworks, logos, trademarks, services marks, and other materials or content which Customer provides to CivicPlus for processing, transmission, storage, or inputs into any website, software or module in connection with any Services. Customer Content excludes any content in the public domain and any content owned or licensed by CivicPlus, whether in connection with providing Services or otherwise.

8. Upon completion of the Project Development, Customer will take over the management and control of the Services and Customer will assume full responsibility for Customer Content maintenance and administration. Customer, not CivicPlus, shall have sole responsibility for the accuracy, quality, integrity, legality, reliability, appropriateness, and

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intellectual property ownership or right to use of all Customer Content. Customer hereby grants CivicPlus a worldwide, non-exclusive right and license to reproduce, distribute and display the Customer Content as necessary to provide the Services. Customer represents and warrants that Customer owns all Customer Content or that Customer has permission from the rightful owner to use each of the elements of Customer Content and that Customer has all rights necessary for CivicPlus to use the Customer Content in connection with providing the Services. Customer agrees that CivicPlus shall not be responsible or liable for the content of messages created by Customer or by Customer's Users or end-users who access Service. Notwithstanding the foregoing, CivicPlus retains the right, but not the obligation, to remove any Customer Content that is libelous, harassing, abusive, fraudulent, defamatory, excessively profane, obscene, abusive, hate related, violent, harmful to minors, that advocates racial or ethnic intolerance, intended to advocate or advance computer hacking or cracking, or other material, products or services that violate or encourage conduct that would violate any laws or third-party rights.

9. At any time during the term of the applicable SOW, Customer will have the ability to download the Customer Content and export the data that is processed through the Services ("Customer Data"). Customer may request CivicPlus to perform the export of Customer Data and provide the Customer Data to Customer in a commonly used format, at any time, for a fee to be quoted at time of request and approved by Customer. Upon termination of the applicable SOW for any reason, whether or not Customer has retrieved or requested the Customer Data, CivicPlus reserves the right to permanently and definitively delete the Customer Content and Customer Data held in the Services thirty (30) days following termination of the applicable SOW. During the thirty (30) day period following termination of the SOW, regardless of the reason for its termination, Customer will not have access to the Services.

10. Intellectual Property in the software or other original works created by or licensed to CivicPlus, including all software source code, documents, and materials used in performing the Services ("CivicPlus Property") will remain the property of CivicPlus. CivicPlus Property specifically excludes Customer Content. Customer shall not (i) license, sublicense, sell, resell, reproduce, transfer, assign, distribute or otherwise commercially exploit or make available to any third party any CivicPlus Property in any way, except as specifically provided in the applicable SOW; (ii) adapt, alter, modify or make derivative works based upon any CivicPlus Property; (iii) create internet "links" to the CivicPlus Property software or "frame" or "mirror" any CivicPlus Property administrative access on any other server or wireless or internet-based device that may allow third party entities, other than Customer, to use the Services; (iv) reverse engineer, decompile, disassemble or otherwise attempt to obtain the software source code to all or any portion of the Services; (v) make any attempt to gain unauthorized access to the Services and/or any of CivicPlus' systems or networks; or (vi) access any CivicPlus Property in order to: (a) build a competitive product or service, (b) build a product using similar ideas, features, functions or graphics of any CivicPlus Property, or (c) copy any ideas, features, functions or graphics of any CivicPlus Property. The CivicPlus name, the CivicPlus logo, and the product and module names associated with any CivicPlus Property are trademarks of CivicPlus, and no right or license is granted to use them outside of the licenses set forth in this Agreement.

11. Provided Customer complies with the terms and conditions herein, the relevant SOW, and license restrictions set forth in §10, CivicPlus hereby grants Customer a limited, nontransferable, nonexclusive, non-assignable license to access and use the CivicPlus Property associated with any valid and effective SOW, for the term of the respective SOW. The license set forth herein, shall only apply to the extent that Customer is using the Services for legitimate business use as intended by the purpose of the Services and not for the purpose of comparing the Services to a competitor or similar product of CivicPlus. Customer hereby warrants and affirms its purpose in accessing or otherwise using the Services is for their intended purpose only and understands and agrees that any other use shall be considered fraud.

12. All CivicPlus helpful information and user's guides for the Services ("Documentation") are maintained and updated electronically by CivicPlus and can be accessed through the CivicPlus "Help Center". CivicPlus does not provide paper copies of its Documentation. Customer and its Users are granted a limited license to access Documentation as needed. Customer shall not copy, download, distribute, or make derivatives of the Documentation.

13. Customer acknowledges that CivicPlus may continually develop, alter, deliver, and provide to the Customer ongoing

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innovation to the Services, in the form of new features and functionalities. CivicPlus reserves the right to modify the Services from time to time. Any modifications or improvements to the Services listed on the SOW will be provided to the Customer at no additional charge. In the event that CivicPlus creates new products or significant enhancements to the Services ("New Services"), and Customer desires these New Services, then Customer will have to pay CivicPlus the appropriate fee for the access to and use of the New Services. CivicPlus shall use its reasonable best efforts to provide workarounds in the event any modification to the Services causes Customer to lose substantial functionality of the Services.

14. CivicPlus in its sole discretion, may utilize all comments and suggestions, whether written or oral, furnished by Customer to CivicPlus in connection with its access to and use of the Services (all reports, comments and suggestions provided by Customer hereunder constitute, collectively, the "Feedback"). Customer hereby grants to CivicPlus a worldwide, non-exclusive, irrevocable, perpetual, royalty-free right and license to incorporate the Feedback in the CivicPlus products and services.

Indemnification

15. CivicPlus will defend at its expense or settle any third-party claim against Customer alleging that the Services provided under this Agreement infringe intellectual property rights. CivicPlus will pay infringement claim defense costs, CivicPlus–negotiated settlement amounts, and damages finally awarded by a court. CivicPlus has no obligation for any claim of infringement arising from Customer's use of the Services for purposes not contemplated by this Agreement. CivicPlus's indemnification obligations under this Section 15 are conditioned upon the Customer (i) promptly notifying the CivicPlus of any claim in writing; (ii) cooperating with CivicPlus in the defense of the claim; and (iii) granting CivicPlus sole control of the defense or settlement of the claim. The indemnification obligations of CivicPlus herein shall not apply to any claims of intellectual property infringement related to Customer Content.

Responsibilities of the Parties

16. CivicPlus will not be liable for any act, omission of act, negligence or defect in the quality of service of any underlying carrier, licensor or other third-party service provider whose facilities or services are used in furnishing any portion of the Service received by the Customer.

17. CivicPlus will not be liable for any failure of performance that is caused by or the result of any act or omission by Customer or any entity employed/contracted on the Customer's behalf. During Project Development, Customer will be responsive and cooperative with CivicPlus to ensure the Project Development is completed in a timely manner.

18. Customer agrees that it is solely responsible for the end-user's personal data that Customer decides to solicit, collect, store, or otherwise use in connection with any Service provided by CivicPlus. Customer understands and agrees that CivicPlus provides certain solutions with increased security measures for the solicitation and storage of any sensitive data, and it is Customer's responsibility to determine whether the data it solicits and collects should be stored in such solutions. Customer understands and agrees that CivicPlus does not have knowledge or control over what type of data Customer solicits therefore CivicPlus has no responsibility for the use or storage of end-users' personal data in connection with the Services or the consequences of the solicitation, collection, storage, or other use by Customer or by any third party of any personal data. Customer has the sole control and responsibility over the determination of which data and information shall be included in the content that is to be transmitted and stored by CivicPlus. Customer shall not provide to CivicPlus or allow to be provided to CivicPlus any content that (a) infringes or violates any 3rd party's intellectual property rights, rights of publicity or rights of privacy, (b) contains any defamatory material, or (c) violates any federal, state, local, or foreign laws, regulations, or statutes.

Attachment: Exhibit C CivicPlus Master Services Agreement May 2024 (RESOLUTION 4135 : Agenda Management Vendor)

CIVICPLUS

19. Customer is responsible for all activity that occurs under Customer's accounts by or on behalf of Customer. Customer agrees to (a) be solely responsible for all designated and authorized individuals chosen by Customer ("User") activity, which must be in accordance with this Agreement and the CivicPlus Terms of Use; (b) be solely responsible for Customer Data; (c) obtain and maintain during the term all necessary consents, agreements and approvals from end-users, individuals or any other third parties for all actual or intended uses of information, data or other content Customer will use in connection with the Services; (d) use commercially reasonable efforts to prevent unauthorized access to, or use of, any User's log-in information and the Services, and notify CivicPlus promptly of any known unauthorized access or use of the foregoing; (e) use commercially reasonable efforts to prevent unauthorized access to or use of the Services and CivicPlus Property and shall promptly notify CivicPlus of any unauthorized access or use of the Services and/or CivicPlus Property and any loss or theft or unauthorized use of any n User's password or username and/or personal information; and (f) use the Services only in accordance with applicable laws and regulations.

20. The Parties shall comply with all applicable local, state, and federal laws, treaties, regulations, and conventions in connection with its use and provision of any of the Services or CivicPlus Property.

21. CivicPlus shall not be responsible for any act or omission of any third-party vendor or service provider that Customer has selected to integrate any of its Services with.

22. Customer understands that CivicPlus must fastidiously allocate resources across all of its customers and specifically reserves necessary resources for Customer's Project Development. If any professional services, such as consulting or training, purchased by Customer are not used during the Project Development phase solely due to the inaction or unresponsiveness of Customer, then these services shall expire 30 days after completion of Project Development. The Customer may re-schedule any unused professional services during this 30-day period as mutually agreed upon by the Parties. Any professional services that have not been used or rescheduled shall be marked as complete and closed upon the expiration of the 30-day period.

Data Security

23. CivicPlus shall, at all times, comply with the terms and conditions of its Privacy Policy. CivicPlus will maintain commercially reasonable administrative, physical, and technical safeguards designed to protect the security and confidentiality of Customer Data. CivicPlus will not modify Customer Data or disclose Customer Data, except (a) in order to provide the Services; (b) to prevent or address service or technical problems in connection with support matters; (c) as specifically directed or expressly permitted in writing by Customer, (d) in compliance with our Privacy Policy; or (f) if compelled by law. Notwithstanding the foregoing, CivicPlus reserves the right to delete, suspend, or block known malicious accounts without Customer authorization. Customer understands that CivicPlus has no obligation to provide the Services or maintain the Customer Data, information or other material if Customer's accounts are past due and unpaid as set forth in this Agreement.

24. Customer acknowledges and agrees that CivicPlus utilizes third-party service providers to host and provide the Services and store Customer Data and the protection of such data will be in accordance with such third party's safeguards for the protection and the security and confidentiality of Customer's Data. Notwithstanding anything to the contrary, CivicPlus shall have the right to collect and analyze data and other information relating to the provision, use and performance of various aspects of the Services and related systems and technologies (including, without limitation, information concerning Customer Data and data derived therefrom), and CivicPlus will be free (during and after the term hereof) to use such information and data to improve and enhance the Services and for other development, diagnostic and corrective purposes in connection with the Services and other CivicPlus offerings.

25. CivicPlus may offer Customer the ability to use third-party applications in combination with the Services. Any such third-party application will be subject to acceptance by Customer. In connection with any such third-party application

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agreed to by Customer, Customer acknowledges and agrees that CivicPlus may allow the third-party providers access to Customer Data as required for the interoperation of such third-party application with the Services. The use of a third-party application with the Services may also require Customer to agree to a separate agreement or terms and conditions with the provider of the third-party application, which will govern Customer's use of such third-party application.

26. In the event of a security breach due to the sole negligence, malicious actions, omissions, or misconduct of CivicPlus, CivicPlus, as the data custodian, will comply will all remediation efforts as required by applicable federal and state law.

CivicPlus Support

27. CivicPlus will use commercially reasonable efforts to perform the Services in a manner consistent with applicable industry standards, including maintaining Services availability 24 hours a day, 7 days a week with 99.9% uptime. Customer will have 24/7 access to the online CivicPlus Help Center (civicplus.help) to review use articles, software best practices, receive maintenance release notes, as well as submit and monitor omni-channel support tickets and access solution specific support contact methods (https://www.civicplus.help/hc/en-us/requests/new).

28. CivicPlus provides live support engineers based in the domestic United States to respond to basic questions concerning use and configuration, to diagnose software code-related errors, and proactively identify potential systems issues. CivicPlus support engineers serve a preliminary function in the agile development process and escalate defects to software developers or architects for remediation. For security purposes, CivicPlus support engineers are not permitted to modify user accounts, and permissions nor distribute access outside of accounts established by means of a support interaction for testing. Customer delegated Users may receive tutorials and guidance on account modifications but will perform the action themselves.

29. CivicPlus support hours span between the hours of 7 am to 7 pm CST, but may vary by product. Customer may access the CivicPlus Help Center (civicplus.help) to obtain each product's support hours. After hours support is available by toll- free phone call only. Non-emergency support requested outside of support hours will be subject to additional fees, such fees will be quoted to Customer at the time of the request and will be subject to Customer acceptance and invoiced the next business day following the non-emergency support. CivicPlus shall have the sole discretion to determine in good faith whether support requests qualify as an emergency, exceed reasonable use or are outside the scope of services outlined in any SOW.

30. If a reported problem cannot be solved during the first support interaction, Customer will be provided a ticket number that will be used as communication method throughout ticket escalation until a solution is provided. Support service does not include support for errors caused by third party products or applications for which CivicPlus is not responsible.

Marketing

31. Customer hereby authorizes CivicPlus to include CivicPlus's name and logo inconspicuously within the Customer's instance of the Services. Customer may publicly refer to itself as a customer of the CivicPlus Services, including on Customer's website and in sales presentations. Notwithstanding the foregoing, each Party hereby grants the other a limited, worldwide, license to use the other's logo in conformance with such Party's trademark usage guidelines and solely for the purposes of providing the Services. In no event will either Party issue a press release publicly announcing this relationship without the approval of the other Party, such approval not to be unreasonably withheld.

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CIVICPLUS

Limitation of Liability

32. CivicPlus' liability arising out of or related to this Agreement, or any associated SOW, will not exceed the amounts paid by Customer for the Annual Recurring Services in the year prior to such claim of liability.

33. In no event will CivicPlus be liable to Customer for any consequential, indirect, special, incidental, or punitive damages arising out of or related to this Agreement.

34. The liabilities limited by Section 32 and 33 apply: (a) to liability for negligence; (b) regardless of the form of action, whether in contract, tort, strict product liability, or otherwise; (c) even if Customer is advised in advance of the possibility of the damages in question and even if such damages were foreseeable; and (d) even if Customer's remedies fail of their essential purposes. If applicable law limits the application of the provisions of this Limitation of Liability section, CivicPlus' liability will be limited to the maximum extent permissible.

Warranties and Disclaimer

35. Each person signing the SOW, or otherwise agreeing to the terms of this Agreement, represents and warrants that he or she is duly authorized and has legal capacity to execute and bind the respective Party to the terms and conditions of the SOW and this Agreement. Each Party represents and warrants to the other that the execution and delivery of the SOW and the performance of such Party's obligations thereunder have been duly authorized and that this Agreement is a valid and legal agreement binding on such Party and enforceable in accordance with its terms. Customer represents and warrants that Customer has not provided any false information to gain access to the Service and that Customer's billing information provided on the Contact Sheet is correct; and it has all necessary rights in the Customer Content to permit Customer's use of the Service and to grant the licenses contained in this Agreement without infringing the intellectual property or other rights of any third parties, violating any applicable laws, or violating the terms of any license or agreement to which it is bound.

36. CivicPlus warrants that the Services will perform substantially in accordance with documentation and marketing proposals, and free of any material defect. CivicPlus warrants to the Customer that, upon notice given to CivicPlus of any defect in design or fault or improper workmanship, CivicPlus will remedy any such defect. CivicPlus makes no warranty regarding, and will have no responsibility for, any claim arising out of: (i) a modification of the Services made by anyone other than CivicPlus, even in a situation where CivicPlus approves of such modification in writing; or (ii) use of the Services in combination with a third-party service, web hosting service, or server not authorized by CivicPlus.

37. The Services may be temporarily unavailable for scheduled maintenance or for unscheduled emergency maintenance, either by CivicPlus or by third-party providers, or because of other causes beyond CivicPlus's reasonable control, but CivicPlus shall use reasonable efforts to provide advance notice in writing or by e-mail of any scheduled service disruption. HOWEVER, SERVICE PROVIDER DOES NOT WARRANT THAT THE SERVICES WILL BE UNINTERRUPTED OR ERROR FREE; NOR DOES IT MAKE ANY WARRANTY AS TO THE RESULTS THAT MAY BE OBTAINED FROM USE OF THE SERVICES.EXCEPT FOR THE EXPRESS WARRANTIES IN THIS AGREEMENT, THE SERVICES ARE PROVIDED "AS IS AND CIVICPLUS HEREBY DISCLAIMS ALL WARRANTIES, WHETHER EXPRESS, IMPLIED, STATUTORY OR OTHERWISE, INCLUDING ANY IMPLIED WARRANTY OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, OR ARISING FROM A PRIOR COURSE OF DEALING.

38. EACH PROVISION OF THIS AGREEMENT THAT PROVIDES FOR A LIMITATION OF LIABILITY, DISCLAIMER OF WARRANTIES, OR EXCLUSION OF DAMAGES IS TO ALLOCATE THE RISKS OF THIS AGREEMENT BETWEEN THE PARTIES. THIS ALLOCATION IS REFLECTED IN THE PRICING OFFERED BY CIVICPLUS TO CUSTOMER AND IS AN ESSENTIAL ELEMENT OF THE BASIS OF THE BARGAIN BETWEEN

Attachment: Exhibit C CivicPlus Master Services Agreement May 2024 (RESOLUTION 4135 : Agenda Management Vendor)

THE PARTIES. EACH OF THESE PROVISIONS IS SEVERABLE AND INDEPENDENT OF ALL OTHER PROVISIONS OF THIS AGREEMENT.

Force Majeure

39. No party shall have any liability to the other hereunder by reason of any delay or failure to perform any obligation or covenant if the delay or failure to perform is occasioned by force majeure, meaning any act of God, storm, pandemic, fire, casualty, unanticipated work stoppage, strike, lockout, labor dispute, civil disturbance, riot, war, national emergency, act of public enemy, internet service provider failure or delay, third party application failure, denial of service attack, or other cause of similar or dissimilar nature beyond its control.

Taxes

40. The amounts owed for the Services exclude, and Customer will be responsible for, all sales, use, excise, withholding and any other similar taxes, duties and charges of any kind imposed by any federal, state or local governmental entity in connection with the Services (excluding taxes based solely on CivicPlus's income). If the Customer is tax-exempt, the Customer must provide CivicPlus proof of their tax-exempt status, within fifteen (15) days of contract signing, and the fees owed by Customer under this Agreement will not be taxed. If such exemption certificate is challenged or held invalid by a taxing authority then Customer agrees to pay for all resulting fines, penalties and expenses.

Other Documents

41. This Agreement, including all exhibits, amendments, and addenda hereto and all SOWs, constitutes the entire agreement between the Parties and supersedes all prior and contemporaneous agreements, proposals or representations, written or oral, concerning its subject matter. No modification, amendment, or waiver of any provision of this Agreement or any SOW will be effective unless in writing and signed by each Party. However, to the extent of any conflict or inconsistency between the provision in the body of this Agreement and any exhibit, amendment, or addenda hereto or any SOW, the terms of such exhibit, amendment, addenda or SOW will prevail. Notwithstanding any language to the contrary therein, no terms or conditions stated in a Customer purchase order or other order documentation (excluding SOWs) will be incorporated into or form any part of this Agreement, all such terms or conditions will be null and void, unless such term is to refer and agree to this Agreement.

Interlocal Purchasing Consent/ Cooperative Purchasing

42. With the prior approval of CivicPlus, which may be withheld for any or no reason within CivicPlus's sole discretion, this Agreement and any SOW may be extended to any public entity in Customer's home-state to purchase at the SOW prices and specifications in accordance with the terms stated herein.

43. To the extent permitted by law, the terms of this Agreement and set forth in one or more SOW(s) may be extended for use by other local government entities upon execution of a separate agreement, SOW, or other duly signed writing by and between CivicPlus and such entity, setting forth all of the terms and conditions for such use, including applicable fees and billing terms.

Attachment: Exhibit C CivicPlus Master Services Agreement May 2024 (RESOLUTION 4135 : Agenda Management Vendor)

CIVICPLUS

Miscellaneous Provisions

44. The invalidity or unenforceability, in whole or in part, of any provision of this Agreement shall not void, affect the validity or enforceability of any other provision of this Agreement.

45. The Parties negotiated this Agreement with the opportunity to receive the aid of counsel and, accordingly, intend this Agreement to be construed fairly, according to its terms, in plain English, without constructive presumptions against the drafting Party. The headings of Sections of this Agreement are for convenience and are not to be used in interpreting this Agreement. As used in this Agreement, the word "including" means "including but not limited to."

46. The Parties will use reasonable, good faith efforts to resolve any dispute between them in good faith prior to initiating legal action.

47. This Agreement and any SOW, to the extent signed and delivered by means of a facsimile machine or electronic mail, shall be treated in all manner and respects as an original agreement or instrument and shall be considered to have the same binding legal effect as if it were the original signed version thereof delivered in person. The Parties agree that an electronic signature is the legal equivalent of its manual signature on this Agreement and any SOW. The Parties agree that no certification authority or other third party verification is necessary to validate its electronic signature and that the lack of such certification of third party verification will not in any way affect the enforceability of the Parties' electronic signature or any resulting agreement between CivicPlus and Customer.

48. Due to the rapidly changing nature of software as a service and digital communications, CivicPlus may unilaterally update this Agreement from time to time. In the event CivicPlus believes such change is a material alteration of the terms herein, CivicPlus will provide Customer with written notice describing such change via email or through its website. Customer's continued use of the Services following such updates constitutes Customer's acceptance of the same. In the event Customer rejects the update to the terms herein, Customer must notify CivicPlus of its objection within ten (10) days receipt of notice of such update.

Attachment: Exhibit C CivicPlus Master Services Agreement May 2024 (RESOLUTION 4135 : Agenda Management Vendor)

11333 N. Cedarburg Road
Mequon, WI 53092
Phone: 262-236-2902
Fax: 262-242-9655

www.ci.mequon.wi.us **Office of Community Development**

TO: **Common Council**
FROM: **Kim Tollefson, Director of Community Development**
DATE: **August 14, 2024**
SUBJECT: **RESOLUTION 4136 A Resolution Authorizing a Contract Amendment for the Development of Streetscape Construction Plans on Port Washington Road between Zedler Lane and Mequon Road with Harwood Engineering Consultants, Ltd., Milwaukee, Wisconsin, in an Amount Not-to-Exceed $88,200**

Background

The streetscape plan for North Port Washington Road as part of public improvements within TID No. 4 and TID No. 5 from Zedler Lane to Mequon Road was approved by the Council May 14, 2024. Since that time, staff has worked with Harwood Engineering Consultants to develop a scope of services for the public improvement construction plans and bid documents that are to be issued this fall for spring 2025 construction. As the landscape architect of the approved streetscape plan, Harwood's original contract is being recommended for amendment to develop the plans and documents. Common Council approval of the contact amendment is required because the annual expenditure paid to Harwood will exceed $25,000.

Analysis

The scope of services is outlined in the Contract Amendment package from Harwood dated July 25, 2024, that is attached, and includes the following:

- Streetscape and Landscape
- Extension of design for Mequon Road, east of the Port Washington Road intersection to I-43
- Submission of plans and necessary permits to Ozaukee County and WisDOT
- Construction Plan Set
- BID documents
- Final corridor sign package for BID
- Survey
- Electrical design work

Additional scope will include the following; however, the consultant needs additional engineering information to develop the scope and estimated cost. This portion will return for a modification to the contract prior to bidding on the project.

- Donges Bay Road intersection right turn lane (northbound onto N. Port Washington Road from westbound Donges Bay Road) and sidewalk addition

The project scope and proposed cost aligns with similar and previous City-contracted work. Staff finds significant value in utilizing Harwood as the architect of the approved plan. The firm is a full-service company with a positive relationship with the City from prior projects. The firm's proposal aligns with the cost of similar projects recently executed with contract services on a per-mile basis. In this case, the scope is quite extension given the diversity of work: road, intersection, and median reconfiguration, traffic signal and street/pedestrian lighting which includes electrical design, landscaping and the intergovernmental coordination needed with Ozaukee County and WisDOT. The similar projects include:

- 2024 Road Capital Improvement Project: County Line Road (OIT to Cedarburg Road) design services for deteriorated road conditions ($33,600). This project is a joint project with the Village of Brown Deer.
- 2023 TID 3 Public Improvement: Mequon Road (Buntrock Avenue to Cedarburg Road) design services for Pedestrian, Traffic and Streetscape ($166,430 plus $61,540 amendment).
- 2024 Road Capital Improvement Project: Highland Road and Fiesta Lane design services for road work and drainage improvements ($58,000).

Fiscal Impact

The base cost of this scope of service is $78,750 and is an eligible TID expenditure. Staff recommends a 12% contingency ($9,450) related to potential additional analysis for a total expenditure not exceeding $88,200. The cost will be split between TID No. 4 and No. 5. The consultant estimates the cost to complete all the improvements per the approved streetscape plan is approximately $1,020,655. Currently, the TIDs combined have approximately $1,620,000 in cash reserves as of the 2022 Annual Report, showing sufficient funding for project implementation.

Recommendation

The Public Works Committee recommendation is forthcoming on August 14, 2024.

Attachments:
Port Washington Road Streetscape CD Proposal (PDF)

COMMON COUNCIL
OF THE
CITY OF MEQUON

RESOLUTION 4136

A Resolution Authorizing a Contract Amendment for the Development of Streetscape Construction Plans on Port Washington Road between Zedler Lane and Mequon Road with Harwood Engineering Consultants, Ltd., Milwaukee, Wisconsin, in an Amount Not-to-Exceed $88,200

RECITALS

A. The City of Mequon Common Council approved a streetscape plan for Port Washington Road between Zedler Lane and Mequon Road on May 14, 2024.

B. The City of Mequon Community Development Department's Planning Division received a proposal to develop the construction documents related to the proposed streetscaping project on Port Washington Road in Tax Increment District (TID) Nos. 4 and 5.

C. Staff reviewed the proposal and the qualifications for the contract and has made recommendation to the Public Works Committee.

D. Adequate funds for this contract are available and will be split 50/50 between TID No. 4 and TID No. 5.

E. To provide additional services that may result from additional authorized efforts, the contract award amount shall be affirmed with a 12% contingency, for a total not-to-exceed cost of $88,200.

F. If authorized, staff will enter a contract with the recommended consultant.

BASED UPON THE FOREGOING RECITALS, IT IS RESOLVED by the Common Council of the City of Mequon, Wisconsin, that the above proposal, as recommended by the Public Works Committee, be accepted and that the proper City officials are authorized and directed to sign the appropriate contract documents after review and approval of the same by the City Attorney.

_____
Approved by: Andrew Nerbun, Mayor

Date Approved: August 14, 2024

I certify that the foregoing Resolution was adopted by the Common Council of the City of Mequon, Wisconsin, at a meeting held on August 14, 2024.

Caroline Fochs, City Clerk

HARWOOD

civil | landscape architecture | structural | mechanical | electrical | plumbing/fire protection | lighting design | telecommunications | security

July 25, 2024

Kim Tollefson, Director of Planning & Development
Jac Zader, Assistant Director of Community Development
City of Mequon
11333 N. Cedarburg Road
Mequon, WI 53092

RE: CITY OF MEQUON, TID #4 AND #5 PUBLIC IMPROVEMENTS
CONSTRUCTION PLANS FOR PORT WASHINGTON ROAD STREETSCAPING

Hello Kim & Jac:

Harwood Engineering Consultants, Ltd. (Harwood) is pleased to submit our proposal for Professional Landscape Architecture and Engineering Consulting Services for the above-referenced project. We are very interested in working with you on this project and have provided our terms and fixed fees for your consideration.

Original Project Understanding

The Port Washington corridor is currently vehicular orientated consisting of turf medians and terraces. Very tall, commercial grade light poles are located in the center medians for the majority of the corridor along with power lines along the west side. This is a very exciting opportunity to offer design services that will not only create a unified streetscape but also create a sense of place for the businesses, residents and visitors.

Prior to any concepts being drafted, the Landscape Architects and Civil Engineers at Harwood will meet with city staff, business owners and residents to discuss the existing conditions, what works, and what doesn't work along the corridor. We will also take any recommendations for current and future needs. This data gathering is very important to create concepts that first and foremost meet the goals and objectives of the City.

Based on all of the data we gather though the observations, interviews and surveys, we will put together (3) conceptual designs that will be presented to city staff. The design options will not only have different ideas/themes, they will also provide different levels of intensity or cost. After the meeting we will provide a summary to the City in order to gain consensus on the direction moving forward for the final plan.

The final plan will be developed with direct input from the city staff and coordination with Ozaukee County and presented to the Common Council for final approval.

If requested, final landscape architecture and engineering will occur after the conceptual design included in this proposal has been completed. A separate fee and proposal will be prepared at that time. It is also understood that the project will require a detailed site survey in order to move into Construction Documents.

Attachment: Port Washington Road Streetscape CD Proposal (RESOLUTION 4136 : PW Streetscape Plans BID docments)

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Contract Amendment Project Understanding

Our fees are based on the Conceptual Plans created by Harwood on 05-07-24, including the following scope of work.

- Design of right turn lane at Donges Bay Road northbound onto PW Rd and sidewalk that extends to bridge over I-43. Assume there may be some storm sewer / drainage design. Does not include any other utility design.
- Remainder of the work outside of the Donges Bay turn lane and sidewalk is streetscape / landscape work that will not require any utility design, roadway modifications, or significant grading changes.
- Updated plan for Mequon Road east of Mequon Road / PW Road intersection to I43, plan to include streetscape design for the newly constructed medians to match design intent of the Port Washington Road design concepts. Roadway engineering is not included.
- Submission of final streetscape plan and ROW permit to Ozaukee County
- Construction plans
- Bid Documents
- Corridor Sign for Bid Plans (Design to be completed by City staff)
- The preliminary construction budget is $1,020,655 Should the budget increase, our design fees will increase proportionally.
- Contract documents shall be issued in a single bid package.
- This project shall be constructed in a single phase.
- Drawings shall be in AutoCad format.

Schedule

We acknowledge the project schedule and can meet the deadlines as specified, provided that we receive information/documents from the architect/owner in a timely manner. Harwood shall provide information requests in a timely manner.

Milestone	Timeframe	
	Alt 1	Alt 2
Ad to Newspaper	Sept 10	Oct 15
Bid Opening	Sept 26	Oct 31
CC Bid Award	Oct 8	Nov 12

Attachment: Port Washington Road Streetscape CD Proposal (RESOLUTION 4136 : PW Streetscape Plans BID docments)

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Base Engineering Fees

Our Base Engineering Fees for this project (excluding LEED and Commissioning Services) are as follows:

Discipline	Fee
Port Washington Road Streetscape CD's	$52,750
Donges Bay Turn Lane & Sidewalk	TBD
Mequon Road Streetscape CD's (does not include lighting)	$3,000
Port Washington Road Survey	$18,000
Donges Bay Road Survey	$5,000
Totals	**$78,750**

Assumptions/Conditions

CIVIL

- It is assumed that stormwater management design will not be required for base services. If stormwater management is required as part of the design scope a separate fee can be provided for that service.

Civil Design Services Included (base fee services)

- Conceptual site layout and design
- Preliminary meetings with municipality
- Demolition plan
- Grading and storm sewer plan
- Site/Utility/Paving Plan
- Erosion Control Plan
- Construction Details
- Construction Specifications
- Punch list and follow-up

SURVEY – Port Washington Road

- Scope includes survey of Port Washington Road Right of Way from West Zedler Lane to Mequon Road.
- Includes locating at grade features. Does not include full topography or utility inverts.

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Port Washington Road Streetscape - CDs
City of Mequon

SURVEY – Donges Bay Road

- Scope includes full topo survey of Donges Bay Road from Port Road to 100' east of Port Road. Also includes from the back of curb to the ROW on the north side of the road for sidewalk design to the bridge over I-43.

LANDSCAPE ARCHITECTURE

- Scope of landscape architecture includes full-service design, including conceptual design, municipal submittals, construction documents, bid assistance, and typical construction administration.
- Design or specification of signage, furniture, etc., by others.
- The current landscape located outside project limits shall remain. Additional scope and fees can be added to inventory/analyze the existing landscape and prepare an expanded landscape plan.

  Landscape Architectural Design Services Included (base fee services)

  - Review all municipal requirements and guidelines for landscape plan approval
  - Existing landscape inventory and assessment
  - Preliminary meetings with municipality and/or design team
  - Landscape Plan
  - Coordination and review through the municipal approval process, excluding attendance at approval meetings
  - Landscape Construction Details and Specifications
  - Punch list and follow-up

ELECTRICAL

- Electrical design work is limited to power, controls and lighting associated with the proposed street lighting of the project area. Our proposed fee does not include power, telecommunications or controls needed for anything outside of what is needed for lighting.
- Existing circuits will be re-used where appropriate. Additional WE Energies service and controls may need to be added depending on location of new poles, obstacles, etc.
- Light level calculations will be provided to show planned conformance with codes that require specific levels of illuminance and max-to-min ratios. We assume that the City will provide clear direction on which entities' codes will apply for this project.
- Fixtures shall use LED technology and will operate at 300 volts or less.
- We assume that a trench profile showing depths along the length of the road will not be

Attachment: Port Washington Road Streetscape CD Proposal (RESOLUTION 4136 : PW Streetscape Plans BID docments)

needed. Electrical drawings will display all circuiting from the typical overhead view, showing approximate routing between poles and metering/control equipment. Notes and specifications will be used to instruct the contractor on depths, distance from curbs and other general location direction

Supplemental Services

Harwood Engineering Consultants, Ltd. has the capability to offer a full range of additional engineering services. Should supplemental services be requested due to changes in the Scope of Services, we shall proceed with said services upon your approval and invoice on a negotiated fee or hourly basis. The following is a list of supplemental services that are beyond the scope of the basic fee proposal:

GENERAL (APPLICABLE TO ALL DISCIPLINES)

- Bid Alternates, studies, or changes to the Scope of Work which are not identified in the RFP.
- Detailed construction cost estimates.
- Preparation of formal GMP pricing documents. If required, 50% of the total fee will be invoiced and payable upon completion of this phase.
- Revision to a fast-track, multiple bid package project delivery system if not identified in the original scope of work/RFP.
- Redesign after substantial completion of the Construction Documents, including, Owner, Contractor or CM changes.
- Value engineering or other alternates proposed by the Contractor or Construction Manager.
- Utility/Governmental Rebates or Incentives.
- Attendance at pre-bid, pre-construction or construction progress meetings.
- Additional project meetings or site visits.
- Preparation of record drawings based on contractor-provided mark-ups.
- LEED analysis, design and/or documentation, full or partial.
- Commissioning.
- Variance request efforts including documentation, filing fees, and presentations.
- Engineering services required to identify and correct problems caused by Contractor's improper and incomplete installation or error.
- In depth review of Contractor cost submittals for change orders.

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City of Mequon

- Redesign after completion and submittal of GMP pricing documents, resulting from Owner, Contractor or CM changes.
- Additional, unexpected, non-typical work required by the Municipality, or their reviewing agent, during the review process.
- Updating drawings for construction submittals such as Construction Bulletins (CB's) or Project Revision (PR's), caused by Owner's changes.

CIVIL

- Stormwater Management design services **(ADD $3,000-$5,000, as required by Site & Municipality)**.
- Intersection design or signalization.
- Existing utility infrastructure capacity studies.
- Municipal utility extensions.
- Work required that is offsite or on adjacent properties.
- Environmental permitting issues (e.g. wetlands, floodplain, contaminated sites, Historic Fill Development Exemptions, Environmental Corridor Permitting, Chapter 30, etc.).
- County or State roadway access/design/permitting.
- Lift Station, Well, Booster Pump Station, or Septic Design.
- Design of bridges and abutments shall be by other civil engineers specializing in such work.

LANDSCAPE ARCHITECTURE

- Site amenities and/or outdoor furniture specifications
- Conceptual irrigation design and/or performance specification
- Landscape Renderings

ELECTRICAL

- Focus on energy communications/studies/Incentives.
- Power to signs and other non-lighting equipment.

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City of Mequon

Standard Hourly Rates

When extra services are approved by the client to be invoiced on an hourly basis, the following 2024 rate schedule shall apply.

Principal/Vice President/Director	$190 - $320
Senior Project Manager	$225
Senior Engineer	$185
Senior Designer	$185
Project Manager	$170
Designer	$160
Project Engineer II	$150
Senior Lighting Designer	$145
Project Engineer I	$135
Landscape Designer	$105
Senior Design Documentation Specialist	$125
Design Documentation Specialist	$115
Project Coordinator	$115
Design Technician	$90
Administrative Support	$105

Reimbursable Expenses

Reimbursable Expenses are in addition to Compensation for Basic and Additional Services and include actual expenditures made by Harwood, its employees, and/or Professional Consultants in the interest of the Project and subject to prior written consent of the Owner. Reimbursable Expenses shall be paid by consultant who is to be reimbursed by Owner at cost x 1.0 and shall include the following:

a. Expense of reproducing and shipping of Drawings and Specifications for bidding, addenda, construction bulletins or project revisions.
b. Each discipline that works on this project will need a paper copy of the complete plans and specifications. If not provided by the Architect, the cost to reproduce these documents by Harwood will be a Reimbursable Expense.
c. Fees paid for securing approval of Authorities having jurisdiction over the project.
d. Travel expenses including airfare, rental vehicles, meals, lodging, mileage, etc.

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Terms and Conditions

This proposal is based on the terms and conditions of the Standard Form of Agreement Between Owner and Architect, AIA B101 Latest Edition, except as modified by this proposal. In providing services under this Agreement, the Consultants (Harwood) shall perform in a manner consistent with that degree of care and skill ordinarily exercised by members of the same profession currently practicing under similar circumstances at the same time in the same or similar locality. The Consultant (Harwood) makes no warranty, express or implied, as to its professional services rendered under this Agreement.

If this proposal meets with your approval, Harwood requests a signed proposal and/or a contract to proceed on this project. Authorization to begin may be indicated by signing this proposal in the space provided below or attach and reference this letter to the AIA Standard Form Contract. Unless a written confirmation is received, verbal authorization to proceed shall be deemed to be acceptance of this proposal. This proposal remains in effect for a period of not more than (6) six months from the date of this letter.

Harwood reserves the right to delay or stop work for this project until the Owner/Architect and Architect/Engineer contracts have been signed and executed or if the Architect's Client fails to make payments to the Architect in a timely manner.

Invoices shall be sent monthly with payment due within (60) days of receipt. We reserve the right to charge interest at the rate of 1.0 percent per month on the balance outstanding, (90) days after the date of the invoice, and shall be added and compounded monthly. We reserve the right to stop work, or withhold plans and documents from the review, signature, or distribution process, until overdue account balances are rectified. Harwood Engineering shall exercise applicable lien rights for non-payment. Client shall be responsible for any legal expenses incurred.

If costs associated with this project to meet the Owner's expectations exceed the established budget, Harwood will be reimbursed to modify documents necessary to bring this project within the initial budget.

In the advent the scope of the project is altered, Harwood Engineering Consultants, Ltd. (Harwood) reserves the right to negotiate appropriate compensation for engineering such changes.

Should the project be delayed or cancelled, or if Harwood's contract is terminated, an invoice proportional to the amount of work completed up to the time of the project delay, cancellation or termination shall be issued and is payable upon receipt, whether the Owner has made payments or not. Termination of Harwood's contract shall be made in writing. If the project resumes after being suspended for more than three months, compensation shall be equitably adjusted for remobilization costs.

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Harwood reserves the right to suspend all activity on this project until the negotiations for additional engineering services are resolved.

Conclusion

Kim & Jac, this constitutes our understanding of what is required for this project. Please call us if you have any questions or comments.

Upon your approval, we will assign a project coordinator to maintain all communications and provide you with a single point of contact concerning meeting dates, project course of action and schedule.

Harwood Engineering Consultants, Ltd. is delighted to be considered for this project. We are committed to deliver quality engineering services and team support to reach your project goals.

We thank you for this opportunity, and look forward to working with you.

Sincerely,

Harwood Engineering Consultants, Ltd.

Luke J. Haas, PLA
Vice President
Director of Landscape Architecture

For: City of Mequon

Signature

Title

Date

Attachment: Port Washington Road Streetscape CD Proposal (RESOLUTION 4136 : PW Streetscape Plans BID docments)