



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, April 27, 2021 at 5:15 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: (4/13/21)
 - 2 ****Resolution** Supporting continued State investment in local critical services and increased commitment to share revenue funding
 - 3 ****Resolution** approving modification of the 2021 Budget and authorization to enter into a sponsorship contract for the laser show and balloon glow 2021 Taste and Glow Balloon Fest
 - 4 Discussion and possible action regarding storm water and garbage fees and municipal code Chapter 3.10 Fees for Municipal Service 3.10.010 Referendum
 - 5 Discussion and possible action on Airport Ground Lease – Owen Jones and Wynn O. Jones II
 - 6 Discussion and possible action regarding February 2021 General Fund Financial Statements
 - 7 Discussion and possible action regarding status of COVID loan and ground lease deferments
 - 8 **CLOSED SESSION** pursuant to Section 19.85(1) (e) for deliberating or negotiating the purchase of public properties, the investing of public funds, or conducting other specified public business, whenever competitive or bargaining reasons require a closed session regarding the purchase of property
 - 9 **RECONVENE** into open session to take action, if necessary, on Closed Session item(s).
- Adjourn

Lisa Rasmussen, Chairperson

***Item going directly to Council following Finance Committee*

*Due to the COVID-19 pandemic, this meeting is being held in person and via teleconference. Members of the media and the public may attend in person, subject to the social distancing rules of maintaining at least 6 feet apart from other individuals, or by calling **1-408-418-9388**. **The Access Code is: 187 454 9595 Password: ZTzbaHwN663**

Individuals appearing in person will either be seated in the Council Chambers or an overflow room, subject to the social distancing rules. Space available will be on a first come, first served basis. All public participants' phones will be muted during the meeting. 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.

This Notice was posted at City Hall and faxed to the Daily Herald newsroom 4/23/21 at 2:30 PM

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, (Alderpersons: Peckham, Neal, Kilian, Wadinski, McElhaney, Larson), *Rosenberg, *Jacobson, *Groat, Department Heads

FINANCE COMMITTEE

Date and Time: Tuesday, April 13, 2021 @ 5:15 pm., Council Chambers

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

Others Present: Maryanne Groat, Anne Jacobson, Ben Bliven, Bob Barteck, Eric Lindman, Katie Rosenberg, Sean Fitzgerald, Jamie Polley, Leslie Kremer, Tom Neal

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). (3/23/2021)

Motion by Ryan, second by Herbst to approve the minutes of the previous meeting on 3/23/2021. Motion carried 5-0.

Discussion and possible action regarding carryover of project and designated funds to the 2021 budget

Maryanne Groat explained the majority is in the capital projects funds because some projects span multi years. The budget is created and adopted prior to the commencement of the project. At year end we compare what was budgeted for the project, what expenses have been drawn on the project to date, and then carryover those funds for the next year so it can be completed. She reviewed the list (Exhibit A) in the packet, which shows all of the individual projects and what their status is.

Motion by Herbst, second by Watson to approve the carryovers. Motion carried 5-0.

Discussion and possible action regarding 2021 budget modification for additional testing at Riverside Park \$18,000

Rasmussen stated the information in the packet indicates that Wisconsin DNR has requested the city do some additional testing at Riverside Park. She noted in the past they have worked with REI and are looking to use them again.

Motion by Ryan, second by Watson to approve the budget modification for additional testing. Motion carried 5-0.

Discussion and possible action regarding request for funding to cover insurance for the Labor Day Parade (Randy Radtke - Marathon County Central Labor Council)

Rasmussen stated this request comes every year and has been approved. The cost is taken out of promotions.

Motion by Herbst, second by Martens to approve the request. Motion carried 5-0.

Discussion only - American Rescue Plan spending; recommended guiding principles

Groat stated the city anticipates receiving approximately \$15.7 million and have through calendar year 2024 to spend the funds. She noted the Government Finance Officers Association (GFOA) recommends cities take their time and until a lot of informational is available in order to be impactful in that spending. There are going to be other allocations that the city may be able to apply for that have different guidelines. The broad categories are: revenue replacement; Covid expenses; premium pay; and investment in water and sewer broadband. GFOA suggests shying away from creating new programs that are going to need to be fed in the future, because this is a sum-certain allocation of funds. It is important to consider things that are a one-time cost because this is one-time money. *Discussion followed.*

Discussion and possible action on approving settlement offer to settle claim filed with Zagster, Inc.

Rasmussen explained Zagster was contracted to provide bikes on the Riverwalk, but then they essentially collapsed and did not have money to pay us. They offered a settlement of \$900 which was declined and we decided to wait and see. There is a new offer that is a percentage of our claim which is amounting to between \$3,000 and \$4,500.

Anne Jacobson stated we didn't really know if the offer would get any better. Zagster filed bankruptcy and sold all of their assets minus their stock to another corporation. That company is offering 20 – 25%. Rasmussen noted we are still in possession of the bikes and have them in storage. Deb Ryan did not feel the offer was going to get any higher and that the city should accept the offer.

Michael Martens questioned what was going to happen to the bikes. Sean Fitzgerald stated the city has acquired the bikes and the Parks Department has them in storage and is working with Community Development to identify some providers for the bike rental software and maintenance to continue the bike program. He noted the city also owns the two racks where the bikes are stored and charged.

Motion by Ryan, second by Watson to accept the settlement offer at 25% or \$4,500. Motion carried 5-0.

Discussion and possible action regarding the sale of city-owned property at 510 South 32nd Avenue

Rasmussen stated there was a previous offer on this property (formerly Fire Station #2) for \$200,000 that required a special meeting to consider the plan and to meet the deadline. The committee was unable to come to consensus at that meeting other than to attempt to delay the deadline. Since then the offer has been withdrawn

Groat stated we have received a new offer for purchase from a firefighter for \$150,000 to convert it to a single family home. Jeremy Kopp indicated him and his wife made the offer with the idea of extensive interior remodel, but keeping the exterior looking like a fire station. The offer is \$150,000 because it will cost at least that much to renovate it and make it livable for us. They have been wanting to move into the City of Wausau but have had a hard time a home and this will be unique.

Motion by Herbst, second by Watson to approve and accept the offer of \$150,000 for the building for a single family home. Motion carried 4-1. *(Ryan was the dissenting vote.)*

CLOSED SESSION pursuant to Wis. Stat. s. 19.85(1)(g), for the purpose of conferring with legal counsel for the rendering of oral or written advice concerning strategy to be adopted by the body with respect to litigation in which it is or is likely to become involved, specifically regarding the Memorandum of Understanding with the Wausau/Central Wisconsin Convention & Visitors Bureau

Motion by Martens, second by Herbst to convene in closed session. Roll Call Vote – Ayes: Martens, Watson, Herbst, Ryan and Rasmussen. Motion carried 5-0.

Reconvened into Open Session to take action on Closed Session item.

Memorandum of Understanding with the Wausau/Central Wisconsin Convention & Visitors Bureau

Rasmussen clarified over the last couple months the Mayor and some of the neighboring communities have been engaging in mediation activity between the city and the CVB to discern whether or not it would be possible for the city to do business with them again as a tourism entity. She explained if they approve this it would authorize the Mayor to begin contract negotiations, but it is not a final contract yet.

Mayor Rosenberg stated it was felt that it was important that there be new leadership at the CVB and we want to be involved in the selection process. She indicated we also want to make sure that we are holding annual meetings to know what we are actually getting for our money. There should be goals for the upcoming year; financial plans and the results of those; assurance that the contracts are legitimate and without confusion; and although they are not a public entity, they are receiving public tax dollars so it is important they operate in a manner of governmental organization. There should be agendas and minutes and transparency through reports. Deb Ryan felt it was important to have an independent annual audit, as well.

Motion by Ryan, second by Watson to approve the Memorandum of Understanding with an amendment to include an annual financial audit for the city to receive and review. Motion carried 5-0.

Adjourn

Motion by Herbst, second by Martens to adjourn the meeting. Motion carried unanimously. Meeting adjourned at 6:00 pm.

April 5, 2021

Municipal Comments on the 2021-2023 State Budget

A template created by the League of Wisconsin Municipalities for municipal officials to use for submitting comments on the 2021-2023 state budget to the Wisconsin State Legislature's Joint Committee on Finance. Municipal officials are encouraged to email their comments directly to [Joint Finance Committee](#) members or to the following email address: Budget.Comments@legis.wisconsin.gov. Please also send copies of your comments to Toni Herkert at the League. therkert@lwm-info.org

Members of the Joint Committee on Finance:

As you begin preparing your version of the biennial state budget I write as the trustee/alderperson/mayor/village president/administrator/manager for the city/village of _____ to urge you to consider the following recommendations on items of critical concern to Wisconsin municipalities:

1. **A modest increase in shared revenue funding.** Please include a funding increase for shared revenue in this state budget. Over the last 20 years, funding under the program for cities, villages, and towns has been cut by \$94 million. None of those cuts have been restored. At the same time, communities are operating under the strictest levy limits in the nation. The Governor has recommended a 2 percent increase in shared revenue funding. We urge you to at least include such a minimal increase in the state budget you prepare. Our city's/village's annual shared revenue payments over the last several years have been, _____. A 2% increase would mean \$ _____ more dollars for our city/village. We could accomplish _____ with these additional dollars in our budget.
2. **Local Transportation Aids.** Please continue to invest in municipal streets. I appreciate that the last two state budgets included increases in general transportation aids (GTA) that go to municipalities like ours. Nevertheless, GTA currently covers only 16% of municipal transportation costs statewide. We urge you to continue to increase funding for GTA, which is critical to helping communities like ours pay for maintaining

quality streets. We also urge you to reauthorize the \$90 million LRIP supplement that you included in the last state budget. The competitive grant program was very popular. *Our city/village applied for an LRIP Supplemental Grant in 2019 but we did not receive a grant under the program. We would like another opportunity to apply for funding to help pay for a critical local transportation project.*

3. **Payment for Municipal Services Program.** Please increase funding for the chronically underfunded Payment for Municipal Services Program. The current funding level is \$18.6 million annually. In 2020 this amount covered only 34.6% of municipal costs to provide police, fire, and garbage collection services to state facilities. This resulted in a total funding gap of more than \$35 million for 361 municipalities last year. In 2008, municipalities received actual payments totaling nearly \$22 million, or 81.1% of their entitlements under this program. The Governor has included a \$2.2 million funding increase for this program in his budget. We urge you to at least do the same in your state budget.
4. **Adjust Levy Limits.** Since 2012, municipalities have been allowed to increase their levy only by net new construction. Wisconsin has the strictest levy restriction in the country. The statewide net new construction rate averaged 1.6% in 2020. **Please consider adjusting levy limits in the following ways:**
 - a. **Delete net in net new construction.** Eliminate the need under the levy limit law to subtract tear downs and demolitions from the property value increase caused by new construction. In other words, delete the “net” from “net new construction.” According to LFB, demolitions/removals caused a \$409.3 million reduction in the net new construction calculation for 2020. So, the \$9,265,520,500 NNC value DOR put out in August of 2020, would have been \$9,674,863,400 if demolitions/removals would not have been included in the calculation. The statewide NNC% would have increased from 1.60% to 1.67%. This is not a drastic modification statewide overall, but would be significant to communities that are not seeing new growth and are dependent on redevelopment.
 - b. **Allow no-growth communities to increase levy by 2%.** Allow communities not experiencing growth to increase their levy by at least 2%, as the Governor is recommending. A 2% floor for levy limit

increases is similar to how the levy limit law was first implemented when floors ranging from 2% to 3.86% existed between 2006 and 2011.

- c. **Fee Revenue for Certain Services should not Affect Allowable Levy.** The Governor proposes eliminating the requirement that a municipality reduce its allowable levy by the amount of fee revenue it received in lieu of property taxes for providing a specified service (i.e., snow plowing, storm water management, fire protection, garbage collection, and street sweeping) that was funded with the property taxes in 2013. We support this change and urge you to include it in your state budget.

Thank you for considering my comments.

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

RESOLUTION OF THE FINANCE COMMITTEE

Supporting continued State investment in local critical services and increased commitments to shared revenue funding

Committee Action:

Fiscal Impact:

File Number:	Date Introduced: April 27, 2021
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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</i> ☐ <i>Debt</i> ☐ <i>Funds on Hand</i> ☐ <i>Interfund Loan</i> ☐			

RESOLUTION

WHEREAS, for over ninety years the state shared revenue program has been a key component of Wisconsin's state and local relationship and an important part of the state's overall program of property tax relief; and

WHEREAS, over the last 20 years shared revenue funding for municipalities has been cut by \$94 million; and

WHEREAS, over the last generation, property taxes have grown as a share of city and village revenues as shared revenue and other state aid to Wisconsin municipalities has lagged; and

WHEREAS, state aid provided a larger share of municipal revenues in Wisconsin than property taxes from 1975 to 1997. Today property taxes account for more than twice as much municipal revenue as state aid; and

WHEREAS, to create and maintain quality communities that attract businesses and families, municipalities must invest in services and infrastructure that people and businesses expect, like police protection, fire suppression, road maintenance, snowplowing, and parks; and

WHEREAS, the state should reinvest a portion of its sales and income tax revenue growth in local communities to spur further economic growth and make Wisconsin communities places where people want to live and work.

NOW THEREFORE, BE IT RESOLVED that the City of Wausau, calls on the Legislature to pass a state budget increasing funding for the shared revenue program and directs the Clerk to send a copy of this resolution to the state legislators representing the City of Wausau and to Governor Tony Evers and to the League of Wisconsin Municipalities.

Approved:

Katie Rosenberg, Mayor



Taste N Glow Balloon Fest

July 9th, 10th & 11th

April 16, 2021

In 2002 Steve Woller started the Wausau Balloon Rally as a way to share his passion for his unique sport with others. It has grown exponentially over the years with the help from the City of Wausau and Wausau Events. The event has been voted best in Wausau by the community for several years. The balloonists enjoy coming to fly in Wausau and it draws visitors from all over.

The City of Wausau participated in one of the beginning balloon rallies by sponsoring the computer shaped balloon flying the Welcome Home banner. That balloon is still a favorite among the pilots and comes back to life periodically.

Wausau Events cancelled the event in 2020 & 2021 due to pandemic concerns. Facebook, our phones, our e-mails all lit up with requests to bring the balloons to Wausau. We knew the balloonists wanted to come and we quickly found out that people from all over wanted this event to happen. We watched closely how the vaccines were being rolled out and discussed how we could change the balloon rally to accommodate everyone's different covid safety protocols.

We approached the Trailmates Snowmobile Club about hosting the event on their 80 acre lawn in the town of Stettin where they hold the grass drags. They had the space, the power, the lights and about 120 volunteers to do this event. This is a safe place for balloons to fly as there is no wind off the lake or rib mountain! In addition, it is located only minutes outside the City of Wausau. Businesses within the community that have benefited from the event traffic and increased visitors will continue to do so.

We have made a number of changes to the event. We eliminated the outside rib vendors and created the "Taste of Marathon County". This allows us to help the local non-profits and businesses that were hurt by the pandemic. Now money collected at the event will support local and stay local!

We have gone one step further and have approached many non-profits to join us. We will be accepting food and essentials donations right at the entrance to the event. In addition, we are doing 4 fund raisers for local charities.

We understand that everyone is hurting after the long fallout from the pandemic. We want to make a difference by providing hope, healing and happiness. This will also create unity for the common good of our families and our community.

This is a very expensive event to operate. We have worked tirelessly to generate sponsorship support. We are requesting the emotional and financial support from the City of Wausau. There is no better message that could be sent. We are all working together to support our businesses and neighbors that make up our community.

We want to keep this wonderful event in Wausau forever, but need the support of the City of Wausau.

We are requesting a one time sponsorship contribution from the City of Wausau of \$10,000 for sponsoring the laser show and glows on Friday and Saturday evening. This sponsorship will help to offset the costs of this event. We have spent a lot of time and energy promoting all of the sponsors for the event through facebook, our website, links from our website, banners, posters, radio, tv and more.

We would also appreciate if the City of Wausau would consider allowing us to "borrow" or "rent" the stage used at the airport for the bands. We are not requesting any support services from the City of Wausau, but ideas, offers and suggestions would be greatly appreciated.

Thank you for your consideration,
Steve & Nancy Woller
715-571-1498 or 715-571-0362



Non Profits being Supported by the Taste N Glow Balloon Fest

Trailmates Snowmobile Club & 3 other snowmobile clubs providing volunteers & resources

Lions Club

Optimists Club

Kiwanis Club

Elks Club

Neighbors Place – Donation request is admission fee

Bridge St Mission – Donation request is admission fee

Salvation Army – Donation request is admission fee

Boy Scouts

Be Amazing

EMPD Blue Hearts

Wisconsin Valley Art Association – Running the children's tent for arts & crafts/story time/balloon presentation area.

2 Charities to be announced by the sponsors of the tethered rides. I do not know which charities they have chosen for the fundraiser yet. However, I believe it is children's cancer for one of them

Colossal Fossil – 50' whale display

HOPE women's mobile vehicle display

Veterans Center Outreach vehicle display

Humane Society

Wausau American Legion Auxilliary

More are being added every day

Business	Financial	In Kind	Description
Midwest Communications		\$29,000	Advertising
WSAW WZAW		\$5,000	Advertising
Graphic House		\$800	EMP Signs
Green Bay Packaging	\$250		
A-Rite Roofing & Construction	\$1,500		
Axis Insurance Agency	\$1,500		
Bull Falls Harley-Davison	\$1,000		
Buska & Buska Retirement Solutions	\$1,500		
American Asphalt	\$500		
Auto Select	\$250		
Cellcom	\$250		
Central WI Lumber	\$500		
Community Foundation	\$2,500		
CoVantage Credit Union	\$10,000		
D & T Rental	\$1,500		
DuWayne Kreager Insurance	\$1,500		
Elite Carriers	\$1,500		
Fabiano Brothers	\$2,500		
Ghidorzi Construction	\$1,500		
Gordon Aluminum	\$500		
Griesbach Auto Serviced	\$750		
Harter's	\$1,500		
Ho Chunk Casino Wittenberg	\$2,000		
J & D Tubeenders	\$500		
Kolbe and Kolbe Millwork	\$2,500		
Marathon County Employees Credit Union	\$1,500		
Quazzi Charters	\$1,500		
Remax Excel	\$2,000		
Schuette Metals	\$1,500		
Snap On	\$500		
Sutton Transport	\$1,500		
Universal Assets, LTD	\$1,500		
Urban Construction	\$500		
Van Der Geest Dairy	\$250		

Total as of 4/8/21

\$46,750

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

RESOLUTION OF THE FINANCE COMMITTEE

Approving Modification of the 2021 Budget and Authorization to Enter into a Sponsorship Contract for the Laser Show and Balloon Glow 2021 Taste and Glow Balloon Fest

Committee Action:

Fiscal Impact (2021): This action will modify the 2021 budget by \$10,000

File Number: 20-1109

Date Introduced: April 27, 2021

FISCAL IMPACT SUMMARY

COSTS	<i>Budget Neutral</i>	Yes ☐ No ☒	
	<i>Included in Budget:</i>	Yes ☒ No ☐	<i>Budget Source: Local share of room tax</i>
	<i>One-time Costs:</i>	Yes ☒ No ☐	<i>Amount: \$10,000</i>
	<i>Recurring Costs:</i>	Yes ☐ No ☒	<i>Amount:</i>
SOURCE	<i>Fee Financed:</i>	Yes ☒ No ☐	<i>Amount: Room Tax local share</i>
	<i>Grant Financed:</i>	Yes ☐ No ☒	<i>Amount:</i>
	<i>Debt Financed:</i>	Yes ☐ No ☒	<i>Amount 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 City began a collaboration with Steve Woller and HandCrafted Furniture Company Hot Air Balloon Team back in 2001 with a sponsorship contribution of \$10,000 towards a special shape balloon; and

WHEREAS, this collaboration has grown and evolved into one of the most well-loved annual events that has intertwined with the area's identity; and

WHEREAS, the event attracts visitors from outside the area, generates tourism interest and bolsters economic activity; and

WHEREAS, the pandemic caused the cancellation of the 2020 event and created initial uncertainty with the 2021 event that caused planning delays; and

WHEREAS, HandCrafted Furniture Company founder, Steve Woller and his wife Nancy Woller, are partnering with local area nonprofits, and local businesses to offer the event at the Trailmates Snowmobile Club site on their 80 acre lawn in the town of Stettin which is located minutes outside of Wausau, and

WHEREAS, the Woller's have requested the City consider a sponsorship/marketing contribution of \$10,000 to sponsor the Friday and Saturday evening laser show and balloon glows; and

WHEREAS, your Finance Committee considered this request, the hardships caused by the pandemic, the need and benefits of collaboration within the area and the event's community benefits and recommends funding the laser show and glow sponsorship in the amount of \$10,000 with the funding to come from the local share of room tax; and

WHEREAS, your Finance Committee also recommends granting their request to use the portable stage; and

NOW THEREFORE BE IT RESOLVED, by the Common Council of the City of Wausau that the proper City Officials be and are hereby authorized and directed to enter into a sponsorship contract for the Taste and Glow Balloon Fest to serve as laser show and glow sponsor for the 2021 event in exchange for a sponsorship payment of \$10,000.

Approved:

Katie Rosenberg Mayor



TO: FINANCE COMMITTEE
FROM: MARYANNE GROAT
DATE: April 21, 2021
RE: Storm water and garbage fees

The City of Wausau is one of few communities that funds stormwater operations and curbside garbage and recycling collection with tax levy dollars. Most communities fund these services through user fees.

The City Council has rassedled with this issue before and a brief historical review of their consideration follows:

The City Council approved Resolution 03-0314, Approving Creation of a Storm Water Utility, on September 13, 2005. While the City was in the implementation planning period a taxpayer direct legislation referendum petition was submitted to the council to prohibit charging such fees. The direct legislation was supported by the Common Council and an ordinance was added to the municipal code.

- **Chapter 3.10 - FEES FOR MUNICIPAL SERVICES**
- **3.10.010 - Referendum.**

The City of Wausau shall hold a City-wide referendum requesting citizen authorization to institute a fee for any municipal service. This includes, but is not limited to, the following services; police protection, garbage pickup, fire protection, road repair, snowplowing, recycling, yard waste disposal, street sweeping, fall leaf collection, spring clean-up, and storm water management among others. The only allowable exception is a fee that affects ten percent or less of the City's residents.

(Ord. 61-5312 §1, 2006, File No. 06-1016.)

In 2014 the Common Council considered removing this ordinance but the motion failed. The Common Council then placed two questions on the April 2015 ballot:

- May the City institute a fee for garbage and recycling pick up and remove the cost for service from the tax levy? The question failed: Yes 1,820 No 4,960
- May the City institute a fee for stormwater management and remove the cost for service from the tax levy? The question failed: Yes 3,248 No 3,527

Fair and Equitable cost sharing is a major implication of the tax levy versus user based fee:

- Under the levy, property owners pay for these services based upon their home value rather than the cost of service. Back in 2014 we calculated that some property owners paid \$14 for garbage and recycling while other homeowners paid \$800. All homeowners receive identical services but pay disparate taxes to fund the service.
- Under the levy, businesses and apartment complexes pay for garbage and recycling service in their taxes but are not eligible to participate in the service.

- Not for profits contribute to the demands of our storm water infrastructure but pay no taxes to support it.
- The distribution of stormwater costs are based upon property value versus based upon impervious surface this causes residential property to pick up a higher percentage of the cost.

There is quite a bit of flexibility in how communities implement storm water fees. Many communities phase in fees by isolating fees to recover new capital investments or stepping in fees to ensure taxpayer affordability. Using the tax levy for storm water infrastructure directly restricts the city's ability to improve streets since they both rely on tax dollars. This situation will be exacerbated as stormwater regulations designed to reduce storm water runoff and improve the water quality of our rivers, streams and lakes increase.

Finally, the State of Wisconsin state law restricts the City's ability to generate increased revenues. The law currently includes the following provision:

1. The state created a law ([sec. 66.0602 \(2m\)\(b\), Wis. Stats.](#)), which can be summarized as:

On or after July 2, 2013, if a county or municipality adopts a new fee or a fee increase for covered services (which were partly or wholly funded in 2013 by property tax levy), that county or municipality must reduce its levy limit in the current year by the amount of the new fee or fee increase, less any previous reductions. This also applies to payments in lieu of taxes.

Covered services include:

- Garbage collection – except for municipalities or counties that owned and operated a landfill on January 1, 2013
- Fire protection – excluding the production, storage, transmission, sale and delivery, or furnishing of water for public fire protection purposes
- Snow plowing
- Street sweeping
- Storm water management

The total amount of the reduction implemented by a county or municipality, including prior year reductions, should not exceed the amount funded by tax levy in 2013 to provide the covered service.

This means that in in the first year of implementation the City could not generate increased revenues for garbage collection and storm water management. Any new revenues generated from new fees would be directly reduced by reductions in the levy.

This is being placed on the Finance Committee at the request of members. If the City wanted to move forward with implementation of fees the Council would need to revoke 3.10.010 Referendum.

**JT. RESOLUTION OF AIRPORT COMMITTEE
AND FINANCE COMMITTEE**

Authorizing the execution of Airport Ground Lease – Owen Jones and Wynn O. Jones II

Committee Action: Airport Approved

Finance

Fiscal Impact: Annual lease and tax revenues

File Number:

Date Introduced:

RESOLUTION

WHEREAS, your Airport Committee, at their April 14, 2021 meeting, approved construction of a 70' x 70' hangar in the Wausau Downtown Airport hangar development area by Owen Jones and Wynn O. Jones II; and

WHEREAS, your Finance Committee, at their April 27, 2021, meeting, approved entering into a ground lease with Owen Jones and Wynn O. Jones II, a copy of which lease is attached and incorporated herein by reference, and in general, provides for a twenty (20) year lease with the opportunity for renewal, a lease payment of 12¢ per square foot adjusted annually, and a payment to the City of real estate taxes as a building on lease land.

NOW, THEREFORE, BE IT RESOLVED, by the Common Council of the City of Wausau that the proper City officials are hereby authorized and directed to execute the original of the attached standard ground lease between the City of Wausau and Owen Jones and Wynn O. Jones II, allowing for construction of the aforementioned hangar.

Approved:

Katie Rosenberg, Mayor

AIRPORT COMMITTEE

Date and Time: Wednesday, April 14, 2021 @ 6:00 pm., at the Wausau Downtown Airport

Members Present: Pat Peckham (C), Lou Larson, Lisa Rasmussen, Doug Diny, Dennis Seitz, Fred Prehn

Members Excused: Jim Wadinski

Others Present: John Chmiel

Discussion and Possible Action Regarding Construction Request of an 70' X 70' Hangar in the East Hangar Development Area by Owen Jones - Chmiel

John Chmiel noted Owen Jones is the son of the current hangar owner Wynn Jones, aka Casey Jones. He stated Owen Jones would like to construct a hangar on the west side of the East Hangar Development Area, in between the previously approved but not yet constructed Kocourek hangar and the previously approved but not yet constructed Learn/Build/Fly hangar.

Chmiel pointed out the area on a map which shows a light green line going through the center of the red hangar, which is the current location of the sanitary sewer. He indicated they are requesting to build over the top of the sanitary sewer. The initial discussion with the Inspections Department was that it was not allowed under code. The information regarding the depth and the location of the sanitary sewer was forwarded to Eric Lindman, Director of Utilities and Engineering for review. An alternative location has been provided to replace the sanitary sewer if there should be any problems because a hangar was constructed over the top of it. The proposal is to locate the Jones hangar closer to the Kocourek hangar rather than the Learn/Build/Fly hangar and that gap will allow for a sanitary sewer line if needed. He pointed out the chances of having to do that are slim to none because the sanitary sewer is 10 feet deep.

Motion by Prehn, second by Diny to approve the proposed construction request by Owen Jones.

Motion carried 6-0.

AIRPORT GROUND LEASE

THIS AGREEMENT, made and entered into this _____ day of _____, 20____, by and between the City of Wausau, a Wisconsin municipal corporation, hereinafter referred to as "CITY," and Owen Jones, 723 Country Club Road, Schofield, WI 54476, and Wynn O. Jones II, 720 Country Club Road, Schofield, WI 54476, hereinafter referred to as "TENANT;"

WITNESSETH:

WHEREAS, CITY owns and operates an airport within the corporate limits of the City of Wausau known as the Wausau Downtown Airport, hereinafter referred to as "Airport;" and

WHEREAS, TENANT wishes to lease a parcel of land on Airport described in "Exhibit A," hereinafter referred to as "parcel," and TENANT wishes to construct an airplane hangar for the storage of aircraft and their appurtenances and for TENANT's use on that parcel.

NOW, THEREFORE, for and in consideration of the rents, covenants, and agreements herein contained, CITY and TENANT agree as follows:

1. Premises. CITY hereby leases to TENANT the parcel depicted on "Exhibit A," attached hereto.

TENANT shall construct within one (1) year of the date first above written, improvements in accordance with the plans and specs on said parcel described in "Exhibit A," attached hereto. All improvements, now and any in the future, must meet all applicable state and local building codes, and shall be approved by CITY. TENANT shall use the improvements and premises for aeronautical purposes in accordance with the provisions of paragraph 34.

Within sixty (60) days after the completion of the building, TENANT shall complete preparation of appropriate excavation and installation of base course in preparation for asphalt pavement extending from the building to the taxiway and one hundred and thirteen feet (113') wide. TENANT shall pay for 100 percent of the preparation and base course, and CITY shall pay for the asphalt and the cost of laying the asphalt down. All site preparations for the road shall be done pursuant to CITY specifications and shall be approved by CITY prior to CITY paving the area.

2. Lease Fees. TENANT shall pay to CITY for the lease of the parcel twelve cents (12¢) per square foot (70' x 70) per year, which payment shall be paid to the City Treasurer on an annual basis no later than the 5th day of January in the year for which the payment is due. The lease payment for 2021 shall be prorated and shall reflect the months from the date of occupancy to the end of the year. (Taxes shall reflect the improvements as of the legal date of assessment value [currently January 1]). This lease amount shall be adjusted annually to reflect the change in the Consumer Price Index from September 30 the previous year.

3. Term of Agreement. The initial term of this Agreement shall be for a period of twenty (20) years commencing on the date above first written. This lease shall be automatically renewed, without notice from either party, on identical terms for a like successive term, unless

either party shall, at least forty-five (45) days before the expiration of the lease, notify the other in writing of the termination of the lease.

4. Utilities and Taxes. TENANT agrees to pay all utilities, taxes, and phone bills, including but not limited to bills for electricity, gas, sewer, and water. TENANT agrees to install or cause to be installed on the leased premises meters for all utilities to be used on the leased premises and to pay any and all costs and expenses incurred as a result of the installation and use of such utilities.

5. Improvements. Except as provided in paragraph 1, TENANT shall not make any structural alterations, additions or improvements to the building or leased premises without the consent of CITY, which consent will not unreasonably be withheld, in those cases where TENANT provides it with plans and specifications for the same evidencing alterations, additions, and improvements of substantially the same appearance, standards, and quality as the construction specified in paragraph 1 and there is sufficient, in the opinion of CITY, land for the improvements. TENANT shall have the right to make, without CITY's consent, such nonstructural alterations, additions, and improvements to the building and leased premises that TENANT desires in order to conduct its operations on the leased premises.

6. Compliance with Laws. TENANT shall at all times comply with the airport rules and regulations, federal, state, and municipal laws, ordinances, codes, and other regulatory measures, now in existence or as may be hereafter modified and amended, applicable to the specific type of operation contemplated by it. TENANT shall procure and maintain during the term of this agreement all licenses, permits, and other similar authorizations required for the conduct of its aircraft operations.

7. Liens. TENANT agrees to promptly pay all sums legally due and payable on account of any labor performed on or materials furnished for the leased premises. TENANT shall not permit any liens to be placed against the leased premises on account of labor performed or material furnished; and in the event such a lien is placed against the leased premises, TENANT agrees to save CITY harmless from any and all such asserted claims and liens and to remove or cause to be removed any and all such asserted claims or liens as soon as reasonably possible.

8. Development. CITY reserves the right to further develop or improve the landing and public areas, including ramp space of the airport, as it sees fit regardless of the desires or views of TENANT and without interference or hindrance; provided, however, that no such development or improvement shall for a period in excess of sixty (60) days limit or violate TENANT's rights under this lease agreement or otherwise violate any federal, state, or local law, ordinance, rule, or regulation.

9. Subordination. This lease agreement shall be subordinate to the provisions of any existing or future agreement between CITY and the United States Government relative to the operation or maintenance of the airport, the execution of which has been, or may be, required as a condition precedent to the expenditure of federal funds for the development of the airport. Should the effect of any such agreement with the United States Government be to take the leased premises or building or any portion of either or substantially destroy the commercial value of either, then, within thirty (30) days after the occurrence of such event, CITY shall terminate this lease

agreement and purchase the building from TENANT, which purchase price shall be the fair market value of the building as of the day of the "taking."

10. Air and Noise. CITY hereby reserves for the use and benefit of the public, the right of aircraft to fly in the airspace overlying the leased premises, together with the right of said aircraft to cause such noise as may be inherent in the operation of aircraft landing at, taking off from, or operating on or in the vicinity of the airport, and the right to pursue all operations of the airport; provided, however, that no such rights or the exercise thereof shall limit or violate TENANT's rights under this lease agreement.

11. Restrictions on Obstructions. CITY reserves the right to take any action it considers necessary to protect the aerial approaches of the airport against obstruction, together with the right to prevent TENANT from erecting, or permitting to be erected, any building or other structure on the airport, which, in the opinion of CITY, would limit the usefulness of the airport, or constitute a hazard to aircraft.

12. Assignment. Subject to paragraph 25, TENANT shall not assign its rights and obligations under this lease agreement nor assign any part of the leased premises to a third party, but may sublet the leased premises to a third party without CITY approval, provided that the leased premises is used solely for aircraft storage.

13. Automobile Parking Lot. TENANT and TENANT's guests may use the parking lot area along with other members of the public and individuals utilizing the Airport.

14. Signs. TENANT agrees that no signs, lighting or advertising matter shall be erected without the written consent of CITY.

15. Insurance. TENANT shall maintain on the parcel and its improvements fire and extended coverage insurance in an amount at least equal to the assessed valuation of the improvements as well as liability coverage with a minimum combined single limit in an amount not less than \$1 million dollars of liability per occurrence for Bodily Injury and Property Damage. The liability coverage amount shall be raised by TENANT when and as necessary, during the term of the lease, to correspond to requirements of CITY.

16. Hold Harmless. TENANT agrees to indemnify and hold harmless CITY, its employees, agents, officers and officials, whether hired, appointed or elected, free and harmless from and against any and all judgments, damages, losses, costs, claims, expenses, suits, demands, deaths, actions and/or causes of action to which they may be exposed by reason of injury or injuries to anyone or of the death or deaths of anyone, or by reason of any personal injury and/or real property damage, or by reason of any other liability imposed by law or by anything or by anyone else upon the above-referenced entities and/or individuals as the result of and/or due to TENANT's operations on the demised premises or on any premises owned by CITY and adjacent thereto and/or as a result of and/or due to the presence of TENANT on the demised premises or on premises owned by CITY and adjacent thereto, and/or due to the existence of this Agreement; specifically included within this indemnification and hold harmless section are attorneys' fees and other costs of defense which may be sustained by and/or occasioned to the above-referenced entities and/or individuals.

17. Release. TENANT agrees to release CITY, its employees, agents, officers and officials, whether hired, appointed or elected, from and against any and all judgments, damages, losses, costs, claims, expenses, suits, demands, deaths, actions and/or causes of action of any kind or of any nature which may be sustained or to which they may be exposed by reason of injury or injuries to anyone or of the death or deaths of anyone, or by reason of any personal injury and/or real property damage, or by reason of any other liability imposed by law or by anything or by anyone else upon the above-referenced entities and/or individuals as the result of and/or due to TENANT's operations on the demised premises or on any premises owned by CITY and adjacent thereto and/or as a result of and/or due to the presence of TENANT on the demised premises or on premises owned by CITY and adjacent thereto, and/or due to the existence of this Agreement; specifically included within this release section are attorneys' fees and other costs of defense which may be sustained by and/or occasioned to the above-referenced entities and/or individuals.

18. Rights in Common with Others. TENANT shall have the right, in common with others authorized so to do, to use all common areas of Airport, including runways, taxiways, aprons, roadways, parking lots, and any other common areas.

19. Obligations of CITY.

A. CITY shall plow snow promptly and as necessary for the operation of an airport, on the runways, hangar areas, tie-down areas, and any areas in the parking lot necessary for use by TENANT. CITY shall plow to within six (6) feet of TENANT's hangar door.

B. CITY shall maintain the surface of the runways, hangar areas, tie-down areas, and necessary areas of the parking lot in a condition which is reasonable, taking into consideration the required use.

20. City's Right of Entry. CITY shall have the right to, upon 24 hours' notice, inspect the premises during normal business hours in the company of TENANT or an agent or employee of TENANT for the purpose of examining the same and to ascertain if they are in good and safe repair and in compliance with the requirements contained herein, including compliance with all federal, state and local codes. In the event of an emergency, CITY shall have the right to enter the premises without advance notice to TENANT.

21. Acceptance of Premises. TENANT, by the execution of this Agreement, represents that it has inspected Airport and the leased parcel, and that it accepts the condition of the same as they now exist, and fully assumes all risks incident to the use thereof.

22. Outside Storage and Removal of Trash. TENANT will not store in a location susceptible to view by the public, any equipment, materials, supplies, or damaged or partially dismantled aircraft or other vehicles on the leased or adjacent premises. Any screens or other devices used to keep equipment, materials or supplies from view shall be subject to prior consent by CITY.

TENANT further agrees to remove or cause to be removed, at TENANT's expense, any trash, garbage or debris generated by TENANT's use of the leased premises and agrees not to

deposit any trash, garbage or debris on any part of Airport or the leased premises except temporarily in connection with collection or removal of the same.

23. Repair of Premises. TENANT shall, at its expense, keep, maintain, and repair the leased premises, the building and all improvements in good condition subject to normal wear and tear. Included in TENANT's obligations is cutting grass, weeds and other vegetation. In the event TENANT fails to comply with this subparagraph, CITY shall give notice to TENANT specifying the nature of TENANT's failure. In the event that TENANT fails within thirty (30) days of CITY's notice to cure such failure, CITY shall have the option either to cure such failure and to assess the costs thereof against TENANT, or to terminate this Agreement upon five (5) days' notice to TENANT. TENANT hereby agrees to pay any and all such assessments, including all costs, disbursements and reasonable attorneys' fees incurred by CITY in curing such failure within thirty (30) days after CITY's demand therefor.

24. Security. The parties hereby agree that TENANT assumes all responsibility and obligation for providing security on the leased premises.

TENANT shall not permit any security code provided by CITY to TENANT to be provided to any other person unless such person has been identified to and approved in advance by LANDLORD, or is an authorized employee of TENANT. Any guest or passenger of TENANT shall be personally escorted by the TENANT, or an authorized employee of TENANT, into and out of security gates of the Airport security fence.

25. Title and Right of First Refusal to Leasehold Improvements. TENANT shall retain the title to all buildings and other improvements constructed by TENANT on the leased premises. During the term of the lease, ownership may be transferable by TENANT upon CITY's written approval, which shall not be unreasonably withheld.

26. Termination of Lease. Upon termination at the end of the 20-year term or of any successive terms, TENANT shall have the following options:

A. At TENANT's option, all buildings and improvements may be removed from the leased premises at no cost to the CITY. TENANT shall restore leased premises to orderly condition.

B. At TENANT's option, all buildings and improvements located on the leased premises may be sold. CITY shall have the first right to purchase such buildings and improvements. In the event TENANT receives a bona fide written offer to purchase said buildings and improvements from a third party, CITY shall have the first right to purchase said buildings and improvements at the same price and on the same terms and conditions as are contained in such an offer to purchase. In the event CITY elects not to exercise its option of first right of refusal to purchase the buildings and improvements, the party purchasing said buildings and improvements will agree to lease the premises from the CITY, upon terms acceptable to CITY.

27. Cancellation by CITY. CITY may cancel this Agreement by giving TENANT sixty (60) days' advance, written notice upon or after any one of the following events of default:

A. The failure of TENANT to pay rent in the amount and at the times and in the manner herein provided, and where such failure shall continue for thirty (30) days or more after written notice thereof shall have been given to TENANT.

B. The abandonment by TENANT of the leased premises, except in connection with its surrender to an approved assignee, sublessee, mortgagee, or other party succeeding to TENANT's interests or portion thereof hereunder.

C. The default by TENANT in the performance of any covenant or agreement required herein to be performed by TENANT, and TENANT's failure to commence and diligently continue to correct such default after written notice of the default given by CITY, as above provided.

Failure of CITY to declare this Agreement terminated upon the default of TENANT for any of the reasons set out above shall not operate to bar or destroy the right of CITY to cancel this Agreement by reason of any subsequent violation of the terms of this Agreement. Further, the acceptance of rental by CITY for any period after a default of any of the terms, covenants or conditions by TENANT shall not be deemed a waiver of any right on the part of CITY to cancel this agreement.

Upon cancellation by CITY, CITY shall have the right to enter upon premises and building and, at its option, commence an action to take title.

28. Force Majeure. If, by reason of force majeure, either party is unable, in whole or in part, to carry out the agreements of such party on its part herein contained, such party shall not be deemed in default during the continuance of such inability. The term "force majeure" as used herein shall mean, without limitation, the following: acts of God; strikes; lockout or threats of orders of any kind of the government of the United States or of Wisconsin, or any of their departments, agencies or officials, or any civil (except, in the case of CITY only, CITY) or military authority; insurrections; riots; epidemics; landslides; lightning; earthquake; fire; hurricanes; storms; floods; washouts; droughts; arrests; restraint of government (except, in the case of CITY only, CITY) and people; civil disturbances; explosions; damage, loss, breakage or accident to the buildings, leased premises or Airport; partial or entire failure of utilities; or any other cause or event not reasonably within the control of such party, it being agreed that the settlement strikes, lockouts and other industrial disturbances shall be entirely within the discretion of such party and such party shall not be required to make settlement of strikes, lockouts and other industrial disturbances by acceding to the demands of the opposing party or parties in such matters when such course is, in the judgment of such party, unfavorable to such party.

29. Nothing in this lease shall serve to transfer title to the land in any manner, from CITY to TENANT.

30. TENANT shall pay to CITY real estate taxes on the building and other improvements, as "Building on Leased Land."

31. Motor Vehicle Parking. TENANT may park motor vehicles inside the hangar or outside the hangar in an area that will not impede access to other hangars or block aircraft from

safely using the taxi-lane to taxi. Long term parking of vehicles or trailers outside the hangar is not permitted.

32. Visitors. TENANT shall be responsible for and cause TENANT's passengers, guests or employees to act in a manner that will not disturb other users of the Airport and to pay all reasonable charges for maintenance and repair of damages to the leased premises or Airport caused by TENANT or TENANT's passengers, guests or employees.

33. Notices. All notices required herein shall be in writing and shall be deemed given when mailed by registered or certified mail, postage prepaid, properly addressed to the party to be notified as follows:

If to TENANT: Owen Jones
723 Country Club Road
Schofield, WI 54476

Wynn O. Jones II
720 Country Club Road
Schofield, WI 54476

If to CITY: City Clerk
407 Grant Street
Wausau, WI 54403

34. Hangar Use.

A. The hangar shall be used for aeronautical purposes which include:

- (i.) Storage of active aircraft;
- (ii.) Final assembly of aircraft under construction;
- (iii.) Non-commercial construction of amateur-built or kit-built aircraft;
- (iv.) Maintenance, repair, or refurbishment of aircraft, but not the indefinite storage of nonoperational aircraft.
- (v.) Storage of aircraft handling equipment such as towbars, glider tow equipment, workbenches, and tools and materials used in the servicing, maintenance, repair or outfitting of aircraft.

B. Provided the hangar is used primarily for aeronautical purposes, non-aeronautical items may be stored in hangars provided the items do not interfere with the aeronautical use of the hangar. No items may be store outside of the hangar. Non-aeronautical items will be deemed to interfere with the aeronautical use of the hangar where the item or items:

- (i.) Impede the movement of aircraft in and out of the hangar or impede access to aircraft or other aeronautical contents of the hangar;
- (ii.) Displace the aeronautical contents of the hangar. A vehicle parked at the hangar while the vehicle owner is using the aircraft will not be considered to

- displace the aircraft;
- (iii.) Impede access to aircraft or other aeronautical contents of the hangar;
- (iv.) Are used for the conduct of a non-aeronautical business;
- (v.) Are stored in violation of airport rules and regulations, building codes or local ordinances.

C. Hangars shall not be used as a residence.

IN WITNESS WHEREOF, the parties have hereunto set their hands and seals this ____ day
of _____, 20 ____.

CITY:

CITY OF WAUSAU

BY _____
Katie Rosenberg, Mayor

BY _____
Leslie M. Kremer, City Clerk

TENANT:

BY _____
Owen Jones

BY _____
Wynn O. Jones II

STATE OF WISCONSIN)
) ss.
COUNTY OF MARATHON)

Personally came before me this _____ day of _____, 20____, the above-named Katie Rosenberg, Mayor, and Leslie M. Kremer, City Clerk of the City of Wausau, to me known to be the persons who executed the foregoing instrument and acknowledged the same.

Notary Public, Wisconsin
My commission: _____

STATE OF WISCONSIN)
) ss.
COUNTY OF MARATHON)

Personally came before me this _____ day of _____, 20____, the above-named _____
_____,
to me known to be the person(s) who executed the foregoing instrument and acknowledged the same.

Notary Public, Wisconsin
My commission: _____

This instrument was drafted by Nathan K. Miller,
Assistant City Attorney for the City of Wausau.

CITY OF WAUSAU 2021 BUDGET
GENERAL FUND STATEMENT OF REVENUES AND EXPENDITURES
BUDGET AND ACTUAL
FEBRUARY 28, 2021
NARRATIVE

REVENUES

General Fund revenues for the month ending February 28, 2021 were \$22.1 million. This amount is an increase of \$1.8 million, or 9.0%, above actual revenues for the same period last year. However, timing of Municipal Service Aids and Transportation Aid payments account entirely for the increase over last year. Total General Fund revenues are at 60.7% of the annual estimate for Budget Year 2021.

COVID-19 continues to negatively impact General Fund revenues. Court fines and penalty collections, public charges for services, are down from February 2020 due to fewer citations issued, limited snowfall in 2021 and reduced park services. In particular, interest earnings on general investments are well below budget. The financial markets have remained relatively flat for much of 2021 and we are skeptical on how the City's investments will perform the rest of the year. As a result of accounting adjustments of investments to market value, the City's current earnings on investment are negative.

EXPENSES

As of February 28, 2021, of total General Fund expenditures are \$5.1 million, which is a decrease of approximately \$509,000 (-9.0%) from the same period last year. The majority of the budget savings are in the Public Works Department. Compared to February of 2020, 2021 Public Works expenses are down \$416,700 due to the mild spring weather. Those savings could be offset by heavy winter weather in the 4th quarter.

Expenditures for General Government, Public Safety, Garbage, Parks and Recreation Departments are consistent with the amounts expended in the prior year and are at acceptable levels in accordance with current year budget estimates. Total General Fund expenditures are at 14.1% of the annual estimate for Budget Year 2021.

CITY OF WAUSAU, WISCONSIN
GENERAL FUND
SCHEDULE OF REVENUES AND OTHER FINANCING SOURCES - BUDGET AND ACTUAL
Period Ended February 28, 2021

	<u>2021 Budget</u>		<u>YTD</u>	<u>Variance with</u>	<u>YTD 2020</u>
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	<u>Final Budget</u>	<u>(Preliminary)</u>
TAXES					
General property taxes	\$ 20,185,188	\$ 20,185,188	\$ 20,185,188	\$ -	\$ 18,863,394
Mobile home parking fees	28,000	28,000	\$ 3,760	(24,240)	3,562
Payments in lieu of taxes	100,000	100,000	(436)	(100,436)	300
Other taxes	<u>70,500</u>	<u>70,500</u>	<u>5,888</u>	<u>(64,612)</u>	<u>4,870</u>
Total Taxes	<u>20,383,688</u>	<u>20,383,688</u>	<u>20,194,400</u>	<u>(189,288)</u>	<u>18,872,126</u>
INTERGOVERNMENTAL AID					
State shared taxes	4,670,363	4,670,363	-	(4,670,363)	-
Expenditure restraint	907,126	907,126	-	(907,126)	-
Fire insurance tax	135,000	135,000	-	(135,000)	-
Municipal services	161,404	161,404	222,838	61,434	-
Transportation aids	3,061,498	3,061,498	764,450	(2,297,048)	-
Roads to recovery aid - COVID-19	-	-	-	-	-
Other grants	<u>223,316</u>	<u>223,316</u>	<u>362</u>	<u>(222,954)</u>	<u>-</u>
Total Intergovernmental	<u>9,158,707</u>	<u>9,158,707</u>	<u>987,649</u>	<u>(8,171,058)</u>	<u>-</u>
LICENSES AND PERMITS					
Licenses	161,720	161,720	6,883	(154,837)	6,002
Franchise fees	335,000	335,000	76,299	(258,701)	-
Permits	<u>275,317</u>	<u>275,317</u>	<u>34,177</u>	<u>(241,140)</u>	<u>89,912</u>
Total Licenses and Permits	<u>772,037</u>	<u>772,037</u>	<u>117,358</u>	<u>(654,679)</u>	<u>95,914</u>
FINES, FORFEITURES, AND PENALTIES					
	<u>306,030</u>	<u>306,030</u>	<u>21,636</u>	<u>(284,394)</u>	<u>66,582</u>
PUBLIC CHARGES FOR SERVICES					
General government	88,630	88,630	14,558	(74,072)	11,309
Public safety	1,837,746	1,837,746	285,410	(1,552,336)	325,328
Streets and related facilities	140,200	140,200	3,830	(136,370)	29,107
Recreation	180,800	180,800	5,912	(174,888)	-
Public areas	<u>139,560</u>	<u>139,560</u>	<u>1,538</u>	<u>(138,022)</u>	<u>250</u>
Total Public Charges for Services	<u>2,386,936</u>	<u>2,386,936</u>	<u>311,249</u>	<u>(2,075,687)</u>	<u>365,993</u>
INTERGOVERNMENTAL CHARGES FOR SERVICES					
State and federal reimbursements	11,350	11,350	-	(11,350)	-
County and other municipalities	88,348	88,348	47,742	(40,606)	45,831
City departments	<u>763,500</u>	<u>763,500</u>	<u>42,587</u>	<u>(720,913)</u>	<u>52,357</u>
Total Intergovernmental Charges for Services	<u>863,198</u>	<u>863,198</u>	<u>90,329</u>	<u>(772,869)</u>	<u>98,188</u>

CITY OF WAUSAU, WISCONSIN
GENERAL FUND
SCHEDULE OF REVENUES AND OTHER FINANCING SOURCES - BUDGET AND ACTUAL (Continued)
Period Ended February 28, 2021

	<u>Budgeted Amounts</u>			Variance with	2020
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	<u>Final Budget</u>	<u>YTD (Preliminary)</u>
COMMERCIAL					
Interest on general investments	\$ 400,000	\$ 400,000	\$ (21,651)	\$ (421,651)	\$ 346,714
Interest on special assessments	-	-	2	2	-
Other interest	<u>7,000</u>	<u>7,000</u>	<u>28,548</u>	<u>21,548</u>	<u>26,241</u>
Total Commercial	<u>407,000</u>	<u>407,000</u>	<u>6,899</u>	<u>(400,101)</u>	<u>372,955</u>
MISCELLANEOUS REVENUES					
Rent of land and buildings	128,000	128,000	21,733	(106,267)	62,933
Sale of City property/loss compensation	18,200	18,200	4,730	(13,470)	1,195
Other miscellaneous revenues	<u>31,805</u>	<u>31,805</u>	<u>418</u>	<u>(31,387)</u>	<u>4,877</u>
Total Miscellaneous Revenues	<u>178,005</u>	<u>178,005</u>	<u>26,881</u>	<u>(151,124)</u>	<u>69,005</u>
OTHER FINANCING SOURCES					
Transfers in	<u>1,861,355</u>	<u>1,861,355</u>	<u>301,443</u>	<u>(1,559,912)</u>	<u>287,943</u>
TOTAL REVENUES AND OTHER FINANCING SOURCES	<u>\$ 36,316,956</u>	<u>\$ 36,316,956</u>	<u>\$ 22,057,843</u>	<u>\$ (14,259,113)</u>	<u>\$ 20,228,706</u>

CITY OF WAUSAU, WISCONSIN
GENERAL FUND
SCHEDULE OF EXPENDITURES - BUDGET AND ACTUAL
Period Ended February 28, 2021

	<u>2021 Budget</u>		<u>YTD</u>	<u>Variance with</u>	<u>YTD 2020</u>
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	<u>Final Budget</u>	<u>(Preliminary)</u>
GENERAL GOVERNMENT					
City Council	\$ 90,004	\$ 90,004	\$ 11,198	\$ 78,806	\$ 11,589
Mayor	179,360	179,360	26,219	153,141	29,707
City Promotion	101,500	101,500	18,215	83,285	17,377
Finance department	538,546	538,546	74,747	463,799	90,241
Data processing	886,694	886,694	130,000	756,694	84,459
City clerk/customer service	434,124	434,124	63,477	370,647	64,419
Elections	70,498	70,498	27,342	43,156	28,583
Assessor	583,842	583,842	73,450	510,393	78,042
City attorney	614,367	614,367	89,742	524,624	103,463
Municipal court	152,989	152,989	21,052	131,937	20,200
Human resources	391,890	391,890	48,333	343,557	53,308
City hall and other municipal buildings	304,881	304,881	59,985	244,896	58,958
Unclassified	30,000	80,000	695	79,305	10,481
Total General Government	<u>4,378,695</u>	<u>4,428,695</u>	<u>644,454</u>	<u>3,784,241</u>	<u>650,826</u>
PUBLIC SAFETY					
Police department	10,446,198	10,446,198	1,525,285	8,920,913	1,559,797
Fire department	4,585,931	4,585,931	617,912	3,968,019	677,595
Ambulance	3,473,444	3,473,444	530,926	2,942,518	511,956
Emergency government (COVID-19)	10,000	10,000	1,940	8,060	-
Inspections	911,238	911,238	140,106	771,132	139,289
Total Public Safety	<u>19,426,812</u>	<u>19,426,812</u>	<u>2,816,170</u>	<u>16,610,642</u>	<u>2,888,636</u>
TRANSPORTATION AND STREETS					
Engineering	1,405,888	1,405,888	191,506	1,214,382	197,783
Department of public works	<u>7,100,517</u>	<u>7,100,517</u>	<u>964,157</u>	<u>6,136,359</u>	<u>1,380,869</u>
Total Transportation and Streets	<u>8,506,405</u>	<u>8,506,405</u>	<u>1,155,663</u>	<u>7,350,742</u>	<u>1,578,653</u>
SANITATION, HEALTH AND WELFARE					
Garbage and refuse collection	<u>945,000</u>	<u>945,000</u>	<u>157,707</u>	<u>787,293</u>	<u>154,028</u>
NATURAL RESOURCES/RECREATION					
Parks and recreation	<u>3,108,683</u>	<u>3,108,683</u>	<u>339,069</u>	<u>2,769,614</u>	<u>347,966</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>\$ 36,415,594</u>	<u>\$ 5,113,064</u>	<u>\$ 31,302,530</u>	<u>\$ 5,620,109</u>

CITY OF WAUSAU, WISCONSIN
GENERAL FUND
SUMMARY OF BUDGET MODIFICATIONS
Period Ended February 28, 2021

BUDGET REVENUES RECONCILIATION

2021 ADOPTED BUDGET	\$ 36,316,956
Write off Uncollectible Delinquent Personal Property Tax Accounts	<u>\$ -</u>
2021 MODIFIED BUDGET	<u><u>\$ 36,316,956</u></u>

BUDGET EXPENDITURES RECONCILIATION

2021 ADOPTED BUDGET	\$ 36,365,594
Finance - Priority Based Budgeting Software	\$ 50,000
Engineering - Robotic Survey Equipment	\$ -
Public Works - Material Crushing Services	<u>\$ -</u>
2021 MODIFIED BUDGET	<u><u>\$ 36,415,594</u></u>



TO: FINANCE COMMITTEE
FROM: MARYANNE GROAT
DATE: April 22, 2021
RE: COVID Loan and Ground Lease Deferrals

On December 8, 2020 the Common Council authorized an extension of loan and ground lease deferrals due to the COVID hardships for an additional 6 months.

The mortgagees currently participating in the loan deferral will receive a re-activation notice for loan payments due in July. The deferral was set up in the loan program so that they will catch up with the deferred payments at the end of the loan term. This will result in additional interest accrued. The additional interest can be avoided with accelerated payments if they choose. There is no prepayment penalty in the loan.

The City has two ground lease agreements, WOW and Riverlife Briqs. There was no advance directive on how the leasees would catch up on back lease payments. Currently, the deferred ground lease payments are:

	Mo Rent	Total Accrued	Lease Expiration	Renewals	Unpaid Months
Briqs	\$ 1,000	\$ 12,000	6/25/2022	Can renew in successive terms	June 2020 to May 2021 unpaid
WOW	\$ 1,000	\$ 8,000	5/1/2032	Can renew in successive terms	October 2020 to May 2021 unpaid

We would like to set expectations with the committee regarding catch up provisions. In looking at other community COVID provisions many communities are allowing a 6-8 month catch up provision. Some are providing incentives such as providing a small discount for each lease payment made.

The City would be eligible to offset the discounted land lease through the American Rescue Plan.