



OFFICIAL NOTICE AND AGENDA

of a meeting of a City Board, Commission, Department, Committee, Agency, Corporation, Quasi-Municipal Corporation, or sub-unit thereof.

Meeting of the: **FINANCE COMMITTEE**
Date/Time: **Tuesday, January 25, 2022 at 5:45 PM**
Location: **City Hall (407 Grant Street) - Council Chambers**
Members: Lisa Rasmussen, Michael Martens, Dawn Herbst, Deb Ryan, Sarah Watson

AGENDA ITEMS

- 1 Minutes of the previous meetings (11/09/21, 11/23/21, 1/11/22).
- 2 Discussion and possible action on Second Amendment to Development Agreement, Second Amendment to Real Estate Mortgage and First Amendment to Real Estate Mortgage Subordination Agreement – Riverlife Wausau LLC – Phase I
- 3 Discussion and possible action on application for CDI grant through WEDC for the Children's Imaginarium
- 4 Discussion and possible action regarding budget for Discretionary Performance Incentives
- 5 Discussion and possible action regarding carryover request for funding of the Stone Mill Building
- 6 Discussion and possible action regarding November 2021 General Fund financial report

Adjourn

Lisa Rasmussen, Chairperson

This meeting is being held in person and via teleconference. The lines of those public members monitoring the meeting by phone will be muted during the meeting. Members of the media and the public may attend in person or by calling **1-408-418-9388**.

The Access Code is: 2493 772 0528 Password: wausau1

Members of the public who do not wish to appear in person may view the meeting live over the internet on the City of Wausau's YouTube Channel <http://www.tinyurl.com/WAAMedia>, live by cable TV, Channel 981, and a video is available in its entirety and can be accessed at <https://tinyurl.com/WausauCityCouncil>. Any person wishing to offer public comment who does not appear in person to do so, may e-mail mary.goede@ci.wausau.wi.us with "Finance Committee public comment" in the subject line prior to the meeting start. All public comment, either by email or in person, will be limited to items on the agenda at this time. The messages related to agenda items received prior to the start of the meeting will be provided to the Chair.

NOTICE: It is possible and likely that members of, and possibly a quorum of members of the Committee of the Whole or other committees of the Common Council of the City of Wausau may be in attendance at the above-mentioned meeting. No action will be taken by any such groups.

This Notice was posted at City Hall and faxed to the Daily Herald newsroom 1/21/22 at 11:45 AM

In accordance with the requirements of Title II of the Americans with Disabilities Act of 1990 (ADA), the City of Wausau will not discriminate against qualified individuals with disabilities on the basis of disability in its services, programs or activities. If you need assistance or reasonable accommodations in participating in this meeting or event due to a disability as defined under the ADA, please call the ADA Coordinator at (715) 261-6590 or ADAServices@ci.wausau.wi.us to discuss your accessibility needs. We ask your request be provided a minimum of 72 hours before the scheduled event or meeting. If a request is made less than 72 hours before the event the City of Wausau will make a good faith effort to accommodate your request.

Other Distribution: Media, (Alders: Peckham, Neal, Kilian, Wadinski, McElhaney, Larson), *Rosenberg, *Jacobson, *Groat, Department Heads

FINANCE COMMITTEE

Date and Time: Tuesday, November 9, 2021 @ 5:15 pm., Council Chambers

Members Present: Lisa Rasmussen, Dawn Herbst, Sarah Watson, Michael Martens, and Deb Ryan (*arrived late*)

Others Present: Maryanne Groat, Emily Ley, Anne Jacobson, Bob Barteck, Eric Lindman, Liz Brodek, Katie Rosenberg, Rick Rubow, Ben Bliven, Jamie Polley, Toni Vanderboom, Mary Goede

In accordance with Chapter 19, Wisc. Statutes, notice of this meeting was posted and sent to the Daily Herald in the proper manner. The meeting was called to order by Chair, Lisa Rasmussen.

Minutes of the previous meeting(s): (10/14/21, 10/20/21, 10/26/21)

Motion by Watson, second by Herbst to approve the minutes of the previous meeting (10/14/21, 10/20/21, 10/26/21). Motion carried 4-0.

Discussion and action on a budget transfer to complete an Intersection Screening Report for HSIP funding grant applications

Eric Lindman explained HSIP is Highway Safety Improvement Program through the State which is 90% grant and 10% match from the city. He noted this was how we improved the intersections on Scott Street and TADI, Traffic Analysis & Design, is the engineering firm we used. He indicated they hired TADI to look at up to an additional 15 intersections throughout the city to see which ones would be feasible for applying for this grant. He stated the cost is just over \$19,000 for them to review and write up the grants. Rasmussen stated there are funds in the Curb & Gutter account that can be used for this cost.

Motion by Watson, second by Martens to approve the transfer. Motion carried 4-0.

Discussion and possible action regarding the 2022 Budget.

Maryanne Groat stated we have received the apportionments from the two school districts as well as NTC. She indicated she received some preliminary numbers from Marathon County, but we are still waiting on the school tax credit, the Homestead credit, and the First Dollar credit. Based on the information received to date she expected both the Wausau School District and the D.C. Everest School District properties within the city to see a tax rate decrease. She anticipated the tax rate to decrease about \$0.30, depending on the school tax credit. Groat stated there is also the correction in the equalized value after estimates were used last year during the revaluation that is basically having the city's portion of these school, county, and technical college taxes being owed by city parcels. The amount of taxes that we are apportioning to each parcel is going down.

Motion by Watson, second by Herbst to approve the 2022 Budget. Motion carried 4-0.

Discussion and possible action regarding resolution opposing new assessment laws

Rick Rubow, City Assessor, explained there are two bills in Madison, Senate Bill 630 and Assembly Bill 610. He noted Assembly Bill 610 was amended on October 15th to remove some of the bad language in the original bill, but it still is not a good law for the city and taxpayers. He felt the main focus should be on Senate Bill 630 because that is the full bill without any amendments. He explained we could potentially see a huge class shift if we are no longer allowed to value property using the income approach. Most of the city's commercial property is valued this way and it is how businesses buy and sell property based on the income stream that the property can produce. If we are no longer allowed to use the income approach, we are going to see a huge decrease in our commercial valuation, which will then have to be picked up by the other taxpayers or the other classes of property. The residential class, agricultural class, forest lands, etc., would have to pick up that commercial loss. He estimated for the City of Wausau, this could mean an almost \$1,100 - \$1,200 increase in the tax bill to the residential taxpayer. He also believed there would be a ripple effect to the equalization process the state uses to determine how much apportionment other townships are going to pay. If big municipalities lose their commercial tax base it is going to lower the tax burden overall for Marathon County and the other municipalities within the county will have to pick up that burden.

Rasmussen commented we have time to communicate with our state lawmakers and to tell them this is not the approach to use which would balance the revenue stream on the backs of homeowners. *Discussion followed.*

Motion by Herbst, second by Martens to draft a resolution opposing both Assembly Bill 610 and Senate Bill 630 and forward to Council. Motion carried 4-0.

Discussion and possible action regarding budget modification for new freezer Police Department

Rasmussen explained the transfer would come from Patrol Wages for \$4,295 to Other Machinery and Equipment. The current evidence freezer has malfunctioned and requires replacement.

Motion by Watson, second by Martens to approve the transfer. Motion carried 4-0.

(Deb Ryan entered the meeting at 5:30 pm.)

Discussion and possible action regarding the State of Wisconsin Neighborhood Investment Fund Program

Rasmussen stated at the Economic Development Committee last week they received an update on some grant applications that were to be submitted to this program. She noted this is new funding and there were a number of projects the staff wants to apply for. The reason this is before Finance Committee is to allow for a little more public facing discussion on what the program is and what is being applied for. She commented there has been some misunderstanding and miscommunication in the public that the only item set to be applied for is a bridge for the WOZ project that connects the open space with the Riverwalk. She stated there are other projects to discuss, but there isn't any action for Finance Committee to take.

Rasmussen explained the State of Wisconsin is taking applications from cities all over and ranks them according to their qualification criteria and decides which projects are fundable, worthy, and qualified. She pointed out this grant application does not have a local match. Grant applications that can only increase your revenue and decrease your expenses are applied for by staff and if they are awarded, we then later vote to accept the funding. The only time we vote on a grant in advance of applying is if we must approve a match and budget for it.

Groat explained similar to how the city received entitlement of ARPA funds, the state did as well and created several programs to meet needs within the state they felt appropriate. This grant program is known as the Neighborhood Investment Fund and was released on September 30th with a very short application period that has been extended from the initial November 4th deadline to November 11th. The state is going to award up to \$200 million in grants to cities, counties, and tribal entities. The projects must be between \$1 million and \$15 million. Projects of less than \$1 million cannot be bundled together to meet the \$1 million threshold. More than one application can be submitted, but each application has to be at least \$1 million and the total available to any one community is \$15 million. The awards will be provided on a competitive basis and the expenses must be incurred between March 2021 and December 31, 2024, and the project must be completed by December 31, 2024. The expenses must comply with the American Rescue Plan provisions. The rules are to target areas that are in qualified census tracts and if the project is within a qualified census tract it is presumed to meet the eligibility requirements that it is benefiting disproportionately impacted individuals by the pandemic.

Groat stated the documents provided examples of eligible projects, such as innovation centers, workforce housing initiatives, transit solutions, childcare initiatives, and public space development. They anticipate awarding the grant funds in December 2021. Groat noted this does not deplete the city's ARPA funds or prevent other applications. She commented the state is going to give away \$200 million and if we don't apply for it, it will go to another community. She encouraged the Council to think broadly and maximize the usage.

Liz Brodek, ED Director, explained there were three projects they were considering applying for to max out the \$15 million available. One of the projects is for the mall redevelopment site for approximately \$11.7 million, to include the pedestrian bridge, the streets and street infrastructure, including water, sewer, and stormwater. The second project is to assist the Community Partners Campus for \$1.5 million, to fund some construction costs and pay off their loan to the CDA. The third project, if Gorman is selected for the Westside Battery RFP response, would be submitted for \$1.76 million which is their gap financing that they would otherwise look to TID funds for assistance. Gorman is proposing a 50-unit workforce housing initiative.

Rasmussen stated the Community Partners Campus is a local project that brings together a volume of non-profit organization with the express goal of reducing homelessness in the community. The Gorman Project is exclusively low-income housing affordable rent apartments.

Rasmussen stated the pedestrian bridge is a public space project meant to connect public spaces. She stated part of the goal of park projects in general is being able to improve public spaces to get people outside and active. The area would eventually hold an open public market with the Riverwalk. Brodek stated it is both about stimulating

economic development and providing that public space. The program talks about a significant transformational project that helps a neighborhood recover from the negative effects of the Covid pandemic and provide long term benefits to the neighborhood. The goal of this particular neighborhood investment fund is to enable high impact projects that need significant up-front investments to achieve long term goals. The most successful criteria are shovel ready, increasing the tax base and public/private partnerships. She pointed out the mall redevelopment space encapsulates both the pedestrian bridge and the street infrastructure. She noted street infrastructure by themselves are ineligible as projects, but when combined with a broader application, as this is, then they are eligible. This particular street construction is meant to be an outdoor space. Groat added that it is in a qualified census tract which will garner points, as well. Rasmussen felt that given the timeline on the submissions, there is not time to propose, vet, and plan new projects.

Brodek pointed out that WOZ received calls from folks higher up at the WEDC that encouraged them to apply specifically for the pedestrian bridge and the streets in the mall redevelopment site, indicating it was well qualified for this grant.

Deb Ryan suggested they should use the grant money for audio crossings for 100 blocks, every block downtown and build in the Gorman financing, the gap financing, the watermain and the electrical lines to bring it over \$1 million. She stated the transit station needs restrooms and the shelters to be brought up to ADA compliance. Groat stated the cost of an audio signal is approximately \$11,000. She reiterated the project must cost at least \$1 million and you are not allowed to group projects together to reach the million.

Ryan questioned the mayor about what has been done with the Badger Bounce Back grant and the deadlines. Mayor Rosenberg stated there was an internal meeting regarding what to do with that grant from the State of Wisconsin. Rasmussen pointed out Badger Bounce Back was not on the agenda.

Ryan questioned the mayor as to her grant process on the Neighborhood Investment Program. Mayor Rosenberg explained a couple of internal meetings were held to discuss potential projects and they began filling out the grant application. She noted the ED Committee provided an update at its last meeting. *Discussion continued.*

Discussion and possible action regarding September 2021 financial report

Groat stated things are proceeding as reported in the past and looking good for 2021. *(The full report can be found in the packet on the website.)*

Adjourn

Motion by Herbst, second by Watson to adjourn the meeting. Motion carried unanimously. Meeting adjourned at 6:20 pm.

FINANCE COMMITTEE

Date and Time: Tuesday, November 23, 2021 @ 5:15 pm., Council Chambers

Members Present: Lisa Rasmussen, Dawn Herbst, Sarah Watson, Michael Martens, and Deb Ryan

Others Present: Maryanne Groat, Anne Jacobson, Bob Barteck, Eric Lindman, Katie Rosenberg, Ben Bliven, Toni Vanderboom, Tom Kilian

In accordance with Chapter 19, Wisc. Statutes, notice of this meeting was posted and sent to the Daily Herald in the proper manner. The meeting was called to order by Chair, Lisa Rasmussen.

Minutes of the previous meeting(s): (11/09/21)

Deb Ryan objected to the minutes because she wanted her comments about the mayor and grants to be included. No action was taken on the minutes which Rasmussen indicated would be brought back to the next meeting with revisions.

Discussion and possible action regarding approving Municipality Held for Cause Services Agreement for the impoundment, care, treatment and/or humane disposal of animals taken into custody by law enforcement or humane officers and animals held for cause, between the Humane Society of Marathon County, Inc. and the City of Wausau, from January 1, 2022 through December 31, 2023

Motion by Herbst, second by Watson to approve the renewal of the contract. Motion carried 5-0.

Discussion and possible action regarding Adoption of Purchase of Animal Impoundment Services Agreement for the impoundment, care, treatment and/or humane disposal of non-dog strays taken into custody by law enforcement or humane officers between the Humane Society of Marathon County, Inc. and the City of Wausau, from January 1, 2022 through December 31, 2022

Deb Ryan questioned why the previous companion contract was for two years, but this one was for only one year. Chief Bliven stated to his knowledge this is just historically how it has been done. Rasmussen thought perhaps it was to allow for more frequent review of the impact.

Motion by Martens, second by Ryan to approve the renewal of the one-year contract. Motion carried 5-0.

Discussion and possible action regarding Approving of Intergovernmental Humane Officer Services Agreement between the City of Wausau and Everest Metropolitan Police Department from January 1, 2022 through December 31, 2022

Motion by Herbst, second by Watson to renew the contract. Motion carried 5-0.

Discussion and possible action on approving Master Agreement between Short Elliott Hendrickson and the City of Wausau for engineering consulting services

Motion by Watson, second by Martens to approve the Master Agreement. Motion carried 5-0.

Discussion and possible action regarding 2022 fee schedule

Sarah Watson questioned a plumbing fee that had doubled. Bill Hebert, Inspections, explained they updated the plumbing review schedule primarily for the laterals because there is so much more information required now. He indicated they are documenting all the precise locations and materials. He noted it was a request from Engineering, as well. Eric Lindman added that a lot of this is coming from the DNR with the regulations on the lead service lines. There will be a lot more staff time expended we are trying to cover those costs.

Ryan questioned if a fee was added for doing the accounting services for Wausau Events and the River District. Rasmussen clarified the fee schedule is for public facing fees for citizens, such as licenses, permits, etc., not for services such as those provided by contract or an agreement.

Motion by Watson, second by Herbst to approve the 2022 fee schedule. Motion carried 4-1. (*Ryan was the dissenting vote*)

Discussion and Possible Action Amending Employee Handbook 8.04 – Vacation

Toni Vanderboom explained Human Resources Committee reviewed and has recommended the pay schedule which gives three weeks of vacation at time of hire and vacation accrual increases every five years after that by an additional week until reaching the maximum.

Ryan stated she did not agree with employees having to wait for five years for an increase in vacation time because she did not think people stay with only one company long term anymore.

Motion by Martens, second by Herbst to approve as recommended by HR Committee. Motion carried 4-1. (*Ryan was the dissenting vote*)

Discussion and Possible Action Amending the Part-Time, Temporary and Seasonal Pay Schedule

Ryan commented she thought the pay was still a little low. Toni Vanderboom stated they keep an eye on the market and can adjust as necessary.

Motion by Martens, second by Watson to approve the pay schedule as presented. Motion carried 4-1. (*Ryan was the dissenting vote*)

Discussion and Possible Action Approving a One-Time Lump sum Bonus to Designated Non-Represented Employees

Toni Vanderboom presented a PowerPoint which can be viewed on YouTube along with the full extensive discussion on this item: <https://www.youtube.com/watch?v=-KXPGeEmQ8Y>

Vanderboom explained the retention bonus is extended to non-represented employees whose pay structure length reflects negatively in current market but aren't receiving a base-building adjustment to this structure in 2022 (i.e., non-represented employees who are over midpoint). \$1,000 represents approximately 1-2% of an employee's annual salary, with lower-paid employees receiving a larger percent impact.

Rasmussen questioned what the fund source would be because she felt it should come from surplus not ARPA funds. Vanderboom stated it would be funded with 2020 carryover surplus funds. Groat indicated the total surplus funds were just over \$100,000 and the impact to the general fund is approximately \$87,000.

Rasmussen commented in a post Act 10 world there are only three labor groups in our organization that were allowed to retain the ability to collectively bargain. She noted their contracts are coming around this year to be negotiated and those work groups will be able to renegotiate the terms of anything they choose.

Watson agreed a lot of people were negatively impacted by Act 10 and the lack of bargaining, but she also felt if not given across the board it will keep driving a wedge between employees. She felt that the problem was with the term "bonus" and perhaps it should be rebranded as something else. She suggested the committee consider hazard pay separately from this for those that were on the front line during the pandemic.

Tom Kilian urged them to pay the bonus to both represented and non-represented employees. (Vanderboom had indicated the cost to do that would increase the impact by \$145,000.) Kilian stated if you don't do it, he would title this a "we are going to pay you to not be in a union bonus."

Public comment was also accepted from Bruce Grau in favor of bonus for all employees and Randy Radtke supporting union representation.

Rasmussen asked the HR Committee to reconsider a longevity plan that was taken away from non-represented employees. Discussion followed to also consider hazard pay separately at future committee meetings.

Chief Ben Bliven commented the bonus should be for both represented and non-represented staff, citing ongoing recruitment and retention issues in the police and fire departments even with the union cost of living increases.

Motion by Martens, second by Herbst to approve a One-Time Lump sum bonus to designated Non-Represented Employees. Motion carried 3-2 (*Watson and Ryan were the dissenting votes*)

Adjourn

FINANCE COMMITTEE

Date and Time: Tuesday, January 11, 2022 @ 5:15 pm., Council Chambers

Members Present: Lisa Rasmussen, Sarah Watson, Michael Martens, and Deb Ryan

Members Excused: Dawn Herbst

Others Present: Maryanne Groat, Bob Barteck, Mark Hanson, Eric Lindman, Toni Vanderboom, Kaitlyn Bernarde, Gerry Klein, Jim Wadinski, Michelle Van Krey

In accordance with Chapter 19, Wisc. Statutes, notice of this meeting was posted and sent to the Daily Herald in the proper manner. The meeting was called to order by Chair, Lisa Rasmussen.

Minutes of the previous meeting(s): (11/09/21 & 11/23/21)

Ryan requested that action on approval of the minutes be deferred to next meeting.

Discussion and possible action on request to purchase a 2015 Elgin Sweeper (Mark Hanson)

Mark Hanson, Fleet Manager, summarized they have used Elgin Sweepers in the past over the years and they have proved to be the best fit for certain applications for the springtime and fall sweeping. He noted there is currently one brand new sweeper on order to replace the 2008 unit, and there are two other older units that are on schedule to be replaced in 2023 and 2024. He indicated he wanted to replace one of those units now with a more efficient 2015 unit he found available through the Elgin dealer (MacQueen Equipment) as it would be exactly what is needed to start the spring sweeping season. The DPW Operators are familiar with this unit and for the newer employees it is best to buy similar equipment that everyone is familiar with. He hoped to get these two newer sweepers ready to sweep in early spring. He explained they require a lot of maintenance and with new staff it will be difficult to get the older units ready for spring. The 2015 unit that is available was on a five-year maintenance contract with the dealer, so it has been maintained and would be ready to go for the 2022 season. He pointed out it would be a lower cost alternative to purchasing a brand-new unit, which is \$174,000 versus \$300,000, as well as save on a lot of repair costs now.

Hanson proposed they delay the scheduled 2022 purchase of three flatbed trucks to 2023 and the funds saved from those would be used to purchase the 2015 sweeper. He stated there was also a steam boiler scheduled to be replaced this year for \$85,000, but following research found it could be replaced with a much less expensive boiler, rather than a steam boiler they could do a pressure washer type unit for under approximately \$30,000. This would be a way to buy the sweeper and still have enough funds to by the pressure washer in this year's purchases. He recommended the sole source purchase of the used 2015 Elgin Pelican Dustless Sweeper for \$174,000 based on the above information. He noted he investigated similar units online and did not find anything else that was comparable.

Deb Ryan suggested putting the purchase of the three flatbed trucks and the boiler on the city's wish list for possible funding through the \$15 million of Federal funds. She noted a lot of used cars and trucks are increasing in value and perhaps someone would want the old trucks for parts.

Motion by Watson, second by Ryan to approve the purchase of the 2015 Elgin Sweeper. Motion carried 4-0.

Discussion and possible action on approving Towing Services Agreement with Joe Rader Towing, LLC

Rasmussen stated an RFP was released for three categories of towing services: non-consensual no preference tows, evidence tows and city-owned vehicle tows. The recommendation is for Joe Rader Towing, LLC.

Motion by Martens, second by Ryan to approve the Agreement. Motion carried 4-0.

Discussion and possible action on a budget modification to fund the Remedial Action Options Report (RAOR) for the Riverside Park environmental site at 132 River Street

Motion by Martens, second by Watson to approve. Motion carried 4-0.

Discussion and possible action on authorizing the application for grant funding to enable the future hiring of up to 12 firefighters/paramedics

Rasmussen stated there has been presentations and discussion to hire additional firefighters at Council, Human Resources Committee, and Public Health & Safety Committee over the last couple months. She pointed out that

today Chief Barteck is requesting permission to apply for a SAFER Grant for funding, which has an application deadline of February 4, 2022.

Chief Barteck presented a PowerPoint explaining the SAFER Grant program, which can be viewed on YouTube: <https://www.youtube.com/watch?v=FHLGH8wFtK0>. He noted the Fire Department had recommended the hiring of at least 9 additional firefighter/paramedics. The HR Committee has recommended hiring 12 additional because employees within the department have more available time off than there are time slots to allow them off. If another 3 additional staff over the 9 would open an additional vacation slot and reduce overtime, as well as improve employee morale and wellness.

Ryan suggested trying to find/hire bilingual firefighter/paramedic staff for the department, if possible and stated she was in support of applying for the grant.

Motion by Watson, second by Martens to authorized submission of a grant application for funding the hiring of up to 12 firefighter/paramedics. Motion carried 4-0.

Discussion and possible action regarding City ARPA request form

Maryanne Groat reviewed the ARPA categories, spending matrix, proposed city applications and the Treasury's Final Rule Overview, beginning page 47 of the online committee packet (*link below*):

https://www.ci.wausau.wi.us/Portals/0/Departments/Council/Archives/Standing%20Committees/Finance%20Committee/2022/FINC_20220111_Packet.pdf

Groat noted the applications are for internal use only. City representatives would develop applications and proposals to benefit outside individuals and organizations based upon need. There will be a lot of opportunity in the process to receive feedback from residents and other interested parties. She suggested having applications due on a monthly or bi-monthly basis in conjunction with surveys on the website, as well as a public hearing. The committee can rank the applications similar to the way we do the CIP process. She commented the benefit of regular applications is being able to consider new ideas as they are formulated. She stated she would like them to allow departments to start putting together ideas and working on their applications. She indicated at the next meeting she would present the matrix and the questionnaires/surveys to post online.

Ryan had concerns about lead lateral replacement in the city because she estimated it would take \$50 million. She stated there could be additional park improvements in lower class neighborhoods, as well as additional shelters for the bus riders. Rasmussen stated appropriated departments can fill out applications to bring those ideas to the Finance Committee. Ryan recommended they handle this through the Committee of the Whole and have additional public hearings. Rasmussen pointed out the Committee of the Whole can only make recommendations and cannot make a final decision or spend money. She further stated the COW is used for training, learning, and issues of wide public interest that don't fit into other standing committee missions. Finance Committee is the committee that manages the money so this work should be done here, and any Council member can attend the meetings and give input into the decisions. She felt using the Committee of the Whole to spend this money was completely inefficient. Ryan disagreed, felt the committees had too many delays and reiterated she believed the Committee of the Whole was the perfect place to put it together.

Motion by Watson, second by Martens to accept the ARPA forms as presented. Motion carried 3-1. (*Ryan was the dissenting vote.*)

Discussion and possible action on budget modification and financing source for the hiring of 3 firefighter/paramedics

Rasmussen explained this will help launch some of the staffing initiative. Groat stated our budget has been set and the levy created for the 2022 year, so our ability to generate more money is limited at this point. She indicated the options that were discussed with Chief Barteck were to look at carryover funds from 2021 or consider that the ARPA funds because the matrix includes increasing FTE's. There is that risk of what to do when the grant monies have evaporated, and it needs to be funded permanently. She stated they could do a combination and fund one year out of ARPA and work to get the staffing in the 2023 budget. She noted by the time they recruit and hire it would be almost to midyear, so it would not be a full year of those staffing positions to ARPA, but they could use the newly adopted application form and direct the Fire Department to fill it out now or wait until we know the carryover. She stated those were the only two resources that she knew of.

Rasmussen stated we should know what carryover is by February or March and felt that it was a reasonable approach to take. She suggested approving the hiring of the 3 additional staff and allow some latitude to develop the fund/revenue source for the salaries based on the date of hire because that is going to take some time. This would also be contingent upon a review of the 2021 surplus.

Ryan stated they could be grant funded and if those funds ran out their positions could be eliminated. She felt they needed to also look at other neighboring communities to work together to cover the area. She stated the surplus was wanted for our roads and streets. Sarah Watson pointed out there is still an unknown amount coming from the State for infrastructure/roadways.

Motion by Martens, second by Watson to approve the hiring of the 3 additional firefighter/paramedics. Motion carried 3-1. *(Ryan was the dissenting vote.)*

Discussion and possible action regarding November 2021 General Fund financial report

Deferred to next meeting.

Adjourn

Motion by Watson, second by Martens to adjourn the meeting. Motion carried unanimously. Meeting adjourned at 6:18 pm.

JOINT FINANCE AND HUMAN RESOURCES COMMITTEES

Date and Time: Tuesday, January 11, 2022 @ 6:00 pm., Council Chambers

Finance Members Present: Lisa Rasmussen, Michael Martens, Sarah Watson, Deb Ryan

HR Members Present: Becky McElhaney, Michael Martens, Lou Larson, Jim Wadinski

Member Excused: Dawn Herbst

Others Present: Maryanne Groat, Anne Jacobson, Katie Rosenberg, Toni Vanderboom, Kaitlyn Bernarde

In accordance with Chapter 19, Wisc. Statutes, notice of this joint meeting was posted and sent to the Daily Herald in the proper manner. The Finance Committee was called back to order by Chairperson Lisa Rasmussen and the Human Resource Committee was called to order by Chairperson Becky McElhaney following the regular Finance Committee meeting at 6:21 pm.

CLOSED SESSION pursuant to 19.85(1)(f) Considering financial, medical, social or personal histories of specific persons which, if discussed in public, would likely to have a substantial adverse effect upon the reputation of any person referred to in such histories or data and 19.85(1)(g) conferring with legal counsel for the governmental body who is rendering oral or written advice concerning strategy to be adopted by the body with respect to litigation in which it is or is likely to be become involved for the purpose of considering a worker's compensation settlement between the City of Wausau and an employee.

FINANCE: Motion by Watson, second by Martens to convene into Closed Session. Roll Call Vote: Ayes: Watson, Ryan, Martens, and Rasmussen. Motion carried 4-0.

HR: Motion Larson, second by Wadinski to convene into Closed Session. Roll Call Vote: Ayes: Larson, Martens, Wadinski, and McElhaney. Motion carried 4-0.

RECONVENED into Open Session.

FINANCE: Motion by Watson, second by Martens to approve the Worker's Compensation as negotiated by staff. Motion carried 4-0.

HR: Motion by Larson, second by Wadinski to approve the Worker's Compensation as negotiated by staff. Motion carried 4-0.

Adjournment

Motion by Watson, second by Martens to adjourn the Finance Committee. Motion carried unanimously.

Motion by Wadinski, second by Larson to adjourn the meeting Human Resources Committee. Motion carried unanimously. The Joint Meeting was adjourned at 6:27 pm.

CITY OF WAUSAU, 407 Grant Street, Wausau, WI 54403

RESOLUTION OF THE FINANCE COMMITTEE

Approving Second Amendment to Development Agreement, Second Amendment to Real Estate Mortgage and First Amendment to Real Estate Mortgage Subordination Agreement – Riverlife Wausau LLC – Phase I

Committee Action: Pending

Fiscal Impact:

File Number: 15-0708

Date Introduced: January 25, 2022

FISCAL IMPACT SUMMARY

COSTS	Budget Neutral	Yes ☒ No ☐	
	Included in Budget:	Yes ☐ No ☐	Budget Source:
	One-time Costs:	Yes ☐ No ☐	Amount:
	Recurring Costs:	Yes ☐ No ☐	Amount:
SOURCE	Fee Financed:	Yes ☐ No ☐	Amount:
	Grant Financed:	Yes ☐ No ☐	Amount:
	Debt Financed:	Yes ☐ No ☐	Amount Annual Retirement
	TID Financed:	Yes ☐ No ☐	Amount:
	TID Source: Increment Revenue ☐ Debt ☐ Funds on Hand ☐ Interfund Loan ☐		

RESOLUTION

WHEREAS, effective June 28, 2019, the City and Riverlife Wausau LLC (“Developer”) entered into that certain Development Agreement – Phase I and Mortgage for the construction of residential apartment units on the Riverfront; and

WHEREAS, the original Development Agreement and Mortgage each provided that the Mortgage is subordinate to any mortgage securing the Third-Party Loan; provided, however, that the amount of the Third-Party Loan lien superior to the Mortgage shall not exceed \$8,500,000; and

WHEREAS, on December 20, 2020, Developer granted to the City a Real Estate Mortgage (Riverlife – Phase I), recorded in the Office of the Register of Deeds for Marathon County, Wisconsin on December 30, 2020, in the amount of \$242,232.50, and a Security Agreement and Assignment of Rents, wherein the City acknowledged the priority granted to the Lender is limited to the obligations up to an aggregate amount of \$10,000,000; and

WHEREAS, on March 23, 2021, the Common Council approved the conveyance of additional lands to Developer for Phase I, necessitating the First Amendment to the Development Agreement, effective April 16, 2021, revising the legal description to include the original property conveyed and additional lands, and reserving an easement for the City for the maintenance of city irrigation and electrical infrastructure between Lot 1 and the River’s Edge Trail, as well as consented to the Mortgage being subordinate to any mortgage securing the Third-Party Loan in an amount up to the New Subordination Cap of \$10,000,000; and

WHEREAS, Developer and Third-Party Lender, U.S. Bank, have requested that the Subordination Cap be increased to \$11,000,000, thus necessitating a Second Amendment to the Development Agreement, a Second

Amendment to the Mortgage, and a First Amendment to Real Estate Mortgage Subordination Agreement.

NOW, THEREFORE, BE IT RESOLVED, that the Common Council of the City of Wausau hereby consents to the increased subordination cap in favor of third-party lender U.S. Bank in the amount of \$11,000,000 and approves the Second Amendment to the Development Agreement, Second Amendment to Mortgage, and First Amendment to Real Estate Mortgage Subordination Agreement, as attached, and authorizes appropriate City staff to execute the same.

Approved:

Katie Rosenberg, Mayor

**SECOND AMENDMENT TO
DEVELOPMENT AGREEMENT
(Riverlife – Phase I)**

THIS SECOND AMENDMENT TO DEVELOPMENT AGREEMENT (this “Amendment”) is made as of the 26th day of January, 2022 (the “Effective Date”), by and between the CITY OF WAUSAU, a Wisconsin municipal corporation (the “City”), and RIVERLIFE WAUSAU LLC, a Wisconsin limited liability company (“Developer”).

RECITALS

WHEREAS, the City and Developer entered into that certain Development Agreement with an Effective Date of June 28, 2019, as amended by that certain First Amendment to Development Agreement with an Effective Date of April 16, 2021 (the “Development Agreement”), with respect to certain property located in the City of Wausau, County of Marathon, State of Wisconsin, as more particularly described in the Development Agreement; any capitalized term used in this Amendment but not defined herein shall have the meaning assigned to that term in the Development Agreement; and

WHEREAS, the Development Agreement and the Mortgage each provide that the Mortgage is subordinate to any mortgage securing the Third-Party Loan; provided, however, that the amount of the Third-Party Loan lien superior to the Mortgage shall not exceed \$10,000,000.00 (the “Subordination Cap”); and

WHEREAS, Developer and the Third-Party Lender have requested that the Subordination Cap be increased to \$11,000,000.00 (the “New Subordination Cap”), and the City desires to increase the Subordination Cap to the New Subordination Cap; and

WHEREAS, the City and Developer desire to amend the Development Agreement subject to the terms and conditions herein.

NOW, THEREFORE, in consideration of the mutual covenants and agreements contained in this Agreement, the parties agree as follows:

1. New Subordination Cap. Notwithstanding anything in the Development Agreement to the contrary, the City hereby consents to the Mortgage being subordinate to any mortgage securing the Third-Party Loan in an amount up to the New Subordination Cap.
2. Mortgage Amendment. Simultaneously with the execution of this Amendment, the City and Developer shall execute an amendment to the Mortgage in the form attached hereto as Exhibit A, which shall be recorded with respect to the property as described in the Mortgage.
3. Conditions Precedent. The effectiveness of this Amendment is conditioned upon the satisfaction of each and every one of the following conditions:

- a. The City, through its City Council, shall have approved or authorized this Amendment and the transactions contemplated herein, and all the conditions to such approval shall have been satisfied.
 - b. No uncured default of Developer, or event which with the giving of notice or lapse of time or both would be a default of Developer, shall exist under the Development Agreement. Developer shall not be in default (beyond any applicable period of grace) of any of its obligations under any other agreement or instrument with respect to the Project to which Developer is a party or an obligor.
4. Reaffirmation of Development Agreement. The Development Agreement, as modified by this Amendment, remains in full force and effect, and all terms of the Development Agreement, as modified hereby, are hereby ratified and reaffirmed. The provisions of the Development Agreement not affected by this Amendment remain in full force and effect.
5. Representations and Warranties of Developer. Developer hereby represents and warrants to the City that:
 - a. After giving effect to this Amendment, all of the representations and warranties made by Developer in the Development Agreement are true and accurate in all material respects on the Effective Date of this Amendment, and no event of default under the Development Agreement has occurred and is continuing as of the Effective Date of this Amendment.
 - b. The making, execution and delivery of this Amendment, and performance of and compliance with the terms of the Development Agreement, as amended, have been duly authorized by all necessary action of Developer. This Amendment is the valid and binding obligation of Developer, enforceable against Developer in accordance with its terms.
6. Miscellaneous. If any provision of this Amendment or the application thereof to any person or circumstance is or shall be deemed illegal, invalid or unenforceable, the remaining provisions of this Amendment shall remain in full force and effect and this Amendment shall be interpreted as if such illegal, invalid or unenforceable provision did not exist. This Amendment may be executed in multiple counterparts, each of which shall be deemed an original and all of which together shall constitute one and the same instrument. The parties agree that faxed and electronically scanned signatures shall be binding on all parties. This Amendment shall be governed in all respects by the laws of the State of Wisconsin.

[SIGNATURE PAGE FOLLOWS]

IN WITNESS WHEREOF, the parties hereto have executed this Second Amendment to Development Agreement as of the Effective Date first printed above.

DEVELOPER:

RIVERLIFE WAUSAU LLC

By: _____
Name: Mitch Viegut
Title: Manager

THE CITY

CITY OF WAUSAU

By: _____
Katie Rosenberg, Mayor

Attest: _____
Name: Kaitlyn Bernarde, Clerk

EXHIBIT A

FORM OF MORTGAGE AMENDMENT

[Attach to this cover page.]

**SECOND AMENDMENT TO
REAL ESTATE MORTGAGE
(Riverlife – Phase I)**

Document Number

Document Title

THIS SECOND AMENDMENT TO REAL ESTATE MORTGAGE (Riverlife- Phase I) (this “Amendment”), dated as of January ____, 2022, is by and between **RIVERLIFE WAUSAU LLC**, a Wisconsin limited liability company (“Mortgagor”), and the **CITY OF WAUSAU** (“Lender”).

RECITALS

A. Mortgagor has executed and delivered to the Lender that certain Real Estate Mortgage (Riverlife - Phase I), dated as of December 28, 2020, from Mortgagor to Lender and recorded in the Office of the Register of Deeds for Marathon County, Wisconsin, on December 30, 2020, as Document No. 1823934, as amended by that certain First Amendment to Real Estate Mortgage (Riverlife - Phase I), dated as of April 16, 2021, between Mortgagor and Lender and recorded in the Office of the Register of Deeds for Marathon County, Wisconsin, on April 20, 2021, as Document No. 1833318 (the “Mortgage”). Any capitalized term used in this Amendment and not defined herein shall have the meaning assigned to that term in the Mortgage.

B. The Mortgage encumbers the real property located in Marathon County, Wisconsin, described on Exhibit A attached hereto (the “Property”).

C. On even date herewith, Mortgagor and Lender have executed that certain Second Amendment to Development Agreement (the “DA Amendment”) which amended the Development Agreement by increasing the maximum amount of the Primary Mortgage.

D. In accordance with the DA Amendment, Mortgagor and Lender desire to amend the Mortgage in accordance with this Amendment.

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Mortgagor and Lender agree as follows:

1. Amount of Primary Mortgage. Section 2 of the Mortgage is hereby amended such that the definition of “Primary Mortgage” shall have the following meaning: “Primary

Recording Area

Name and Return Address

Anne L. Jacobson, Esq.
City of Wausau, City Attorney
407 Grant Street
Wausau, WI 54403

See Exhibit A attached hereto

Parcel Identification Number (PIN)

Mortgage” means a mortgage to U.S. Bank National Association, dated April 16, 2021, and recorded in the Office of the Register of Deeds for Marathon County, Wisconsin, on April 20, 2021, as Document No. 1833319, as such mortgage is amended from time to time, which mortgage, as amended from time to time, shall not secure an aggregate amount in excess of \$11,000,000.00.

2. Other Terms. Except as otherwise expressly set forth herein, all other terms and conditions and the original priority of the Mortgage shall continue and remain in full force and effect from the date of its execution and delivery.

3. Counterparts. This Amendment may be simultaneously executed in several counterparts each of which is an original and all of which constitute but one and the same instrument.

[Signature page follows.]

IN WITNESS WHEREOF, the parties have caused this Second Amendment to Real Estate Mortgage to be duly signed, sealed and delivered the day and year first above written.

MORTGAGOR:

RIVERLIFE WAUSAU LLC

By: EXHIBIT – NOT FOR SIGNATURE

Name: Mitch Viegut

Title: Managing Member

[illegible]

Personally came before me this _____ day of _____, 2022, Mitch Viegut, to me known to be the person who executed the foregoing instrument and to me known to be the Managing Member of Riverlife Wausau LLC, a Wisconsin limited liability company, and acknowledged that he executed the foregoing instrument as such authorized representative of said entity and with its authority.

Notary Public, State of Wisconsin

My commission expires:_____

THE CITY OF WAUSAU, WISCONSIN

Attest:

Notary Public, State of Wisconsin
My commission expires:_____

[Signature Page – Second
Amendment to Real Estate
Mortgage]

EXHIBIT A

LEGAL DESCRIPTION OF THE PROPERTY

Parcel A:

Lot one (1) of Certified Survey Map No. 18353 recorded in the office of the Register of Deeds in Volume 90 of Certified Survey Maps on Page 93, as Document No. 1781845 and Affidavit of Correction as Document No. 1783081; being a part of Government Lot six (6) of Section twenty six (26), Township twenty-nine (29) North, Range seven (7) East, in the City of Wausau, Marathon County, Wisconsin.

PIN: 291.2907.264.0973

Parcel B:

Part of Lot two (2) of Certified Survey Map No. 18353 recorded in the Office of Register of Deeds for Marathon County in Volume 90 of Certified Survey Maps on Page 93, as Document No. 1781845 and Affidavit of Correction as Document No. 1783081; being part of Government Lot six (6), Section twenty-six (26), Township twenty-nine (29) North, Range seven (7) East, City of Wausau, Marathon County, Wisconsin, described as follows:

Commencing at the Southeast corner of Lot one (1), said Certified Survey Map No. 18353; thence North 4°53'30" E, along the Easterly line of said Lot one (1), 30.00 feet to the point of beginning;

Thence continuing N 4°53'30" E, along said Easterly line, 116.52 feet; thence N 49°53'22" E, along said Easterly line, 22.06 feet; thence S 85°03'58" E, along said Easterly line, 60.49 feet; thence continuing along said Easterly line and along the arc of a curve to the left, having a chord bearing of N 84°35'10" E and a chord distance of 12.46 feet and a radius of 34.68 feet; thence N 74°14'18" E, along said Easterly line, 32.90 feet to the East line of said Lot one (1); thence S 4°56'02" W, 9.66 feet; thence S 80°00'0" W, 31.45 feet; thence along the arc of a curve to the right, having a chord bearing of S 87°28'01" W and a chord distance of 10.40 feet and a radius of 40.00 feet; thence N 85°03'58" W, 62.41 feet; thence S 49°53'22" W, 15.92 feet; thence S 4°53'30" W, 115.61 feet to the Northerly right-of-way of Fulton Street; thence N 85°06'30" W, along said Northerly right-of-way, 4.75 feet to said Easterly line of Lot one (1), the point of beginning, containing 0.029 acres.

PIN: Part of 291-2907-253-0634

Parcel C:

Part of Lot two (2) of Certified Survey Map No. 18353 recorded in the Office of Register of Deeds for Marathon County in Volume 90 of Certified Survey Maps on Page 93, as Document No. 1781845 and Affidavit of Correction as Document No. 1783081; being part of Government

Lot six (6), Section twenty-six (26), Township twenty-nine (29) North, Range seven (7) East, City of Wausau, Marathon County, Wisconsin, described as follows:

Commencing at the Southwest corner of Lot one (1), said Certified Survey Map No. 18353, the point of beginning;

Thence N 85°06'38" W, 9.27 feet to the Westerly line of said Lot two (2); thence N 14°50'00" W, along said Westerly line, 27.95 feet; thence along said Westerly line and along the arc of a curve to the right having a chord bearing of N 0°25'00" E and a chord distance of 52.61 feet and a radius of 100.00 feet; thence N 15°40'00" E, along said Westerly line, 11.22 feet; thence along said Westerly line and along the arc of a curve to the right having a chord bearing of N 19°54'00" E and a chord distance of 88.58 feet and a radius of 600.00 feet; thence N 24°08'00" E, along said Westerly line, 41.24 feet to the Westerly line of said Lot one (1); thence S 4°53'22" W, along said Westerly line, 18.24 feet; thence S 14°00'00" W, along said Westerly line, 100.00 feet; thence S 4°53'22" W, along said Westerly line, 97.31 feet to said Southwest corner of Lot one (1), the point of beginning, containing 0.079 acres.

PIN: Part of 291-2907-253-0635

**SECOND AMENDMENT TO
REAL ESTATE MORTGAGE
(Riverlife – Phase I)**

Document Number

Document Title

THIS SECOND AMENDMENT TO REAL ESTATE MORTGAGE (Riverlife- Phase I) (this “Amendment”), dated as of January 26, 2022, is by and between **RIVERLIFE WAUSAU LLC**, a Wisconsin limited liability company (“Mortgagor”), and the **CITY OF WAUSAU** (“Lender”).

RECITALS

A. Mortgagor has executed and delivered to the Lender that certain Real Estate Mortgage (Riverlife - Phase I), dated as of December 28, 2020, from Mortgagor to Lender and recorded in the Office of the Register of Deeds for Marathon County, Wisconsin, on December 30, 2020, as Document No. 1823934, as amended by that certain First Amendment to Real Estate Mortgage (Riverlife - Phase I), dated as of April 16, 2021, between Mortgagor and Lender and recorded in the Office of the Register of Deeds for Marathon County, Wisconsin, on April 20, 2021, as Document No. 1833318 (the “Mortgage”). Any capitalized term used in this Amendment and not defined herein shall have the meaning assigned to that term in the Mortgage.

B. The Mortgage encumbers the real property located in Marathon County, Wisconsin, described on Exhibit A attached hereto (the “Property”).

C. On even date herewith, Mortgagor and Lender have executed that certain Second Amendment to Development Agreement (the “DA Amendment”) which amended the Development Agreement by increasing the maximum amount of the Primary Mortgage.

D. In accordance with the DA Amendment, Mortgagor and Lender desire to amend the Mortgage in accordance with this Amendment.

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Mortgagor and Lender agree as follows:

1. Amount of Primary Mortgage. Section 2 of the Mortgage is hereby amended such that the definition of “Primary Mortgage” shall have the following meaning: “Primary Mortgage” means a mortgage to U.S. Bank National Association, dated April 16, 2021, and

Recording Area

Name and Return Address

Anne L. Jacobson, Esq.
City of Wausau, City Attorney
407 Grant Street
Wausau, WI 54403

See Exhibit A attached hereto

Parcel Identification Number (PIN)

recorded in the Office of the Register of Deeds for Marathon County, Wisconsin, on April 20, 2021, as Document No. 1833319, as such mortgage is amended from time to time, which mortgage, as amended from time to time, shall not secure an aggregate amount in excess of \$11,000,000.00.

2. Other Terms. Except as otherwise expressly set forth herein, all other terms and conditions and the original priority of the Mortgage shall continue and remain in full force and effect from the date of its execution and delivery.

3. Counterparts. This Amendment may be simultaneously executed in several counterparts each of which is an original and all of which constitute but one and the same instrument.

[Signature page follows.]

IN WITNESS WHEREOF, the parties have caused this Second Amendment to Real Estate Mortgage to be duly signed, sealed and delivered the day and year first above written.

MORTGAGOR:

RIVERLIFE WAUSAU LLC

By: _____

Name: Mitch Viegut

Title: Managing Member

[illegible]

Personally came before me this _____ day of _____, 2022, Mitch Viegut, to me known to be the person who executed the foregoing instrument and to me known to be the Managing Member of Riverlife Wausau LLC, a Wisconsin limited liability company, and acknowledged that he executed the foregoing instrument as such authorized representative of said entity and with its authority.

Notary Public, State of Wisconsin

My commission expires:_____

LENDER:

THE CITY OF WAUSAU, WISCONSIN

By: _____
Katie Rosenberg, Mayor

Attest:

By: _____
Kaitlyn Bernarde, Clerk

STATE OF WISCONSIN)
) ss.
COUNTY OF MARATHON)

Personally came before me this _____ day of _____, 2022, Katie Rosenberg and Kaitlyn Bernarde, of the above-named City of Wausau, Wisconsin, to me known to be the persons who executed the foregoing instrument and to me known to be such Mayor and Clerk, respectively, and acknowledged that they executed the foregoing instrument as such officers as the deed of said City of Wausau, Wisconsin, by its authority.

Notary Public, State of Wisconsin
My commission expires: _____

This instrument drafted by:

Jeffrey R. Schneider
Quarles & Brady LLP
33 East Main Street, Suite 900
Madison, Wisconsin 53703

EXHIBIT A

LEGAL DESCRIPTION OF THE PROPERTY

Parcel A:

Lot one (1) of Certified Survey Map No. 18353 recorded in the office of the Register of Deeds in Volume 90 of Certified Survey Maps on Page 93, as Document No. 1781845 and Affidavit of Correction as Document No. 1783081; being a part of Government Lot six (6) of Section twenty six (26), Township twenty-nine (29) North, Range seven (7) East, in the City of Wausau, Marathon County, Wisconsin.

PIN: 291.2907.264.0973

Parcel B:

Part of Lot two (2) of Certified Survey Map No. 18353 recorded in the Office of Register of Deeds for Marathon County in Volume 90 of Certified Survey Maps on Page 93, as Document No. 1781845 and Affidavit of Correction as Document No. 1783081; being part of Government Lot six (6), Section twenty-six (26), Township twenty-nine (29) North, Range seven (7) East, City of Wausau, Marathon County, Wisconsin, described as follows:

Commencing at the Southeast corner of Lot one (1), said Certified Survey Map No. 18353; thence North 4°53'30" E, along the Easterly line of said Lot one (1), 30.00 feet to the point of beginning; Thence continuing N 4°53'30" E, along said Easterly line, 116.52 feet; thence N 49°53'22" E, along said Easterly line, 22.06 feet; thence S 85°03'58" E, along said Easterly line, 60.49 feet; thence continuing along said Easterly line and along the arc of a curve to the left, having a chord bearing of N 84°35'10" E and a chord distance of 12.46 feet and a radius of 34.68 feet; thence N 74°14'18" E, along said Easterly line, 32.90 feet to the East line of said Lot one (1); thence S 4°56'02" W, 9.66 feet; thence S 80°00'0" W, 31.45 feet; thence along the arc of a curve to the right, having a chord bearing of S 87°28'01" W and a chord distance of 10.40 feet and a radius of 40.00 feet; thence N 85°03'58" W, 62.41 feet; thence S 49°53'22" W, 15.92 feet; thence S 4°53'30" W, 115.61 feet to the Northerly right-of-way of Fulton Street; thence N 85°06'30" W, along said Northerly right-of-way, 4.75 feet to said Easterly line of Lot one (1), the point of beginning, containing 0.029 acres.

PIN: Part of 291-2907-253-0634

Parcel C:

Part of Lot two (2) of Certified Survey Map No. 18353 recorded in the Office of Register of Deeds for Marathon County in Volume 90 of Certified Survey Maps on Page 93, as Document No. 1781845 and Affidavit of Correction as Document No. 1783081; being part of Government Lot six (6), Section twenty-six (26), Township twenty-nine (29) North, Range seven (7) East, City of Wausau, Marathon County, Wisconsin, described as follows:

Commencing at the Southwest corner of Lot one (1), said Certified Survey Map No. 18353, the point of beginning;

Thence N 85°06'38" W, 9.27 feet to the Westerly line of said Lot two (2); thence N 14°50'00" W, along said Westerly line, 27.95 feet; thence along said Westerly line and along the arc of a curve to the right having a chord bearing of N 0°25'00" E and a chord distance of 52.61 feet and a radius of 100.00 feet; thence N 15°40'00" E, along said Westerly line, 11.22 feet; thence along said Westerly line and along the arc of a curve to the right having a chord bearing of N 19°54'00" E and a chord distance of 88.58 feet and a radius of 600.00 feet; thence N 24°08'00" E, along said Westerly line, 41.24 feet to the Westerly line of said Lot one (1); thence S 4°53'22" W, along said Westerly line, 18.24 feet; thence S 14°00'00" W, along said Westerly line, 100.00 feet; thence S 4°53'22" W, along said Westerly line, 97.31 feet to said Southwest corner of Lot one (1), the point of beginning, containing 0.079 acres.

PIN: Part of 291-2907-253-0635

**FIRST AMENDMENT TO
REAL ESTATE MORTGAGE
SUBORDINATION AGREEMENT**

This **FIRST AMENDMENT TO REAL ESTATE MORTGAGE SUBORDINATION AGREEMENT** (this “Agreement”), dated as of January 26, 2022, is by and between, **U.S. BANK NATIONAL ASSOCIATION** (“Lender”), whose address is P.O. Box 3487, Oshkosh, WI 54903-3487, and the **CITY OF WAUSAU**, a Wisconsin municipal corporation (the “City”), whose address is 407 Grant Street, Wausau, WI 54403.

RETURN TO:

RECITALS:

U.S. Bank National Association
Collateral Department
P.O. Box 3487
Oshkosh, WI 54903-3487

A. On December 28, 2020, **RIVERLIFE WAUSAU LLC**, a Wisconsin limited liability company, with offices located at 517 Franklin Street, Wausau, WI 54403 (“Mortgagor”) granted to the City that certain Real Estate Mortgage (Riverlife – Phase I), which was recorded in the Office of the Register of Deeds for Marathon County, Wisconsin (the “ROD”), on December 30, 2020, as Document Number 1823934, in the amount of \$242,232.50, which was amended by that certain First Amendment to Real Estate Mortgage (Riverlife–Phase I), which was recorded in the ROD on April 20, 2021 as Document Number 1833318, and which was further amended on even date herewith by that certain Second Amendment to Real Estate Mortgage (Riverlife–Phase I), which is to be recorded in the ROD (the Real Estate Mortgage as amended by the First Amendment to Real Estate Mortgage and by the Second Amendment to Real Estate Mortgage and as may be further amended, modified, restated or substituted from time to time, the “City’s Mortgage”), with respect to that certain parcel of real property located in the City of Wausau as more particularly described on Exhibit A attached hereto (the “Property”).

See Exhibit A
Parcel Identification Number

B. Mortgagor also granted to Lender with respect to the Property that certain Mortgage, Security Agreement and Assignment of Rents, which was recorded in the ROD on April 20, 2021, as Document Number 1833319, which was amended and modified on even date herewith to increase the amount of the Obligations secured by the Property by that certain Modification of Mortgage, Security Agreement and Assignment of Rents (the “Modification”), which is to be recorded with the ROD (the Mortgage, Security Agreement and Assignment of Rents as amended and modified by the Modification and as may be further amended, modified, restated or substituted from time to time, the “Lender’s Mortgage”).

C. On April 16, 2021 Lender and City entered into that certain Real Estate Mortgage Subordination Agreement, which was recorded with the ROD on April 20, 2021, as Document Number 1833320 (the "Subordination Agreement"), and the Lender and City desire to amend the Subordination Agreement as set forth herein.

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Lender and the City agree as follows:

1. Superior Obligations. Paragraph 2 of the Subordination Agreement is hereby deleted in its entirety and replaced with the following:

"The City's right, title and interest in and to the Property as against any person other than Lender or Lender's assignees is expressly reserved and not affected by this Agreement. As between the City and Lender, the priorities granted Lender by this Agreement are limited to the Obligations (as defined in Lender's Mortgage as amended and modified) up to an aggregate amount of \$11,000,000.00."

2. Agreement and Modification. Except as otherwise expressly set forth herein, all other terms, conditions, covenants and agreements of the parties pursuant to the Subordination Agreement shall continue and remain in full force and effect.

3. Successors and Assigns. This Agreement benefits Lender, its successors and assigns, and binds the City and its successors and assigns, and is not intended to benefit any other person or entity.

4. Counterparts. This Agreement may be executed in several counterparts, each of which shall be deemed an original but all of which counterparts collectively shall constitute one instrument representing the agreement among the parties.

(Signature Page Follows)

IN WITNESS WHEREOF, Lender and the City have executed this Agreement as of the day and year first above written.

LENDER:
U.S. BANK NATIONAL ASSOCIATION

By: _____
David J. Badura, Vice President

THE CITY:
THE CITY OF WAUSAU, WISCONSIN

By: _____
Katie Rosenberg, Mayor

Attest:

By: _____
Kaitlyn Bernade, Clerk

STATE OF WISCONSIN :
: SS.
COUNTY OF BROWN :

Personally came before me this 26th day of January, 2022, the above-named David J. Badura, as Vice President of U.S. Bank National Association, to me known to be the person who executed the foregoing instrument and acknowledged the same.

Notary Public, State of Wisconsin
My Commission: _____

STATE OF WISCONSIN :
: SS.
COUNTY OF MARATHON :

Personally came before me this ____ day of _____, 2022, the above named Katie Rosenberg and Kaitlyn Bernade, as Mayor and Clerk, respectively, of the City of Wausau, to me known to be the persons who executed the foregoing instrument and acknowledged the same.

Notary Public, State of Wisconsin
My Commission: _____

EXHIBIT A

LEGAL DESCRIPTION

Lot one (1) of Certified Survey Map No. 18353 recorded in the office of the Register of Deeds in Volume 90 of Certified Survey Maps on Page 93, as Document No. 1781845 and Affidavit of Correction as Document No. 1783081; being a part of Government Lot six (6) of Section twenty-six (26), Township twenty-nine (29) North, Range seven (7) East, in the City of Wausau, Marathon County, Wisconsin.

PIN: 291.2907.264.0973

AND

Part of Lot two (2) of Certified Survey Map No. 18353 recorded in the Office of Register of Deeds for Marathon County in Volume 90 of Certified Survey Maps on Page 93, as Document No. 1781845 and Affidavit of Correction as Document No. 1783081; being part of Government Lot six (6), Section twenty-six (26), Township twenty-nine (29) North, Range seven (7) East, City of Wausau, Marathon County, Wisconsin, described as follows:

Commencing at the Southeast corner of Lot one (1), said Certified Survey Map No. 18353; thence North 4°53'30" E, along the Easterly line of said Lot one (1), 30.00 feet to the point of beginning;

Thence continuing N 4°53'30" E, along said Easterly line, 116.52 feet; thence N 49°53'22" E, along said Easterly line, 22.06 feet; thence S 85°03'58" E, along said Easterly line, 60.49 feet; thence continuing along said Easterly line and along the arc of a curve to the left, having a chord bearing of N 84°35'10" E and a chord distance of 12.46 feet and a radius of 34.68 feet; thence N 74°14'18" E, along said Easterly line, 32.90 feet to the East line of said Lot one (1); thence S 4°56'02" W, 9.66 feet; thence S 80°00'0" W, 31.45 feet; thence along the arc of a curve to the right, having a chord bearing of S 87°28'01" W and a chord distance of 10.40 feet and a radius of 40.00 feet; thence N 85°03'58" W, 62.41 feet; thence S 49°53'22" W, 15.92 feet; thence S 4°53'30" W, 115.61 feet to the Northerly right-of-way of Fulton Street; thence N 85°06'30" W, along said Northerly right-of-way, 4.75 feet to said Easterly line of Lot one (1), the point of beginning, containing 0.029 acres.

PIN: Part of 291-2907-253-0634

AND

Part of Lot two (2) of Certified Survey Map No. 18353 recorded in the Office of Register of Deeds for Marathon County in Volume 90 of Certified Survey Maps on Page 93, as Document No. 1781845 and Affidavit of Correction as Document No. 1783081; being part

of Government Lot six (6), Section twenty-six (26), Township twenty-nine (29) North, Range seven (7) East, City of Wausau, Marathon County, Wisconsin, described as follows:

Commencing at the Southwest corner of Lot one (1), said Certified Survey Map No. 18353, the point of beginning;

Thence N 85°06'38" W, 9.27 feet to the Westerly line of said Lot two (2); thence N 14°50'00" W, along said Westerly line, 27.95 feet; thence along said Westerly line and along the arc of a curve to the right having a chord bearing of N 0°25'00" E and a chord distance of 52.61 feet and a radius of 100.00 feet; thence N 15°40'00" E, along said Westerly line, 11.22 feet; thence along said Westerly line and along the arc of a curve to the right having a chord bearing of N 19°54'00" E and a chord distance of 88.58 feet and a radius of 600.00 feet; thence N 24°08'00" E, along said Westerly line, 41.24 feet to the Westerly line of said Lot one (1); thence S 4°53'22" W, along said Westerly line, 18.24 feet; thence S 14°00'00" W, along said Westerly line, 100.00 feet; thence S 4°53'22" W, along said Westerly line, 97.31 feet to said Southwest corner of Lot one (1), the point of beginning, containing 0.079 acres.

PIN: Part of 291-2907-253-0635

CITY OF WAUSAU, 407 Grant Street, Wausau, WI 54403

RESOLUTION OF THE FINANCE COMMITTEE

Approving application for CDI grant through WEDC for the Children's Imaginarium

Committee Action: Pending

Fiscal Impact:

File Number: 22-0111

Date Introduced: January 25, 2022

FISCAL IMPACT SUMMARY

COSTS	Budget Neutral	Yes ☒ No ☐	
	Included in Budget:	Yes ☐ No ☐	Budget Source:
	One-time Costs:	Yes ☐ No ☐	Amount:
	Recurring Costs:	Yes ☐ No ☐	Amount:
SOURCE	Fee Financed:	Yes ☐ No ☐	Amount:
	Grant Financed:	Yes ☐ No ☐	Amount:
	Debt Financed:	Yes ☐ No ☐	Amount Annual Retirement
	TID Financed:	Yes ☐ No ☐	Amount:
	TID Source: Increment Revenue ☐ Debt ☐ Funds on Hand ☐ Interfund Loan ☐		

RESOLUTION

WHEREAS, the Wisconsin Economic Development Corporation's ("WEDC") Community Development Investment ("CDI") Grant Program supports urban, small city and rural community re/development efforts by providing financial incentives for shovel-ready projects, with emphasis on downtown community-driven efforts; and

WHEREAS, the City is grant eligible because the former mall site is being redeveloped into a mixed-use destination, with a public market, small retail stores, a signature pedestrian bridge connecting to the Wisconsin River, and the Children's Imaginarium, a regional destination for families throughout north central Wisconsin; and

WHEREAS, eligible activities include Building renovation, and it is proposed that application be made for funding the final phase of construction of the Children's Imaginarium to cover cost increases and supply shortages as they relate to the buildout of the museum; and

WHEREAS, The Children's Imaginarium is under lease with HOM Furniture, and under contract for construction with Ghidorzi Construction, projected to open in Fall of 2022; and

WHEREAS, the Children's Imaginarium will renovate and occupy 13,850 square feet of the existing HOM Furniture store, is 94% funded privately by securing approximately \$3,600,000 toward the completion of the \$3.8 M project through individual donors, local businesses, and local foundations, and will

contribute to the economic viability of the community by increasing tax base and generating in excess of \$130,000 in its first ten years; create three full-time positions upon opening, and increase through year 3 of operations; and will spur additional investment in commercial and residential properties as a regional destination; and

WHEREAS, the current gap in their financing is around \$253,000; and

WHEREAS, the City has contributed \$1,915,000 to the acquisition and demolition of the mall and will be constructing new roads, converting streets, creating greenspace, and adding hundreds of yards of convertible sidewalk space with benches, tables, plants and other pedestrian amenities, as well as contributing public funding to finance surrounding development that will complement the ecosystem The Children's Imaginarium will help anchor in the only building remaining on the former mall site; and

WHEREAS, the CDI grant is a pass-through grant in which the municipality applies on behalf of The Children's Imaginarium and is required to submit an authorizing Resolution with its application, due February 1, 2022.

NOW, THEREFORE, BE IT RESOLVED, that the Common Council of the City of Wausau hereby approves making application on behalf of The Children's Imaginarium for a Community Development Investment Grant through the Wisconsin Economic Development Corporation, and authorizes staff to complete and submit the required application on or before February 1, 2022.

Approved:

Katie Rosenberg, Mayor

Human Resource Committee Packet

December 13, 2021

Agenda Item
Discussion and possible action establishing a budget for Discretionary Performance Incentives
Background
At the November Human Resources Committee meeting, the HR Committee discussed the benefits from establishing a dedicated budget to recognize employees via the Employee Handbook 5.02 Compensation Plan Administration (3)(b) Discretionary Performance Incentives. Employee recognition is critical to morale and retention, and an established budget allows equal and fair access to this benefit. At this meeting, the Committee instructed staff to investigate budget distribution methods and return with a recommendation. First, HR and Finance established an appropriate budget. Considering that approximately 1/3 of employees are exceptional and establishing an estimated recognition amount of \$1500 per exceptional employee, the base budget is estimated at \$100,000. This would be funded via budget savings realized during health insurance enrollment selections. I considered several distribution methods: 1. Even distribution methods. This method gives each department or division an equivalent amount regardless of number of employees. This method results in a disproportionately generous allocation to smaller departments, and may short-change larger departments. 2. Prorated distribution methods. This method gives each department or division a prorated amount based on the number of employees. While this results in a more appropriate distribution to larger departments, smaller departments are left with an amount too small to effectively recognize employees. 3. Prorated distribution with guaranteed minimum amount. This method gives each department or division a prorated amount based on the number of employees, but gives a guaranteed minimum amount of \$1500 for smaller departments.
Fiscal Impact
The total cost of this item is \$100,000; however, there is no budgetary impact as this item is funded via health insurance savings.
Staff Recommendation
I recommend establishing a budget of \$100,000 for Discretionary Performance Incentives, to be distributed to either a department or division as a prorated amount, with a guaranteed minimum distribution amount of \$2500. Distributing the amount to the department allows the department director greater discretion to shift funding across division lines, while allocating to the division ensures equal distribution of funds.

Human Resource Committee Packet

December 13, 2021

To ensure continued fiscal health of the funds, and to encourage judicious awards of DPIs, departments should first fund DPIs via salary savings. When salary savings are used to fund a DPI, the prorated distribution amounts will be used as an annual recognition cap.

Staff contact: Toni Vanderboom (715-261-6634)

DRAFT

**CITY OF WAUSAU HUMAN RESOURCES COMMITTEE
MINUTES OF OPEN SESSION**

DATE/TIME: December 13, 2021 at 4:30 p.m.
LOCATION: City Hall (407 Grant Street) – Council Chambers
MEMBERS PRESENT: Dawn Herbst, Lou Larson, Michael Martens, Becky McElhaney, James Wadinski
MEMBERS ABSENT:
Also Present: Mayor Rosenberg, T. Vanderboom

Discussion and Possible Action Establishing a Budget for Discretionary Performance Incentives.

Vanderboom explained that currently only departments that experience vacancies are able to provide discretionary performance incentives (DPI's) since there is no dedicated budget to administer them. Vanderboom would like a budget to be established so that all departments are able to award DPI's, if they so choose. Vanderboom met with the Finance Director and several different options for distribution of the \$100,000 budget were devised.

Vanderboom recommended the total budget be distributed as a prorated amount, with a \$2500 minimum, either by department or division. Vanderboom explained the difference of dividing the money between departments and divisions. Wadinski asked what the directors favored. Vanderboom said she was not able to survey directors on this item. Vanderboom said that 3 directors were there if they wished to comment. Wadinski asked if the DPI recommendations could be brought to the HR Committee so that employees feel they are treated fairly.

Vanderboom said that they process would remain the same but that the information can be put in the HR report that the committee gets every month. Larson agreed with Wadinski's comments.

Vanderboom said that departments that have savings from vacancies will be required to use those funds first for DPI's, which should prevent the fund from being depleted every year. Martens commented that all the funds do not need to be used; Vanderboom agreed and said that there might be an increase in utilization if this is passed, but only because some DPI requests that cannot be funded at this time will be eligible now. However, departments should not just hand out DPI's because the money is available, as this would diminish the purpose of this program. Herbst said that this might be a good retention tool for employees.

Motion by Wadinski to authorize the budgeted formula the HR Director has put forward with the modified funding approach with the prorated distribution and minimum distribution amount of \$2500. Wadinski wanted input from directors on how to distribute (department vs. division) before adding to his motion. Vanderboom said she could ask for input before the Finance Committee meets and include it then. Second by Herbst. All ayes. Motion passed 5-0.

DPI Prorated Distribution Funding Options

Total Budget: \$ 100,000.00
Total Employees: 187.952
Amount Per Employee: \$ 532.05

Prorated Distribution by Department	
Department	Public Works and Utilities
Number of Employees	102
Prorated Distribution Amount	\$ 54,269.18
Department	Attorney
Number of Employees	4.75
Prorated Distribution Amount	\$ 2,527.24
Department	Community Development
Number of Employees	14
Prorated Distribution Amount	\$ 7,448.71
Department	Finance
Number of Employees	12.452
Prorated Distribution Amount	\$ 6,625.10
Department	Human Resources
Number of Employees	3
Prorated Distribution Amount	\$ 1,596.15
Department	Transit
Number of Employees	6
Prorated Distribution Amount	\$ 3,192.30
Department	Police
Number of Employees	27.25
Prorated Distribution Amount	\$ 14,498.38
Department	Fire
Number of Employees	9
Prorated Distribution Amount	\$ 4,788.46
Department	Assessment
Number of Employees	7
Prorated Distribution Amount	\$ 3,724.36
Department	Other (Mayor, Muni Court)
Number of Employees	2.5
Prorated Distribution Amount	\$ 1,330.13

\$ 2,500.00

\$ 2,500.00

\$ 102,073.72

List of Divisions:
Finance
Inspection
Engineering
Streets
Community Development
Housing Authority
Wastewater
Water
Mayor's office
Police
Fire
Transit
Municipal Court

List of Departments:
Public Works and Utilities
Attorney
Community Development
Finance
Human Resources
Transit
Police
Fire
Assessment

Prorated Distribution by Division	
Division	Streets
Number of Employees	45
Prorated Distribution Amount	\$ 23,942.28
Division	Attorney
Number of Employees	4.75
Prorated Distribution Amount	\$ 2,527.24
Division	Community Development
Number of Employees	6
Prorated Distribution Amount	\$ 3,192.30
Division	Finance
Number of Employees	12.452
Prorated Distribution Amount	\$ 6,625.10
Division	Human Resources
Number of Employees	3
Prorated Distribution Amount	\$ 1,596.15
Division	Transit
Number of Employees	6
Prorated Distribution Amount	\$ 3,192.30
Division	Police
Number of Employees	27.25
Prorated Distribution Amount	\$ 14,498.38
Division	Fire
Number of Employees	9
Prorated Distribution Amount	\$ 4,788.46
Division	Assessment
Number of Employees	7
Prorated Distribution Amount	\$ 3,724.36
Division	Mayor's Office
Number of Employees	1
Prorated Distribution Amount	\$ 532.05
Division	Housing Authority
Number of Employees	8
Prorated Distribution Amount	\$ 4,256.41
Division	Wastewater
Number of Employees	14
Prorated Distribution Amount	\$ 7,448.71
Division	Water
Number of Employees	18
Prorated Distribution Amount	\$ 9,576.91
Division	Inspections
Number of Employees	11
Prorated Distribution Amount	\$ 5,852.56
Division	Engineering
Number of Employees	14
Prorated Distribution Amount	\$ 7,448.71
Division	Municipal Court
Number of Employees	1.5
Prorated Distribution Amount	\$ 798.08

\$ 2,500.00

\$ 2,500.00

\$ 2,500.00

\$ 104,573.72

CITY OF WAUSAU, 407 Grant Street, Wausau, WI 54403

**JOINT RESOLUTION OF THE HUMAN RESOURCES AND FINANCE
COMMITTEE**

Approve Budget for Discretionary Performance Incentive Budget

Committee Action:

Fiscal Impact:

File Number:

Date Introduced:

FISCAL IMPACT SUMMARY

COSTS	<i>Budget Neutral</i>	Yes ☐	No ☐	
	<i>Included in Budget:</i>	Yes ☐	No ☐	<i>Budget Source:</i>
	<i>One-time Costs:</i>	Yes ☐	No ☐	<i>Amount:</i>
	<i>Recurring Costs:</i>	Yes ☐	No ☐	<i>Amount:</i>
SOURCE	<i>Fee Financed:</i>	Yes ☐	No ☐	<i>Amount:</i>
	<i>Grant Financed:</i>	Yes ☐	No ☐	<i>Amount:</i>
	<i>Debt Financed:</i>	Yes ☐	No ☐	<i>Amount</i> <i>Annual Retirement</i>
	<i>TID Financed:</i>	Yes ☐	No ☐	<i>Amount:</i>
	<i>TID Source: Increment Revenue ☐ Debt ☐ Funds on Hand ☐ Interfund Loan ☐</i>			

RESOLUTION

WHEREAS, the Employee Handbook 5.02(3)(b) establishes a Discretionary Performance Incentive (DPI) program to recognize employee performance; and

WHEREAS, the Employee Handbook instructs the Human Resources Director to recommend a budget on an annual basis for approval by the Common Council, and limits DPIs to the budget provided; and

WHEREAS, the Common Council has not established a dedicated budget for DPIs; and

WHEREAS, without an established budget, currently departments must have salary savings to fund a DPI; and

WHEREAS, without an established budget, departments without vacancies generally cannot grant any employee recognition that results in a fiscal impact; and

WHEREAS, based on the historical usage of DPIs and the increasing rate of employee recognition, the Human Resources Director recommends a budget of \$100,000 for the Discretionary Performance Increase program; and

WHEREAS, this requested budget would be distributed to **Departments/Division** as a prorated amount based on the number of employees per Department, with a guaranteed minimum distribution of \$2500 per department; and

WHEREAS, to ensure continued fiscal health of the funds, and to encourage judicious awards of DPIs, departments shall first fund DPIs via salary savings and when salary savings are used to fund a DPI the prorated budget distribution amount will be used as an annual recognition cap; and,

WHEREAS, the requested budget of \$100,000 would be funded via savings realized due to employee health plan selections during open enrollment; and

WHEREAS, your Human Resources Committee and Finance Committee reviewed and recommended approval of a budget for Discretionary Performance Incentives as described above; and

BE IT RESOLVED, the Common Council of the City of Wausau does hereby approve the establishment of a \$100,000 budget for Discretionary Performance Incentives, to be distributed to departments/divisions on a prorated basis contingent upon number of employees, with a guaranteed minimum dispersal of \$2500. Departments would be required to fund Discretionary Performance Incentives via salary savings when these savings are available, but the annual department/division dispersal amount will continue to serve as the annual cap for Discretionary Performance Incentives.

Approved:

Katie Rosenberg, Mayor



Memorandum

To: Finance Committee
From: Jamie Polley
Director of Parks, Recreation & Forestry
Date: January 20, 2022
Re: CIP Allocated Funds – Barker Stewart Island and Mill Building

Staff is requesting direction and possible action to fund the plan development of the historic Stone Mill building to potentially be placed on the south river front when that area is developed.

The 2020 Capital Improvement Fund included \$70,000 for the master planning and vegetation control on Barker Stewart Island. That project was carried over to 2021. The initial thought was to plan for the reconstruction of the historic Stone Mill building to be placed on the island as part of the master plan. At the August 2021 meeting of the Parks and Recreation Committee it was decided that the island was not the best location for the reconstruction of the stone mill building. Reasons for this decision includes difficult access, lack of parking and security. The Parks and Recreation Committee would still like to complete a plan for Barker Stewart Island the makes it more attractive to the community.

In meeting with the Historical Society, Wisconsin Public Service and development staff it is recommended that the Mill Building be reconstructed as part of the south river front development as recommended in the South Riverfront Master Plan adopted in February of 2020.

The City has been working with Galbraith Carnahan Architects LLC (GCA) on the design of the shelter for Barker Stewart Island. GCA is willing to finalize the plans for reconstructing the mill building in the south river front area. The funding to retain GCA is current part of the \$70,000 allocated for Barker Stewart Island.

The remaining funds allocated for Barker Stewart Island could be reallocated to have GCA complete the mill building design. This action would not allow for the completion of a park master plan unless staff resubmitted this project as a future CIP project. If the funds are not

allocated to complete the building design work GCA can end their work on this project or the City could allocate funding from another source.

Recommendation: Your approval is requested to allocate the amount needed to complete the project from the remaining fund of the Barker Stewart Island project. Funds unused for the shelter design will remain with Barker Stewart Island for vegetation control.

Cc: Mayor

CITY OF WAUSAU 2021 BUDGET

GENERAL FUND STATEMENT OF REVENUES AND EXPENDITURES

BUDGET AND ACTUAL

November 30, 2021

NARRATIVE

REVENUES

Total General Fund revenues collected through November 30, 2021, are \$34,750,000. 2021 General Fund revenues are at 95.7% of the total budget and are on track to finish the year above target. Areas currently exceeding budget include: 2021 municipal service aids (+\$61,000), permit revenues (+\$207,200), interest earnings on accounts receivable (+\$187,400), and an unbudgeted legal judgement of \$147,000 received earlier in 2021.

However, when compared to November of 2020, some General Fund revenue collections lag behind last year due to the economic impact of the pandemic. For example:

- 2021 YTD Intergovernmental Aids are \$283,300 lower than last year (-3.0%). This decline is attributed to the one-time additional state aids received in 2020 for the Routes to Recovery Grant.
- Collections of Public Charges for Services are \$174,600 behind November of 2020 (-9.7%) which includes a decline in public area rental fees and income from park concession sales and shelter rentals due to COVID closures and mild spring weather which limited winter recreation opportunities.
- The most significant decline in General Fund revenues is in the City's interest earnings on general investments. These revenues continue to lag well below last year (-107.2%). The decline is due to current interest rates and the accounting adjustments necessary to adjust City investments to market value.

Despite pandemic-related reductions in collections, overall General Fund revenues are ahead of last year (+1.1%). The City expects to finish the year above-budget. We will continue to monitor the financial markets and the City's investments.

EXPENSES

As of November 30, 2021, total General Fund expenditures are \$31,567,500 which is 84.4% of the total 2021 budget.

Compared to this point last year, total General Fund expenditures are up \$570,000 (+\$1.8%), including parks and recreation spending, which is up over \$450,000 (+21.0%) from November 2020 due to opening the parks and offering services not offered during 2020 COVID closures. The 2021 amended budget included a transfer of \$900,000 General Fund reserves to Motor Pool, driving up General Government expenses over last year (up \$573,300 or +13.0%). Public Works Department expenses are down \$464,500 (-7.0%) from last year, which is primarily due to the mild spring weather (however, these savings could be offset by heavy winter weather in the 4th quarter).

At 91.7% of the way through the year, 2021 expenditures across the departments are consistent with budget estimates (General Government 89.8%, Public Safety 86.6%, Streets 76.0%, Garbage 83.5%, and Parks and Recreation Departments 82.3%). Expenditures are at acceptable levels; there are no known areas of concern or expectations to exceed the 2021 budget.

CITY OF WAUSAU, WISCONSIN
GENERAL FUND
SCHEDULE OF REVENUES AND OTHER FINANCING SOURCES - BUDGET AND ACTUAL
Period Ended November 30, 2021

	2021 Budget		YTD	Variance with	2020
	Original	Final	Actual	Final Budget	YTD
TAXES					
General property taxes	\$ 20,185,188	\$ 20,185,188	\$ 20,185,188	\$ -	\$ 18,863,394
Mobile home parking fees	28,000	28,000	31,821	3,821	26,480
Payments in lieu of taxes	100,000	100,000	2,200	(97,800)	17,236
Other taxes	70,500	70,500	78,864	8,364	115,055
Total Taxes	20,383,688	20,383,688	20,298,073	(85,615)	19,022,165
INTERGOVERNMENTAL AID					
State shared taxes	4,670,363	4,670,363	4,663,578	(6,785)	4,628,790
Expenditure restraint	907,126	907,126	907,126	-	874,574
Fire insurance tax	135,000	135,000	139,864	4,864	128,264
Municipal services	161,404	161,404	222,838	61,434	161,404
Transportation aids	3,061,498	3,061,498	3,057,800	(3,698)	2,981,077
Other grants	223,316	223,316	170,524	(52,792)	670,939
Total Intergovernmental	9,158,707	9,158,707	9,161,730	3,023	9,445,048
LICENSES AND PERMITS					
Licenses	161,720	161,720	137,373	(24,347)	144,691
Franchise fees	335,000	335,000	260,433	(74,567)	255,237
Permits	275,317	275,317	482,557	207,240	497,286
Total Licenses and Permits	772,037	772,037	880,362	108,325	897,214
FINES, FORFEITURES, AND PENALTIES					
	306,030	306,030	276,600	(29,430)	226,428
LEGAL JUDGEMENTS, AWARDS AND DAMAGES					
	-	-	146,618	146,618	300
PUBLIC CHARGES FOR SERVICES					
General government	88,630	88,630	105,718	17,088	105,024
Public safety	1,837,746	1,837,746	1,350,350	(487,396)	1,436,740
Streets and related facilities	140,200	140,200	102,435	(37,765)	118,634
Recreation	180,800	180,800	47,445	(133,356)	77,399
Public areas	139,560	139,560	10,802	(128,758)	53,581
Total Public Charges for Services	2,386,936	2,386,936	1,616,750	(770,186)	1,791,379
INTERGOVERNMENTAL CHARGES FOR SERVICES					
State and federal reimbursements	11,350	11,350	-	(11,350)	-
County and other municipalities	88,348	88,348	112,339	23,991	81,579
City departments	763,500	763,500	268,182	(495,318)	287,162
Total Intergovernmental Charges for Services	863,198	863,198	380,521	(482,677)	368,741

CITY OF WAUSAU, WISCONSIN

GENERAL FUND

SCHEDULE OF REVENUES AND OTHER FINANCING SOURCES - BUDGET AND ACTUAL (Continued)

Period Ended November 30, 2021

	Budgeted Amounts			Variance with	2020
	Original	Final	Actual	Final Budget	YTD
COMMERCIAL					
Interest on general investments	\$ 400,000	\$ 400,000	\$ (50,500)	\$ (450,500)	\$ 698,567
Interest on special assessments	-	-	317	317	287
Other interest	7,000	7,000	187,367	180,367	118,352
Total Commercial	407,000	407,000	137,184	(269,816)	817,206
MISCELLANEOUS REVENUES					
Rent of land and buildings	128,000	128,000	121,209	(6,791)	158,516
Sale of City property/loss compensation	18,200	18,200	28,394	10,194	21,699
Other miscellaneous revenues	31,805	31,805	43,254	11,449	88,114
Total Miscellaneous Revenues	178,005	178,005	192,857	14,852	268,329
OTHER FINANCING SOURCES					
Transfers in	1,861,355	1,861,355	1,659,293	(202,062)	1,542,438
TOTAL REVENUES AND OTHER FINANCING SOURCES					
	\$ 36,316,956	\$ 36,316,956	\$ 34,749,989	\$ (1,566,967)	\$ 34,379,248

CITY OF WAUSAU, WISCONSIN
GENERAL FUND
SCHEDULE OF EXPENDITURES - BUDGET AND ACTUAL
Period Ended November 30, 2021

	<u>2021 Budget</u>		<u>YTD</u>	<u>Variance with</u>	<u>2020</u>
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	<u>Final Budget</u>	<u>YTD</u>
GENERAL GOVERNMENT					
City Council	\$ 90,004	\$ 90,004	\$ 67,922	\$ 22,081	\$ 71,825
Mayor	179,360	179,360	156,119	23,241	161,957
City Promotion	101,500	151,500	118,309	33,191	99,565
Finance department	538,546	577,546	497,698	79,848	487,669
Data processing	886,694	886,694	788,134	98,560	699,325
City clerk/customer service	434,124	445,124	327,110	118,014	384,953
Elections	70,498	70,498	52,706	17,792	256,396
Assessor	583,842	583,842	449,469	134,373	442,286
City attorney	614,367	614,367	553,248	61,119	594,338
Municipal court	152,989	152,989	114,339	38,651	104,217
Human resources	391,890	391,890	314,758	77,132	310,082
City hall and other municipal buildings	463,652	463,652	465,509	(1,857)	463,623
Unclassified	30,000	930,000	1,068,595	(138,595)	324,397
Total General Government	<u>4,537,467</u>	<u>5,537,467</u>	<u>4,973,915</u>	<u>563,551</u>	<u>4,400,633</u>
PUBLIC SAFETY					
Police department	10,287,426	10,287,426	9,059,038	1,228,388	8,688,971
Fire department	4,585,931	4,585,931	3,815,004	770,927	3,974,311
Ambulance	3,473,444	3,473,444	3,126,857	346,587	3,013,686
Emergency government (COVID-19)	10,000	20,000	11,940	8,060	224,527
Inspections	1,871,244	1,852,244	1,493,847	358,397	1,535,487
Total Public Safety	<u>20,228,046</u>	<u>20,219,046</u>	<u>17,506,687</u>	<u>2,712,359</u>	<u>17,436,983</u>
TRANSPORTATION AND STREETS					
Engineering	1,405,888	1,404,888	1,203,898	200,990	1,213,315
Department of public works	<u>6,140,511</u>	<u>6,135,511</u>	<u>4,524,414</u>	<u>1,611,097</u>	<u>4,979,452</u>
Total Transportation and Streets	<u>7,546,399</u>	<u>7,540,399</u>	<u>5,728,311</u>	<u>1,812,088</u>	<u>6,192,767</u>
SANITATION, HEALTH AND WELFARE					
Garbage and refuse collection	<u>945,000</u>	<u>945,000</u>	<u>788,883</u>	<u>156,117</u>	<u>847,388</u>
NATURAL RESOURCES/RECREATION					
Parks and recreation	<u>3,108,683</u>	<u>3,122,157</u>	<u>2,569,724</u>	<u>552,433</u>	<u>2,119,779</u>
OTHER FINANCING USES					
Transfers out	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
TOTAL EXPENDITURES AND OTHER					
FINANCING USES	<u>\$ 36,365,594</u>	<u>\$ 37,364,068</u>	<u>\$ 31,567,520</u>	<u>\$ 5,796,548</u>	<u>\$ 30,997,550</u>

CITY OF WAUSAU, WISCONSIN
GENERAL FUND
SUMMARY OF BUDGET MODIFICATIONS
Period Ended November 30, 2021

BUDGET REVENUES RECONCILIATION

2021 ADOPTED BUDGET	\$ 36,316,956
Write off Uncollectible Delinquent Personal Property Tax Accounts	<u>\$ (5,973)</u>
2021 MODIFIED BUDGET	<u><u>\$ 36,310,983</u></u>

BUDGET EXPENDITURES RECONCILIATION

2021 ADOPTED BUDGET	\$ 36,365,594
Finance - Priority Based Budgeting Software	50,000
2020 Budget Carryovers:	
Parks - Emerald Ash Borer	13,474
Unclassified - Strategic Plan Professional Services	50,000
Emergency Government Municipal Agreement	10,000
Local Match for HSIP Intersection Improvement Study	(19,000)
DPW Robotic Survey Equipment	(6,000)
2020 Fund Balance Transfer to Motor Pool	<u>900,000</u>
2021 MODIFIED BUDGET	<u><u>\$ 37,364,068</u></u>