

CITY OF FRANKLIN  
COMMITTEE OF THE WHOLE MEETING  
FRANKLIN CITY HALL – COMMON COUNCIL CHAMBERS  
9229 WEST LOOMIS ROAD, FRANKLIN, WISCONSIN  
AGENDA\*  
MONDAY, AUGUST 31, 2020 AT 6:30 P.M.

[The Parks Commission and the Board of Water Commissioners also has been scheduled to meet at such time and place and upon quorum and call to order, shall then meet concurrently with the Committee of the Whole upon the subject matter II.(a) listed on this agenda; the Board of Water Commissioners also has been scheduled to meet at such time and place and upon quorum and call to order, as stated above and as has may occurred previously at this meeting, shall then meet concurrently with the Committee of the Whole upon the subject matter II.(b) listed on this agenda.]

- I. Call to Order and Roll Call.
- II. Business:
  - (a) Potential Acquisition of Property for Public Park Purposes in the City of Franklin, including, but not limited to properties for what has been conceptually termed water tower park, located in the 8100 block on the east side of South Lovers Lane Road bearing Tax Key Nos. 801-9984-000, 801-9985-000, 801-9986-000 and 801-9987-000. The Committee of the Whole may enter closed session pursuant to Wis. Stat. § 19.85(1)(e), for market competition and bargaining reasons, to consider the potential acquisition of properties to be used for public park purposes in the City of Franklin, including, but not limited to properties for what has been conceptually termed water tower park, located in the 8100 block on the east side of South Lovers Lane Road bearing Tax Key Nos. 801-9984-000, 801-9985-000, 801-9986-000 and 801-9987-000, and to reenter open session at the same place thereafter to act on such matters discussed therein as it deems appropriate.
  - (b) Wholesale Public Water Supply to Franklin 2024. The Committee of the Whole may enter closed session pursuant to Wis. Stat § 19.85(1)(e) to deliberate upon information, terms and provisions of the potential provision of public water supply to the City of Franklin as related to the City, the Franklin Municipal Water Utility and its customers in 2024 and beyond; and the potential negotiation of terms in relation thereto, including, but not limited to potential amendments to the Agreement for Oak Creek to Provide Water at Wholesale to Franklin, potential agreement terms with alternate public water supply sources, including, but not limited to the City of Milwaukee and Milwaukee Water Works, and the investing of public funds and governmental actions in relation thereto, for competitive and bargaining reasons, and to reenter open session at the same place thereafter to act on such matters discussed therein as it deems appropriate.
  - (c) Standards, Findings and Decision of the City of Franklin Common Council Upon the Application of Mills Hotel Wyoming, LLC, Applicant, for a Special Exception to Certain Natural Resource Provisions of the City of Franklin Unified Development Ordinance; A Resolution Conditionally Approving a 2 Lot Certified Survey Map, Being All of Lot 84 in Ryan Meadows, Located in the Southwest 1/4 and Northwest 1/4 of the Northeast 1/4 and

the Northeast 1/4 of the Southwest 1/4 and the Northeast 1/4 and the Southeast 1/4 of the Northwest 1/4 all in Section 30, Township 5 North, Range 21 East, City of Franklin, Milwaukee County, Wisconsin (Mills Hotel Wyoming, LLC, Applicant) (Generally on the East Side of Monarch Drive, South of Chicory Street, Area Commonly Known as Area G); and Site Plan application by Copart of Connecticut, Inc. to allow for construction of a 7,200 square foot building and vehicle storage yard for Copart, Inc. (on approximately 44-acres upon or adjacent to the afore described properties), approved at the May 7, 2020 Plan Commission meeting, conditioned in part on the approval of a concurrent rezoning application (Mills Hotel Wyoming, LLC, Applicant) (for a portion of the afore described properties), which was denied by the Common Council on May 19, 2020 (all related to properties within the Bear Development Ryan Meadows Development). The Committee of the Whole may enter closed session pursuant to Wis. Stat. § 19.85(1)(g), to confer with legal counsel for the Committee of the Whole, and the Common Council, who is rendering oral or written advice concerning strategy to be adopted by the body with respect to potential litigation with regard to the Special Exception to Certain Natural Resource Provisions, Certified Survey Map and Site Plan applications by Mills Hotel Wyoming, LLC and Copart of Connecticut, Inc., respectively, in which it is likely to become involved, and to reenter open session at the same place thereafter to act on such matters discussed therein as it deems appropriate.

- (d) 2021 Budget Kick-Off Information.

### III. Adjournment.

\*Supporting documentation and details of these agenda items are available in the Common Council Meeting Packet on the City of Franklin website [www.franklinwi.gov](http://www.franklinwi.gov)

[Note Upon reasonable notice, efforts will be made to accommodate the needs of disabled individuals through appropriate aids and services For additional information, contact the City Clerk's office at (414) 425-7500 ]

<p style="text-align: center;"><b>APPROVAL</b></p> <p style="text-align: center;"><i>slw</i></p>	<p style="text-align: center;"><b>REQUEST FOR COMMITTEE OF THE WHOLE ACTION</b></p>	<p style="text-align: center;"><b>MEETING DATE</b></p> <p style="text-align: center;">August 31, 2020</p>
<p><b>REPORTS AND RECOMMENDATIONS</b></p>	<p>Potential Acquisition of Property for Public Park Purposes in the City of Franklin, including, but not limited to properties for what has been conceptually termed water tower park, located in the 8100 block on the east side of South Lovers Lane Road bearing Tax Key Nos. 801-9984-000, 801-9985-000, 801-9986-000 and 801-9987-000. The Committee of the Whole may enter closed session pursuant to Wis. Stat. § 19.85(1)(e), for market competition and bargaining reasons, to consider the potential acquisition of properties to be used for public park purposes in the City of Franklin, including, but not limited to properties for what has been conceptually termed water tower park, located in the 8100 block on the east side of South Lovers Lane Road bearing Tax Key Nos. 801-9984-000, 801-9985-000, 801-9986-000 and 801-9987-000, and to reenter open session at the same place thereafter to act on such matters discussed therein as it deems appropriate</p>	<p><b>ITEM NUMBER</b></p> <p style="text-align: center;"><i>II. (a)</i></p>

**COMMITTEE ACTION REQUESTED**

A motion to enter closed session pursuant to Wis. Stat. § 19.85(1)(e), for market competition and bargaining reasons, to consider the potential acquisition of properties to be used for public park purposes in the City of Franklin, including, but not limited to properties for what has been conceptually termed water tower park, located in the 8100 block on the east side of South Lovers Lane Road bearing Tax Key Nos. 801-9984-000, 801-9985-000, 801-9986-000 and 801-9987-000, and to reenter open session at the same place thereafter to act on such matters discussed therein as it deems appropriate.

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**COMMITTEE ACTION REQUESTED**

A motion to enter closed session pursuant to Wis. Stat § 19.85(1)(e) to deliberate upon information, terms and provisions of the potential provision of public water supply to the City of Franklin as related to the City, the Franklin Municipal Water Utility and its customers in 2024 and beyond; and the potential negotiation of terms in relation thereto, including, but not limited to potential amendments to the Agreement for Oak Creek to Provide Water at Wholesale to Franklin, potential agreement terms with alternate public water supply sources, including, but not limited to the City of Milwaukee and Milwaukee Water Works, and the investing of public funds and governmental actions in relation thereto, for competitive and bargaining reasons, and to reenter open session at the same place thereafter to act on such matters discussed therein as it deems appropriate.

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### **COMMITTEE ACTION REQUESTED**

A motion to enter closed session pursuant to Wis. Stat. § 19.85(1)(g), to confer with legal counsel for the Committee of the Whole, and the Common Council, who is rendering oral or written advice concerning strategy to be adopted by the body with respect to potential litigation with regard to the Special Exception to Certain Natural Resource Provisions, Certified Survey Map and Site Plan applications (all related to properties within the Bear Development Ryan Meadows Development) by Mills Hotel Wyoming, LLC and Copart of Connecticut, Inc., respectively, in which it is likely to become involved, and to reenter open session at the same place thereafter to act on such matters discussed therein as it deems appropriate.



2021 Budget Kick-Off



**Franklin**  
W I S C O N S I N

Committee of the  
Whole Meeting  
August 31, 2020

# BUDGET FOUNDATION DISCUSSION

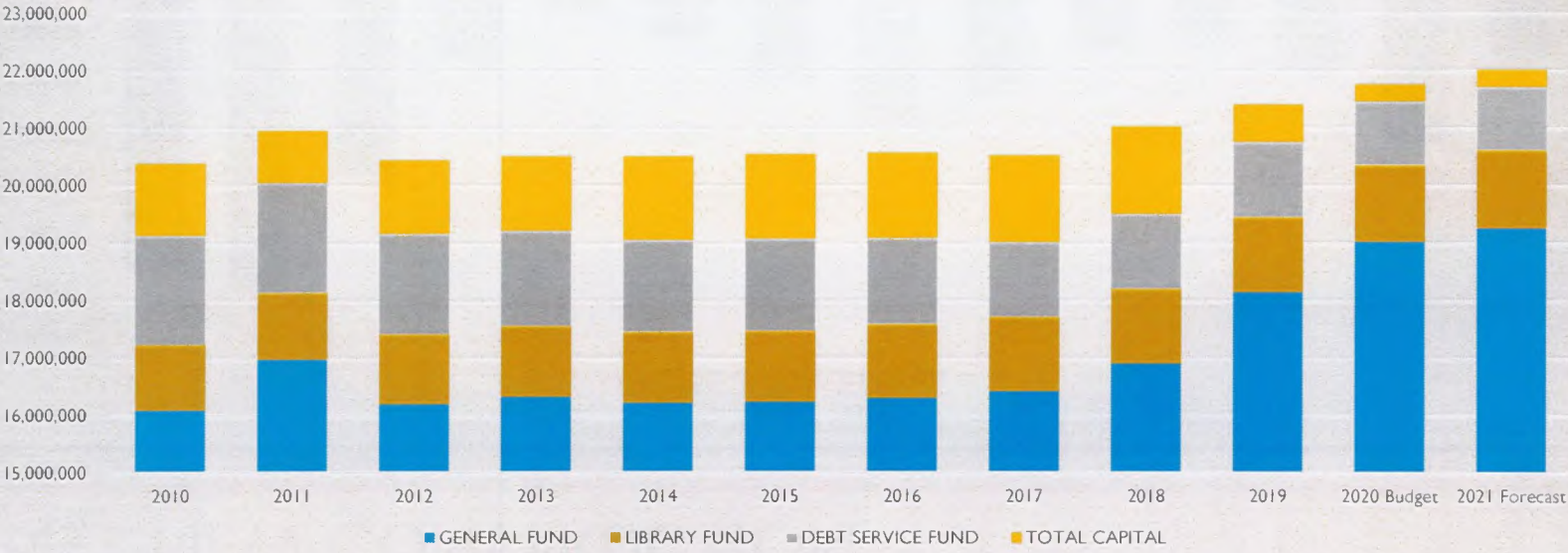
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- Historical Perspective of Revenues / Expenditures / Fund Balance / Debt
- Financial Illustration of City Operations
- 2020 Budget Projections / 2021 Budget Early Forecast
- 2021 Budget Assumptions
- 2021 Budget Challenges, Opportunities, and Goals
- Timeline for Future 2021 Budget Activities
- Appendix – Additional City Details / Comparable City Information / Fund Balance Article

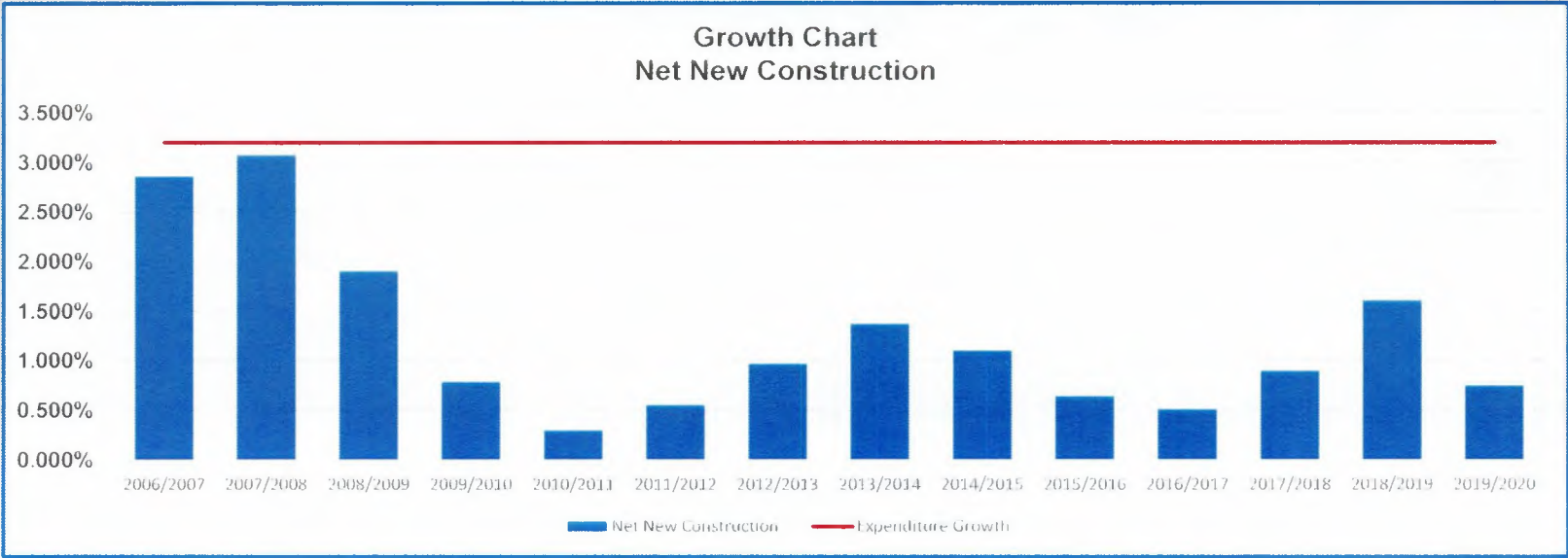


# REVENUES - TAXES

## TOTAL TAX LEVY LAST 10 YEARS



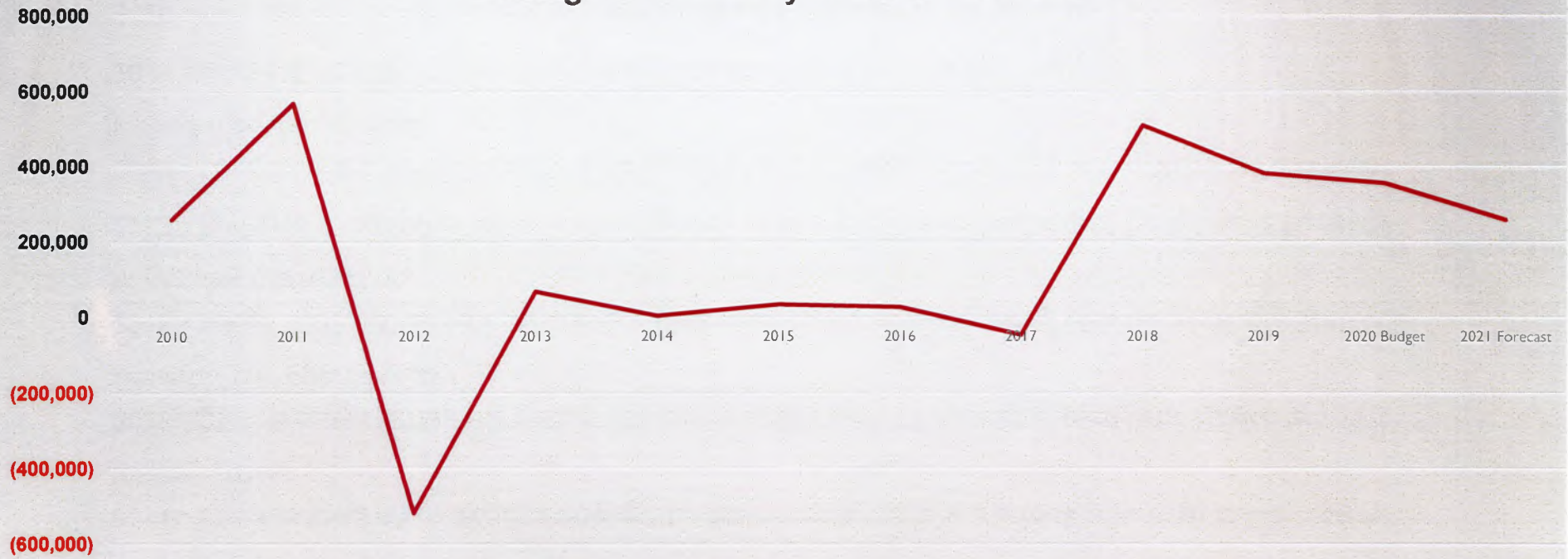
# REVENUES - TAXES NET NEW CONSTRUCTION



Note: 2018/19 is shown higher than actual (reported 1.61% / actual 1.21%) and 2019/2020 is shown lower than actual (reported .74% / actual 1.09%) due to an Assessor correction / timing issue.



## Revenues - Taxes Change in Tax Levy From Prior Year



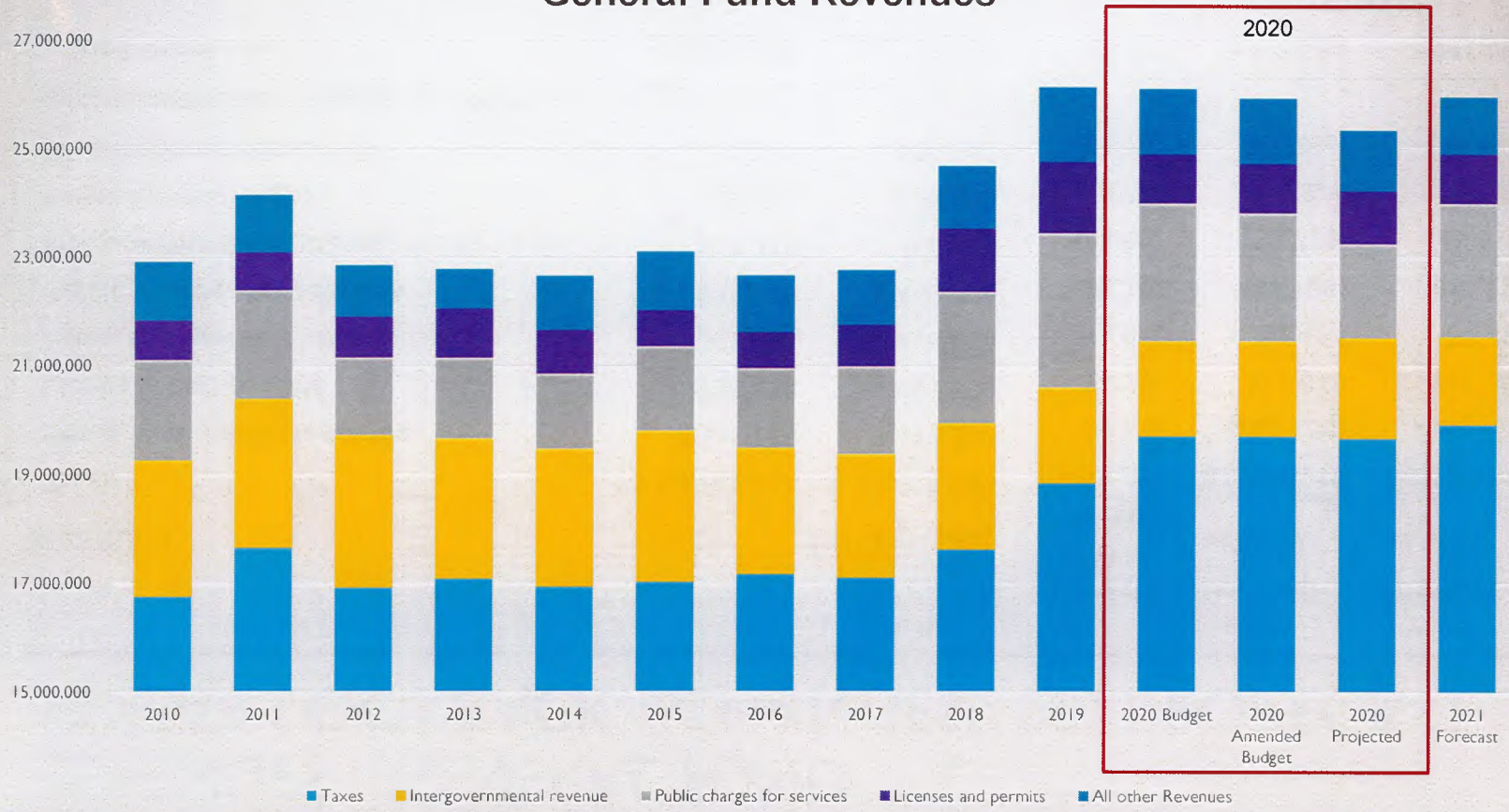
## REVENUES - TAXES

### LEVY INCREASES IN THE AGE OF LEVY LIMITS

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- 2011 - Created Solid Waste Fund removing \$1.1 Million from tax levy and took advantage of TID closure for levy growth
- 2013-2017 - Frozen tax levy and no net new construction used – Replaced unused debt service levy with General Fund operating levy
- 2018 - Added \$283,000 of debt service levy (first time) to increase levy along with the allowable \$110,000 of net new construction
- 2019 - Replaced \$700,000 of tax levy capacity with general tax levy in the General Fund / more flexibility
- 2019 - Used landfill siting revenues to fund capital projects, freeing up capacity in the General Fund levy for more operating needs
- 2019 - Added \$272,000 of debt service levy and \$185,000 of net new construction
- 2020 - only net new construction used, which was a 2% decrease in the tax rate

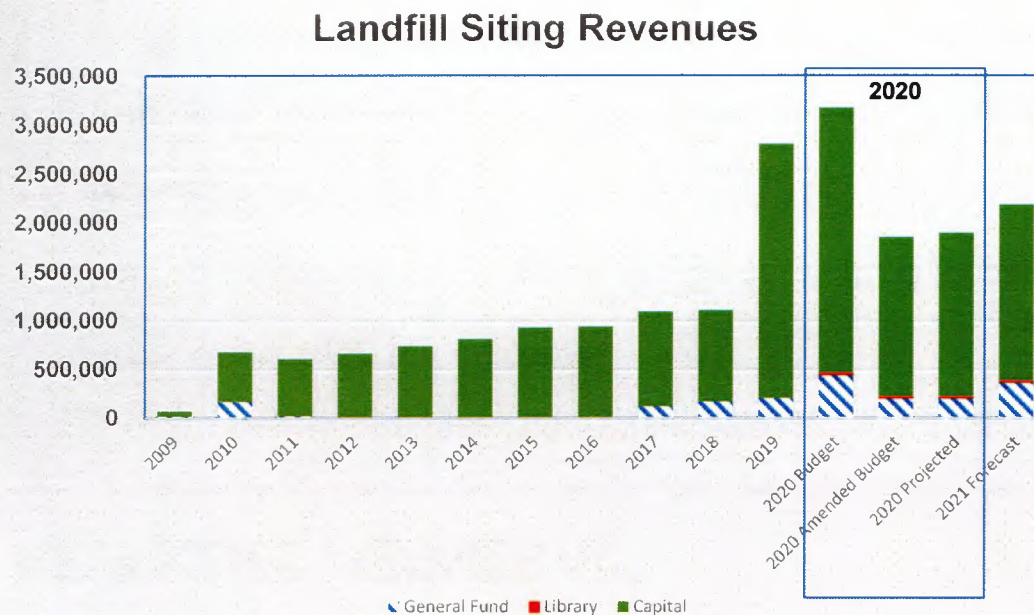
## Revenues - All General Fund Revenues



## REVENUES - GENERAL FUND 10 YEAR LOOKBACK / CHANGES / 2021 FORECAST

REVENUES	2010	2021 Forecast	Growth 10 Year Change	2020 Projected vs 2010	2021 Forecast vs 2010
Taxes	\$ 16,742,784	\$ 19,905,700	18.9%	\$ 2,911,816	\$ 3,162,916
Intergovernmental resource	2,511,258	1,617,500	-35.6%	(663,858)	(893,758)
Licenses and permits	729,432	905,700	24.2%	243,048	176,268
Fines, forfeitures and penalties	422,506	490,000	16.0%	27,494	67,494
Public charges for services	1,838,076	2,449,300	33.3%	(111,126)	611,224
Intergovernmental charges for services	237,319	190,400	-19.8%	(53,719)	(46,919)
Investment earnings	226,206	236,500	4.6%	119,294	10,294
Miscellaneous resources	185,265	138,750	-25.1%	(47,265)	(46,515)
Interdepartmental charges for services	-	-	-	-	-
<b>Total Resources</b>	<b><u>22,892,846</u></b>	<b><u>25,933,850</u></b>	<b><u>13.3%</u></b>	<b><u>2,425,684</u></b>	<b><u>3,041,004</u></b>

# REVENUES - OTHER LANDFILL SITING FEE REVENUE



- 2017 - Common Council directive - up to 20% of Landfill Siting Revenues to be used for operations
- Using remaining Landfill Siting Revenues for City capital needs rather than borrowing
- A substantial City initiative to use Landfill Siting Revenues in the future?
- Landfill Siting Revenues are expected to last approximately 20-30 more years

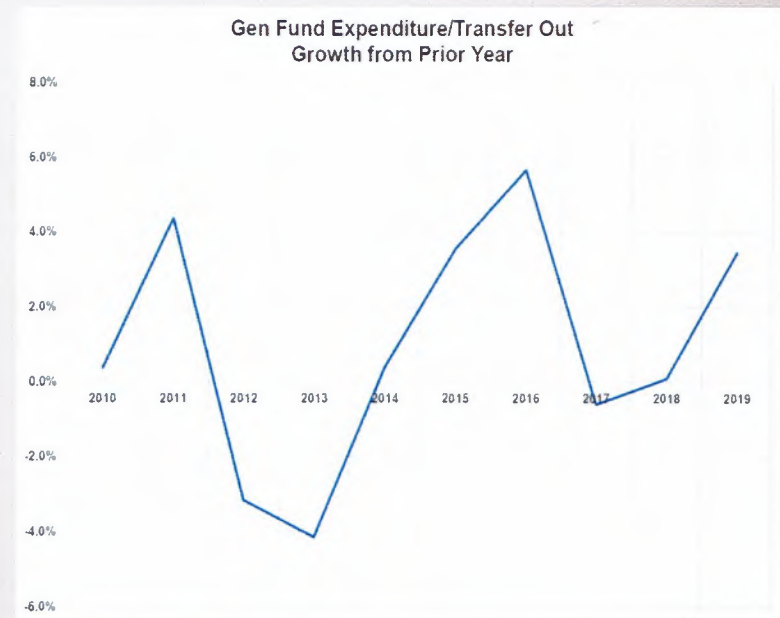
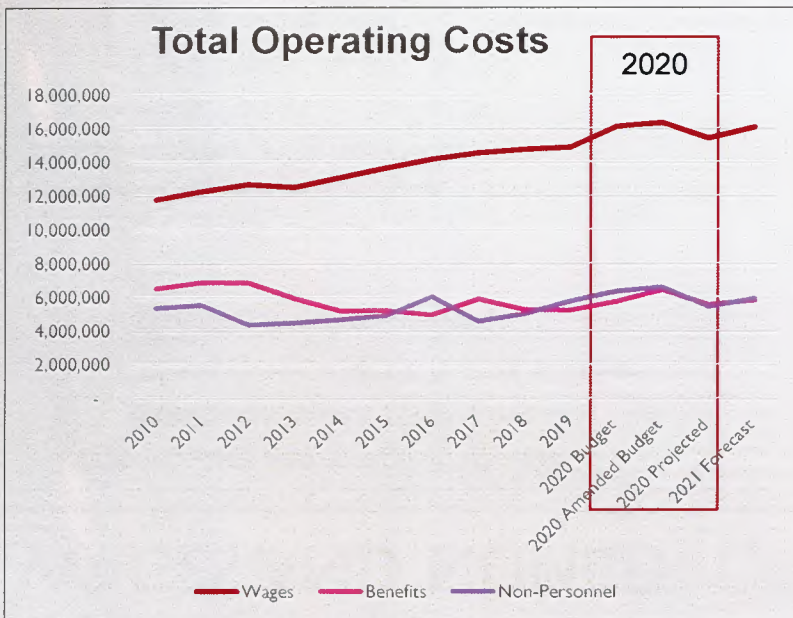
## REVENUES - GENERAL

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- Tax levy controlled by levy limits (adjustments allowed, but would increase taxes) / Desire to hold the line on tax increases
- 2018 cap on Hotel/Motel Tax to the General Fund (based on existing number of hotels)
- Revenues other than taxes - Total \$5.7 Million - no substantial room for growth
- Landfill Siting - allocation of use between operating and capital needs
  - 2017 Policy capping landfill siting revenues to 20% for operating needs/remainder to capital needs
- 2021 Forecast includes assumptions that ambulance revenues rebound to pre-2020 levels and landfill siting revenues rise by \$160,000



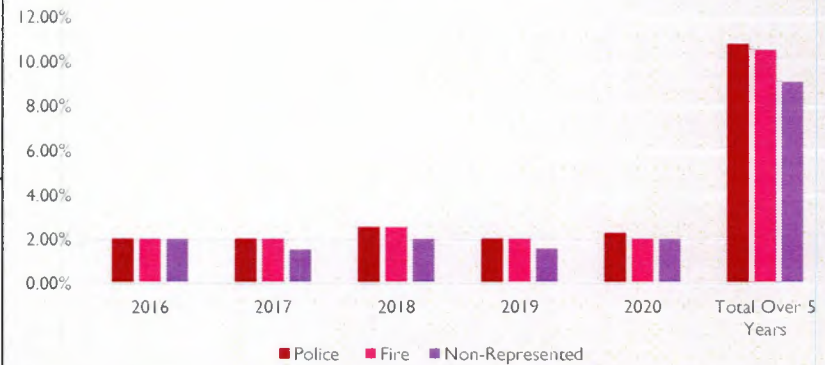
# EXPENDITURES - GENERAL FUND 10 YEAR LOOKBACK / 2020 PROJECTED / 2021 FORECAST



# EXPENDITURES - PERSONNEL WAGES AND NUMBER OF EMPLOYEES (FTE'S)

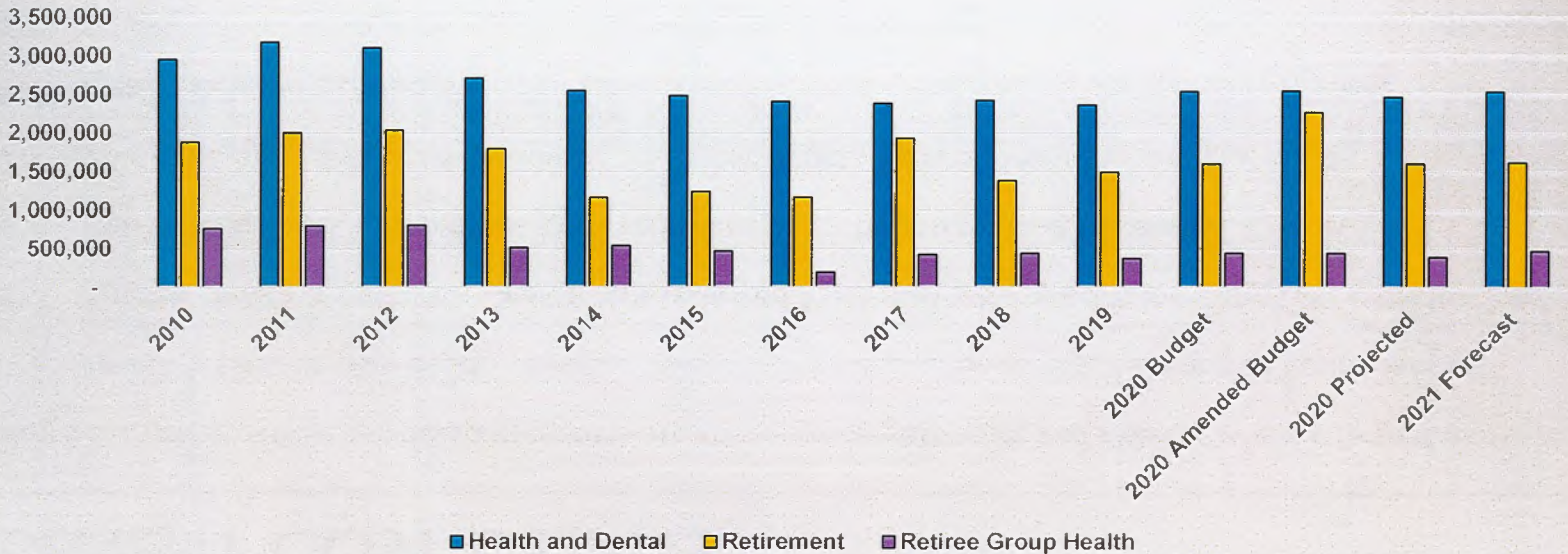
- Wage increase percentage 2010 - 2020
  - Public Safety - 33.1% (3% average / year)
  - Public Works - 24.3% (2.21% average / year)
  - General Government - 26.1% (2.37% average / year)
- Full-time equivalent employees from 2010 - 2020 has increased 3.7% (196.7 to 204.0)
  - Public Safety - up 3.0, to 134.8
  - Public Works - up 0.75, to 33.0
  - General Government - up 1.25, to 22.8

City of Franklin Pay Increase Percentage  
2016 - 2020



\*Police/Fire difference in 2020 is due to timing of increase (Police on 4/1 and Fire on 1/1)

# EXPENDITURES - PERSONNEL GENERAL FUND BENEFIT COSTS



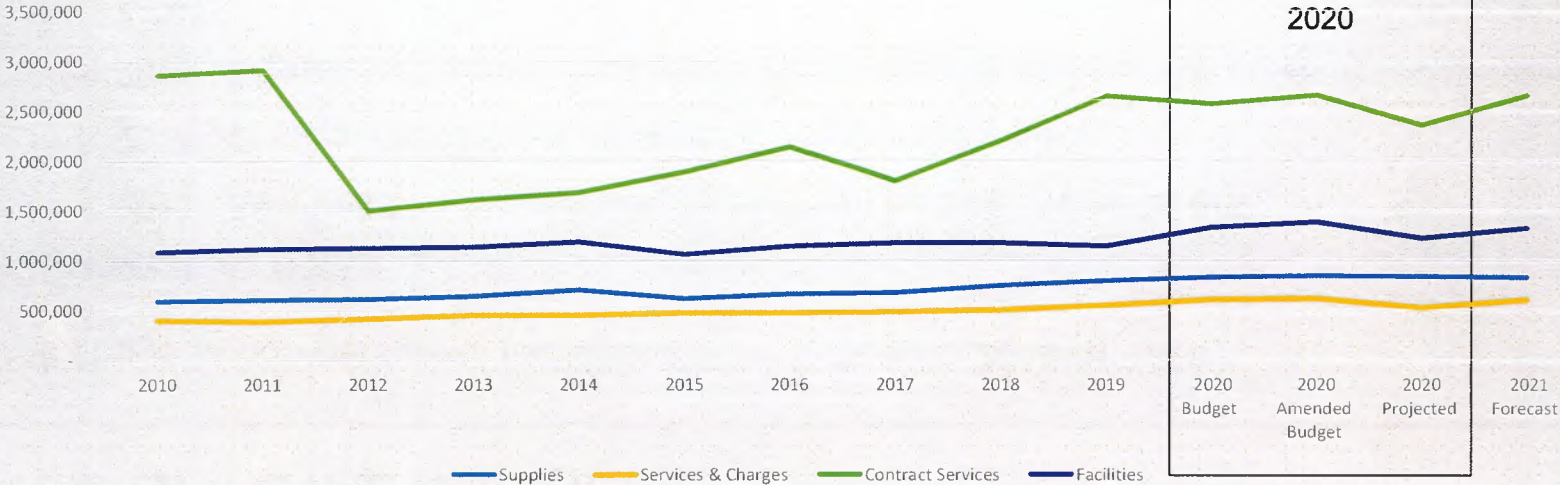
## EXPENDITURES - PERSONNEL BENEFIT COST DETAILS

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- Being a service organization, personnel costs are the City's largest asset and likewise are the largest expenditures
- 2013 - Health insurance plan design changes lowered City costs and increased employee contributions
- 2013 - Retiree Health Insurance - Cadillac tax removed from plan assumptions lowering City contributions
- 2013 - Retirement Costs - Employees began to share contribution funding, lowering City cost
- 2017 - One-time \$650,000 contribution to the Public Works Pension from the General Fund
- 2018 - Health insurance plan design changes increased employee share and decreased City share
- 2019 - Health insurance High Deductible Health Plan option further increased employee share and decreased City share
- 2019 - City joined WRS for non-represented employees
- 2019 - Health insurance plan changes decreased employee share and held the previous years' rates

# EXPENDITURES - GENERAL FUND/NON-PERSONNEL 10 YEAR LOOKBACK/2020 PROJECTION/2021 FORECAST

Selected Non-Personnel - All Departments



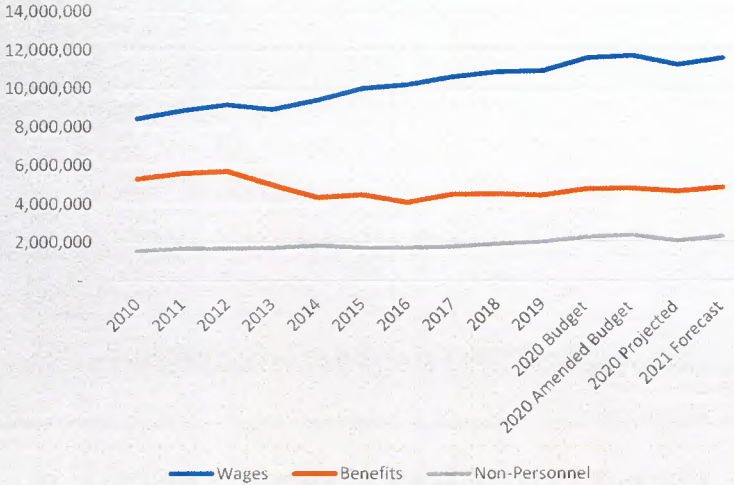
## EXPENDITURES NON-PERSONNEL COSTS 22% OF TOTAL BUDGET

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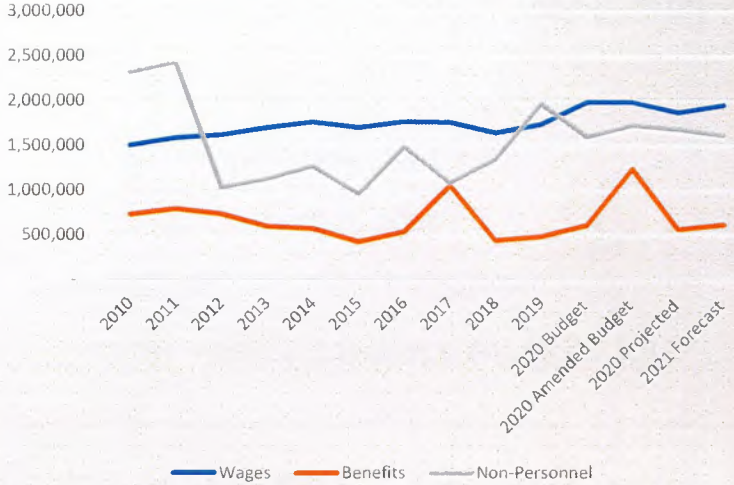
- Increase in non-personnel expenditures of 1.4%, from 2010 to 2020
- Contract Services
  - 2012 - Removed \$1.1 Million from General Fund for Solid Waste Service
  - 2016 - One-time \$390,000 Solid Waste Fee return of payments
  - 2018 - Engineering Fees recorded gross / no net affect as revenues and expenditures changed equally
  - 2020 - Outside help in Inspection (using prior year funding)
- Facilities - Aging buildings require more maintenance going forward

# EXPENDITURES BY FUNCTION 10 YEAR LOOKBACK/2020 PROJECTION/2021 FORECAST

### Public Safety Operating Costs



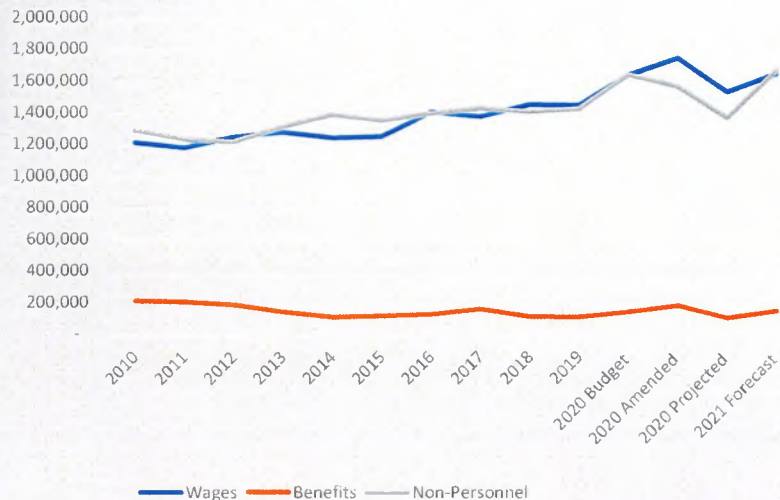
### Public Works Operating Costs



# EXPENDITURES BY FUNCTION - CONTINUED

## 10 YEAR LOOKBACK/2020 PROJECTION/2021 FORECAST

General Government Operating Costs

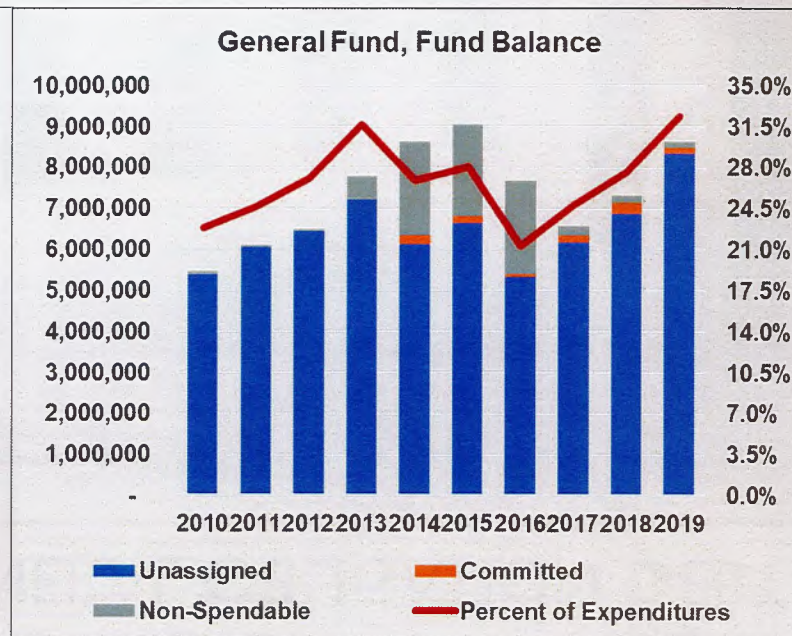


- Greater use of contract services for staffing in:
  - Information Services,
  - Assessment Services, and
  - Legal Services
- Recreation, Health, Conservation total \$1.6 Million / 5.7% of Expenditures



# FUND BALANCE

- City Policy - Goal range 20% to 30% of Fund Balance to current year budgeted expenditures - Actual at the end of fiscal 2019 = 31.5% of the more conservative unassigned balance
- Fund Balance best practices and explanation of existence
- Why not spend it / affect of drawdown
- Recent article regarding Fund Balance - See Appendix

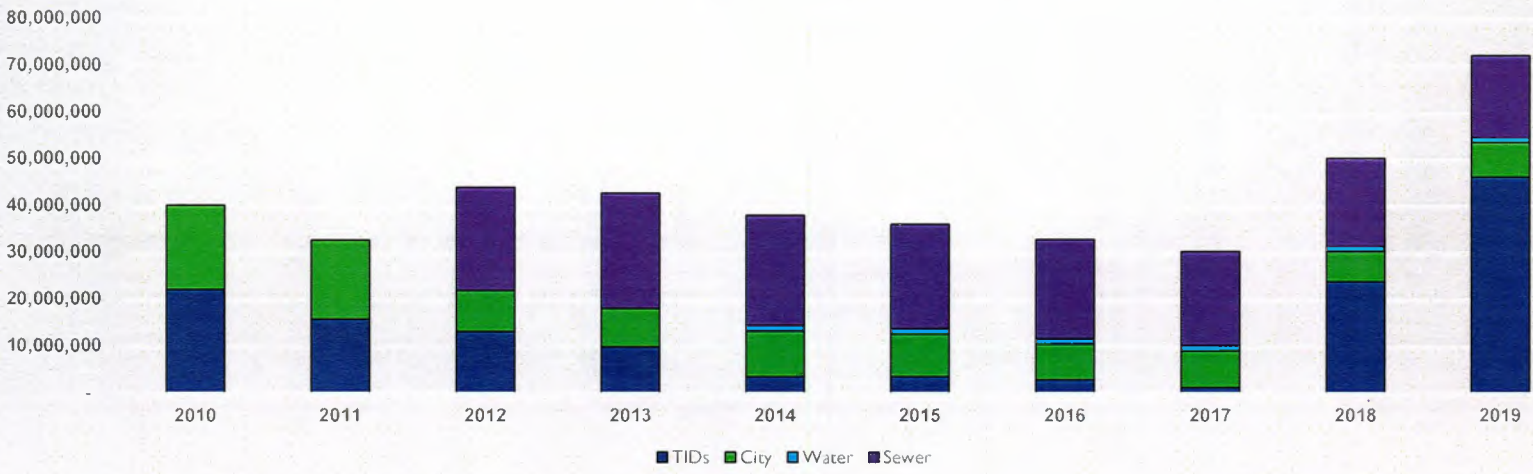


# DEBT

## ALL OUTSTANDING GENERAL OBLIGATION DEBT

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Total Government and Utility Debt  
2010 - 2019

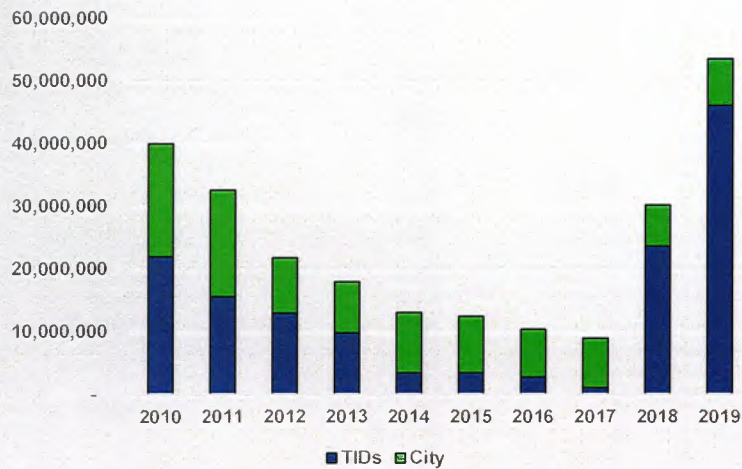


# DEBT

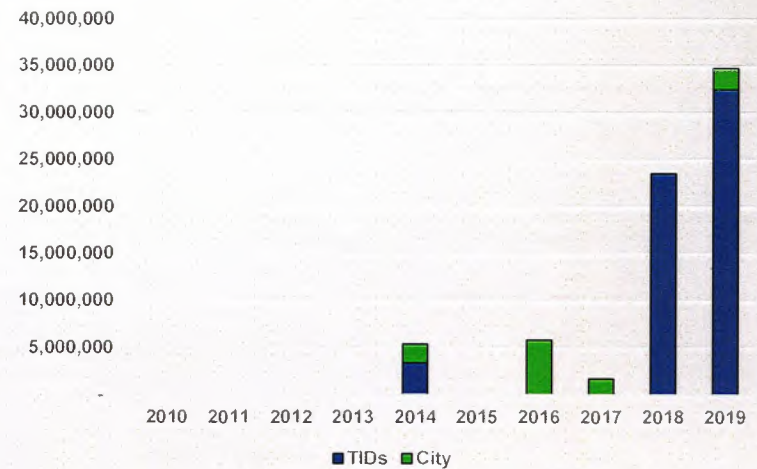
## NEW DEBT TAKEN ON IN THE PAST 10 YEARS

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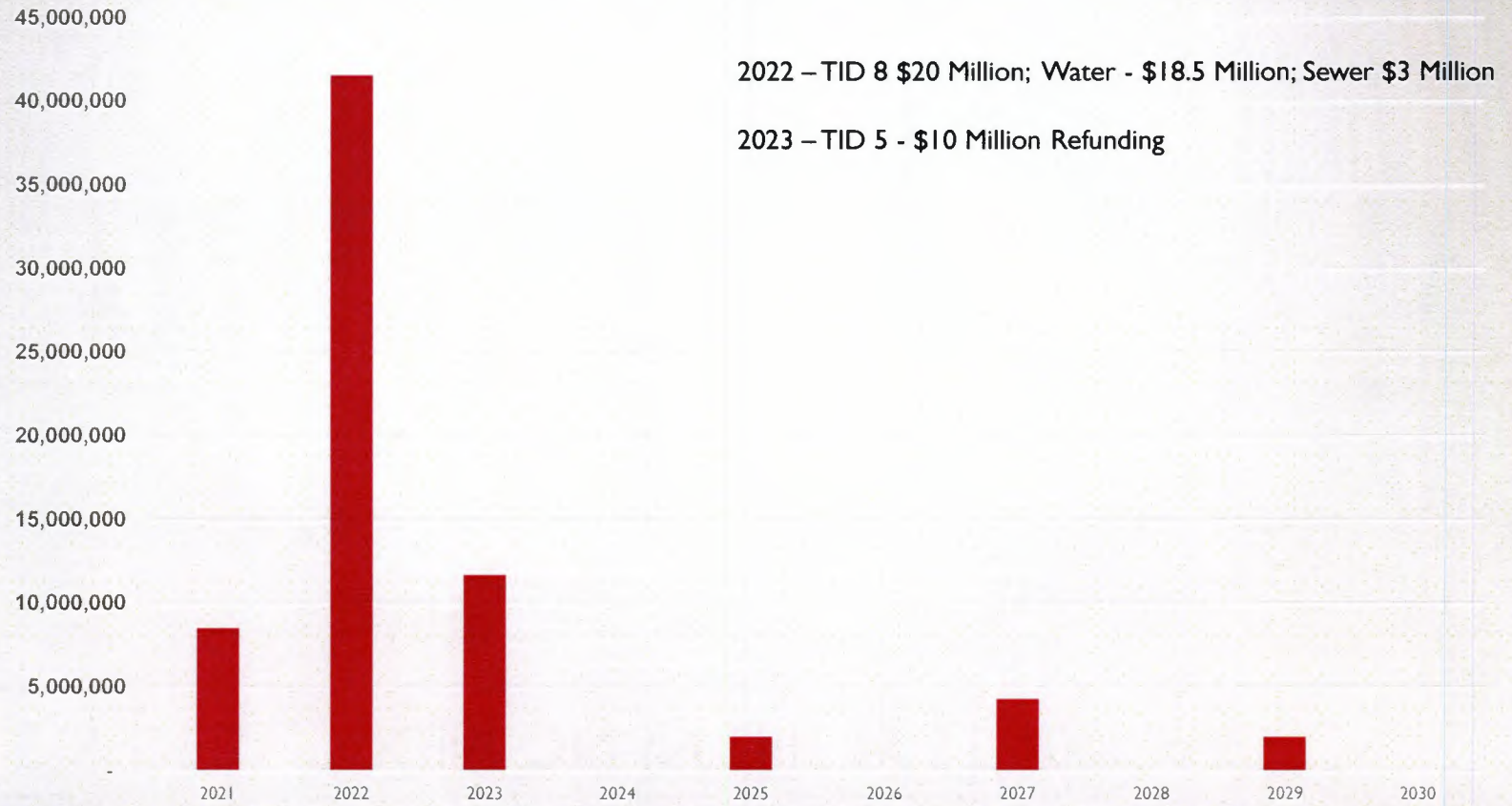
Total Government Debt  
2010 - 2019



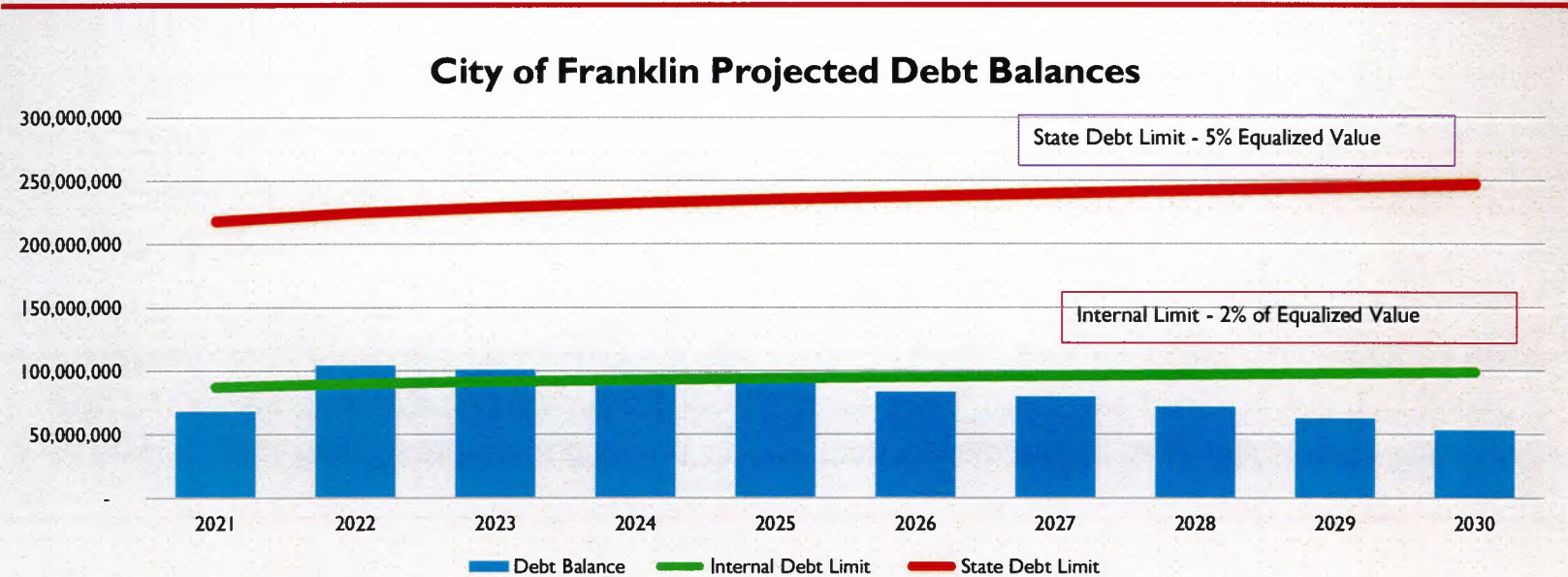
New Debt  
2010 - 2019



## Projected New Debt Issues - All Funds



# PROJECTED TOTAL GO DEBT - NEXT 10 YEARS



# IMPACT FEES - UNPAID DEBT SERVICE

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- Several Impact Fees have been collected slower than anticipated in the 2002 Impact Fee Study. The last of the debt used to fund the Police, Library and Drexel Ave projects will be paid off in March of 2021. As future Police, Library and Transportation fees are collected, the funds may be directed elsewhere - Need to discuss policy on this.
- Unpaid Balances
  - Library - \$896,900
  - Transportation - \$740,800
  - Police - \$1,724,700
  - Fire - \$189,200
  - Total - \$3,551,600

# 2021 BUDGET ASSUMPTIONS

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- Use net new construction only
- Position count - maintained at 2020 level
- Pay and benefit details
  - Same increase percentage for all employees: Police, Fire, and Non-Represented
  - WRS - substantially the same as 2020
  - Health Insurance - Repurpose existing budget to balance the insurance plan / find ways to spend insurance budget more efficiently, encourage consumerism, and remove some of the burden to employees
- COVID - assumes no major impact in 2021
- Fuel/Utility Costs
- Landfill Siting Revenues
- Capital funding

## 2021 BUDGET CHALLENGES

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- Limited resources - net new construction increase of approximately 1% per year
- Increasing expenditures - typically approximately 3% per year
- Successful recruitment and retention of high-quality employees
- Reduction of expenditure restraint aids - due to lower tax rate (likely elimination in 2022)
- Establishing a balanced budget that will meet the City's needs and meet guidelines established to maintain current level of funding (grows harder each year)



# 2021 BUDGET OPPORTUNITIES

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- Maximize resources / prioritize services provided / rethink how services are provided
- Ability to use prior years' unused levy limit - Have approximately 3% available, but would come with an increase in taxes (details in the appendix) and would restrict new debt in 2021
- Additional revenue opportunities - Increase in room tax rate / ambulance service fees - expand or increase / crash fee - new / other fee increases
- Work with a business partner to manage the City's buildings / monitoring and upkeep
- Evaluate budget based on activities - adjustment to services based on resources available
- Changes to the health insurance plan to spend insurance budget more efficiently, encourage consumerism, manage plan costs, and remove some of the burden on employees

## EXPENDITURES – PERSONNEL

### 2021 HEALTH INSURANCE PLAN CHANGE RECOMMENDATIONS

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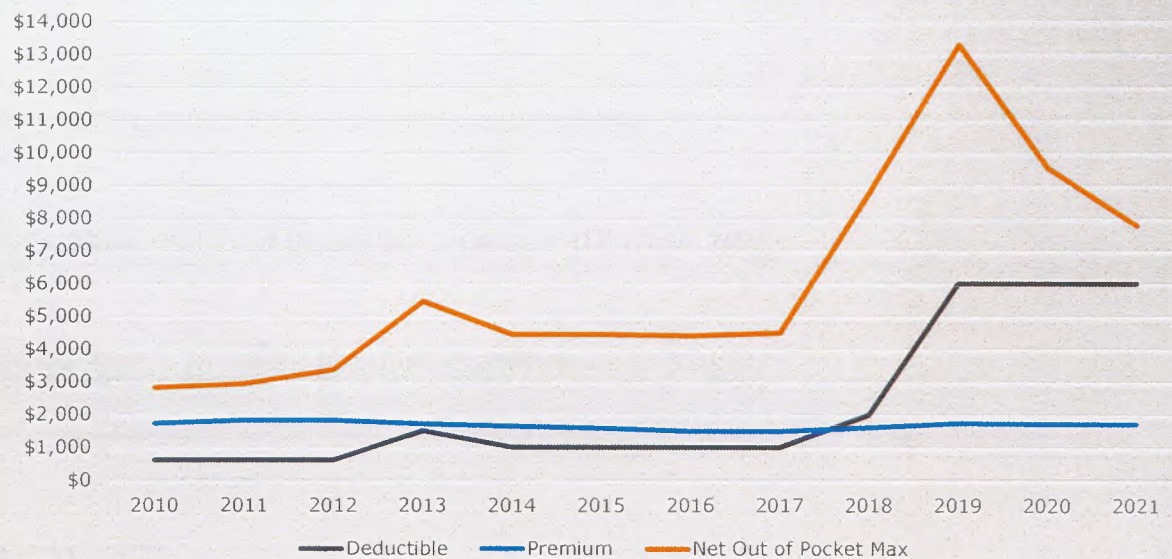
- Use existing budgeted funds to provide benefits that will encourage employee engagement and collaboration in plan spending with a goal of lowering plan costs
- Plan design changes - addition of a health reimbursement arrangement wrap (HRA) to the High Deductible Health Plan, retaining the health savings account (HSA) contribution at a lower amount
- The addition of the Nice Health Care Plan
- Encourage wellness - Go365 in place of existing contracted health risk assessments and biometrics screenings
- Add a Family Savings Plan to manage employees with other insurance options and protect City risk
- Marketing stop loss and pharmacy benefit manager to ensure appropriate costs on these services and maximize dividends
- Retain existing overall health insurance premiums and employee share of the premiums / lower the burden on the General Fund

# EXPENDITURES - PERSONNEL

## 2021 HEALTH INSURANCE PLAN CHANGE RECOMMENDATIONS

- 2018 - Employees paid up to \$8,788 out of pocket for healthcare
- 2019 - Employees paid up to \$13,287 out of pocket for healthcare
- 2020 - Employees paying up to \$9,537 out of pocket for healthcare
- Average wage earner - take home pay in 2020 = Approximately \$51,600
- Up to 18.5% of 2020 employee pay is spent on health insurance costs

Family Plan - High Deductible Health Plan



## 2021 BUDGET GOALS

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- A prudent, fiscally responsible 2021 Budget for the citizens of Franklin
- Retention of the high-quality services provided to citizens by City staff
- Successful recruitment and retention of high-quality employees
- Protection of the City's assets

## BUDGET PROCESS TIMELINE/NEXT STEPS

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- Internal preparation/finalization of the Mayor's Draft 2021 Budget
- Mayor's Budget Introduced to Council - September 15<sup>th</sup>
- Finance Committee review of the budget - 4 Meetings Planned
  - Tuesday, September 22<sup>nd</sup>, 4 PM - Introduction of 2021 Budget for all funds, revenues and expenditures, cost allocations, personnel head counts & additions
  - Thursday, September 24<sup>th</sup>, 4 PM - Capital & Operating Budget - Public Safety, Health, and Conservation & Development
  - Tuesday, September 29<sup>th</sup>, 4 PM - Capital & Operating Budgets - Public Works, General Government and Recreation
  - Thursday, October 1<sup>st</sup>, 4 PM - TIDs, Solid Waste, Debt Service, Total Tax Levy and Tax Rates

## BUDGET PROCESS TIMELINE/NEXT STEPS - CONTINUED

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- Council discussion/decision regarding Finance Committee recommendations and initial changes to the budget - October 6<sup>th</sup>
- Hearing Notice published on the then current budget details
- Continued deliberation of the proposed budget - October 6<sup>th</sup> - November 17<sup>th</sup>
- Council consideration of the 2021 Proposed Budget - November 17<sup>th</sup>

***Staff will be as responsive as possible in order to achieve a final 2021 Budget on November 17<sup>th</sup>***

# APPENDIX

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- Levy limit details
- 10 Year General Fund Revenue Details
- Comparable City information on major metrics
  - Shared Revenue Per Capita / City Ranking
  - Milwaukee County Share Revenue Amounts
  - Wage Increases - 5 Year History
  - Health Insurance - 2020 Comparison / History of City's plan design and costs
- Article - The Tricky Question of When to Tap Budget Reserves

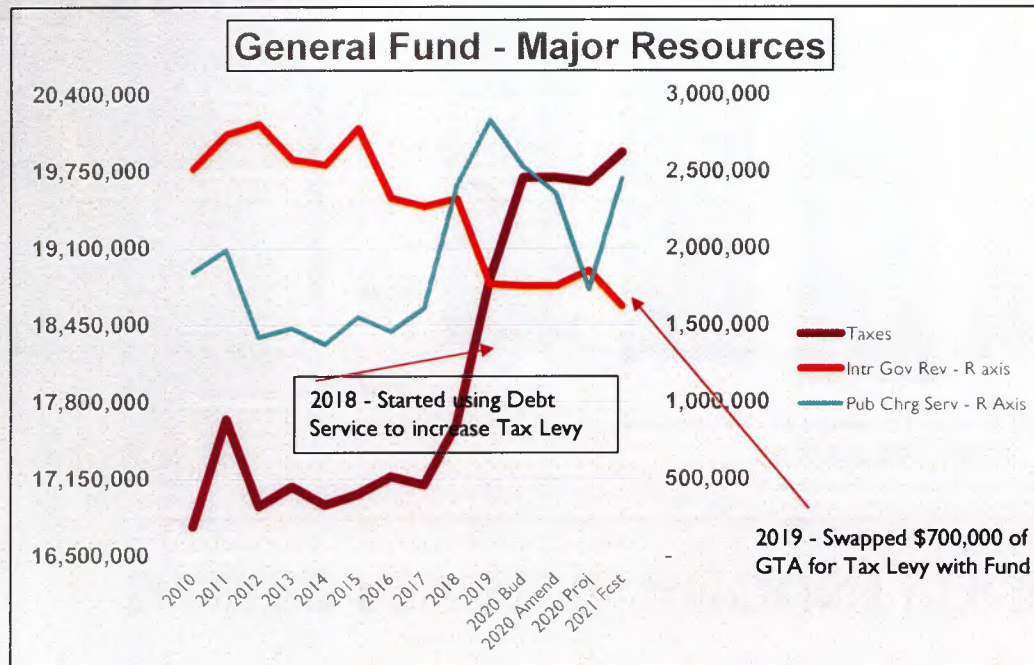
## 2019 Levy Limit Worksheet

- Used \$555,000 of Debt Service
- No Un-used 2018 Net New Construction
- 2.91% of Prior Years Levy unused Levy Carryforward - \$615,500
  - Expires - 1.372% in 2020
  - Expires - 0.941% in 2021
  - Expires - 0.628% in 2022
- Other Available Adjustments
  - Amount of Levy Increase to pay for un-reimbursed expenses related to an Emergency, including COVID-19

Form SL-202m		2019 Municipal Levy Limit Worksheet			WI Dept of Revenue
Year	Co. muni Code	County	Municipality	Account No.	Report Type
2019	40226	MILWAUKEE	CITY OF FRANKLIN	1081	ORIGINAL
<b>Section A: Determination of 2019 Payable 2020 Allowable Levy Limit</b>					
1	2018 Payable 2019 actual levy plus 2019 personal property aid ( 0.00% )				\$21,455,648
2	Exclude prior year levy for unreimbursed expenses related to an emergency				\$0
3	Exclude 2018 levy for new general obligation debt authorized after July 1, 2009				\$655,290
4	2019 Payable 2019 adjusted actual county levy (line 1 minus lines 2 and 3)				\$20,800,358
5	0.00% growth plus terminated TID% ( 0.00% ) plus TID subtraction % ( 0.00% ) applied to 2018 adjusted actual levy				\$20,800,358
6	Net new construction % ( 1.60% ) plus terminated TID% ( 0.00% ) plus TID subtraction % ( 0.00% ) applied to 2018 adjusted actual levy				\$21,265,678
7	Growth of Line 5 or Line 6				\$21,265,678
8	2019 levy limit before adjustments less 2020 personal property aid: \$77,957.88				\$21,187,720
9	Total adjustments from Sec. 66.0602				\$58,000
10	<b>2019 Payable 2020 Allowable Levy (sum of Lines 8 and 9)</b>				\$21,245,720
11	Higher levy approved by special resolution or a special meeting of town electors				
<b>Section B: Adjustment for Previous Year's Unused Levy (sec. 66.0602(3)(f), Wis. Stats.)</b>					
1	Previous year's low side levy				\$21,589,379
2	Previous year's actual levy				\$21,589,379
3	Previous year's unused levy (Line 1 minus Line 2)				\$0
4	Previous year's actual levy (\$21,589,379 x 0.00%)				\$320,641
5	Allowable increase (lessor of Lines 3 or 4)				\$0
<b>Section C: Adjustment for Prior Years Unused Levy Carryforward (sec. 66.0602(3)(fm), Wis. Stats.)</b>					
1	2018 unused percentage				0.000%
2	2017 unused percentage				0.000%
3	2016 unused percentage				0.620%
4	2015 unused percentage				0.941%
5	2014 unused percentage				1.372%
6	Total unused percentage (sum of lines 1 through 5)				2.941%
7	Previous year's actual levy due to valuation factor				\$20,800,358
8	Allowable increase (Line 6 multiplied by Line 7)				\$615,500

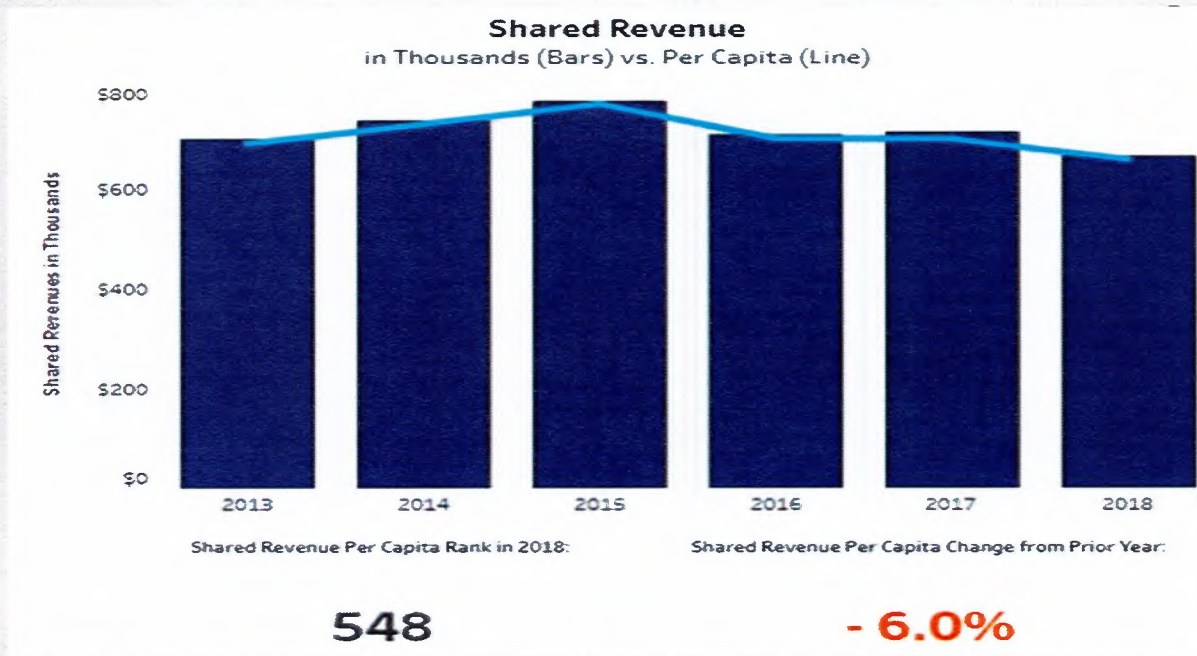


# REVENUES – GENERAL FUND 10 YEAR LOOKBACK/PROJECTIONS

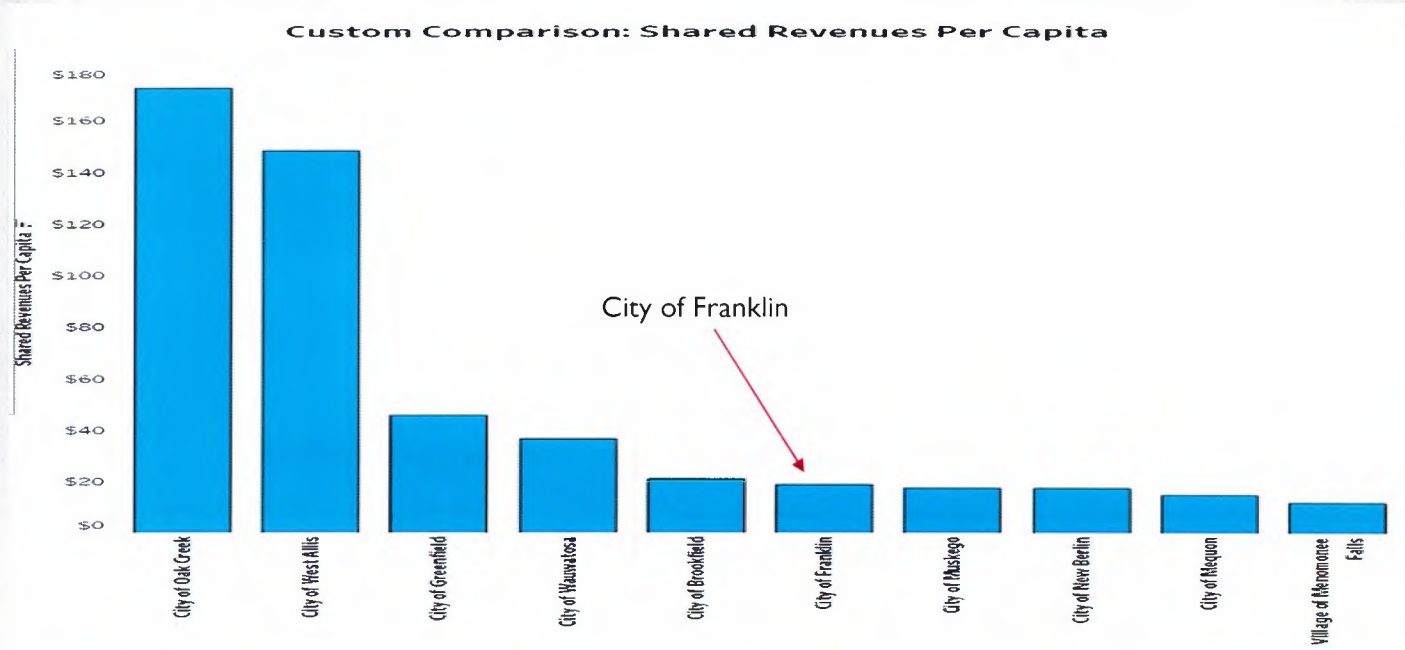


- In 2018 - \$283,000 of Debt Service
- In 2018 - Cap on Hotel Tax to General Fund
- In 2019 - \$272,000 of Debt Service & Net New Construction
- In 2019 - Swapped \$700,000 of Capital Tax Levy for GTA's in General Fund
- In 2021 - Ambulance Revenue rebounds \$435,000 and Landfill Siting rises \$160,000

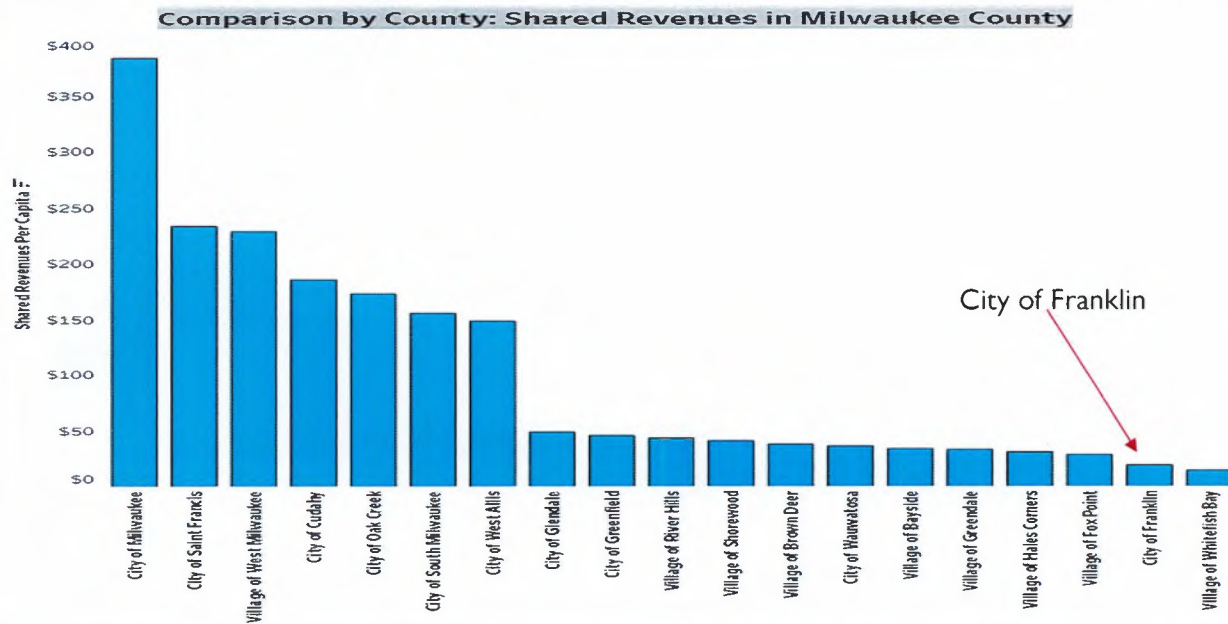
# SHARED REVENUE - AMOUNT VERSUS PER CAPITA RANKING



# SHARED REVENUE PER CAPITA



# COUNTY COMPARABLES



## 5 YEAR WAGE INCREASE PERCENTAGE - COMPARABLE CITIES

2020 Wage Comparison

Comparable Community	2016 % lift	2017 % lift	2018 % lift	2019 % lift	2020 % lift	5-year combined pay increase percentage
Mt. Pleasant	2	2	3.02	3.02	2.25	12.903
Fond du Lac	3	2	2	2	2.25	11.764
North Shore Fire	2.25	2.01	2.01	2.65	2.25	11.679
Caledonia	2	2	2	2.25	2.07	10.755
Menomonee Falls	2	2	2	2	2	10.408
Fitchburg	2	2	2	2	2	10.408
Greenfield	2	2	2	2	2	10.408
New Berlin	1	1.5	2.3	3	2	10.179
Mequon	1.75	1.5	1.75	2	2	9.329
West Bend	1	2	2	2	2.5	9.862
Brookfield	1.25	1.25	2	2.5	2	9.324
Sun Prairie	1.5	1.5	1.5	1.5	1.5	7.728
Muskego	0	1	2.5	2.5	2*	8.235
Oak Creek	1.25	0.7	1.5	2.25	2.25	8.197
Wauwatosa	1	1	1.4	2	2.5	8.145
Mean Average	1.6	1.631	1.999	2.245	2.105	9.955
Median Average	1.75	2	2	2	2	10.179
Franklin	2	1.5	2	1.55	2	9.382

\*A 2% estimate was used for Muskego, as no response has been received at this time.

# 2020 HEALTH INSURANCE DETAILS - COMPARABLE CITIES

2020 Health Insurance Comparison									
Comparable Municipality	Plan Type	Annual Deductible (Ind./Family)	Annual Out of Pocket Costs	Annual Copayments (Primary/Spec./Urgent/Emerg.)	Annual Co-Insurance	City HSA/HRA Contribution	Monthly Premium	Monthly Employee Premium Share Amount	Monthly Employee Premium Share %
Brookfield	PPO	\$1,000/\$2,000	\$3,000/\$6,000	\$25/\$25/\$25/\$100	0%/50 Max.	\$0	\$2,021 Family	\$202	10%
	HDHP	\$2,800/\$5,600	\$5,600/\$11,200	\$0	0%/50 Max.	\$0	\$1,820 Family	\$182	10%
Caledonia	PPO	\$3,000/\$6,000	\$3,000/\$6,000	Various	10%	HRA \$2,500/\$5,000	\$740/\$1,480/\$1,924	\$93/\$186/\$242	12.60%
Fitchburg	HMO	\$500/\$1,000	\$6,850/\$13,700	\$0	0%	\$0	\$713/\$1,748	\$86/\$210	12%
Fond du Lac	PPO	\$1,000/\$2,000	\$3,000/\$6,000	\$0/\$0/\$0/\$250	10%	\$0	\$740/\$1,930	\$89/\$231	12%
Greenfield	PPO	\$4,000/\$8,000	\$4,000/\$8,000	\$25/\$50/\$50/\$200	0%	HRA \$3,250/\$6,450	\$721/\$2,083	\$91/\$263	12.60%
Menomonee Falls	PPO	\$1,250/\$2,500	\$5,000/\$10,000	\$35/\$50/\$75/\$250	10%/33,000/\$6,000	\$0	\$850/\$2,382	\$43/\$119	5%
	HDHP	\$3,000/\$6,000	\$4,000/\$8,000	\$20/\$35/\$75/\$250	20%	\$0	\$800/\$2,241	\$40/\$112	5%
Mequon	HMO	\$500/\$1,000	\$8,150/\$16,300	\$0	0%/20%	\$0	\$803/\$1,974	\$96/\$237	12%
	POS	\$500/\$1,000	\$8,150/\$16,300	\$0	0%/20%	\$0	\$820/\$2,015	\$113/\$278	12% + 100% of increase
Mt. Pleasant	PPO	\$5,000/\$10,000	\$5,000/\$10,000	\$0	10%/5500-\$1,000 Max.	\$4,500/\$9,000	\$594/\$1,663	\$61/\$170	10%
Muskego	PPO	\$3,000/\$6,000	\$7,350/\$14,700	\$15/\$30/\$15/\$250	10%/5500/\$1,000	-	-	-	-
New Berlin	POS	\$3,000/\$6,000	\$3,000/\$6,000	\$0	0%/50 Max.	\$1,900/\$3,800	\$569/\$1,565	\$85/\$235	15%
North Shore Fire	PPO	\$3,000/\$6,000	\$6,000/\$12,000	\$25/\$50/\$100-20%/\$200-20%	20%	\$0	\$702/\$1,737	\$35/\$87	5%
	PPO	\$1,500/\$3,000	\$3,000/\$6,000	\$25/\$25/\$50-20%/\$150-20%	20%	HRA \$1,500/5	\$811/\$2,021	\$104/\$259	12.80%
Oak Creek	PPO	\$1,000/\$2,000	\$2,000/\$4,000	\$0	0%/50 Max.	\$0	\$767/\$1,400/\$1,984	\$77/\$140/\$198	10%
	PPO	\$2,000/\$4,000	\$2,000/\$4,000	\$0	0%/50 Max.	\$0	\$688/\$1,256/\$1,780	\$69/\$126/\$178	10%
Sun Prairie	HMO/HDHP	\$1,500/\$3,000	\$1,500/\$3,000	\$0	0%/50 Max.	\$750/\$1,500	\$520/\$1,354	\$0	0%
	POS/HDHP	\$1,500/\$3,000	\$1,500/\$3,000	\$0	0%/50 Max.	\$750/\$1,500	\$613/\$1,593	\$93/\$239	15%
Wauwatosa	POS	\$1,500/\$3,000	\$4000/\$6,500	\$0/\$0/\$0/\$100	20%	\$500/\$1,000	\$767/\$1,914	\$115/\$287	15%
West Bend	PPO	\$2,500/\$5,000	\$3,000/\$5,000	\$25-\$50/\$50-\$100/\$50+Co-Ins/ER \$150	20%	HRA \$850/\$1,700	\$674/\$1,785	\$128/\$250	19%/14%
Franklin	PPO	\$1,500/\$4,500	\$4,500/\$9,000	\$25/\$50/\$100(\$49)	15%	N/A	\$791/\$1,990	\$160/\$386	20%
	HDHP	\$3,000/\$6,000	\$4,500/\$9,000	N/A	10%	\$1,125/\$2,250	\$715/\$1,725	\$96/\$232	13.40%

\* No response received from Muskego on these details

# 2020 HEALTH INSURANCE DETAILS - 10 YEAR HISTORY

	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019		2020		
	Auxiant PPO	Auxiant PPO	Auxiant PPO	Auxiant PPO	Humana PPO	Humana PPO	Humana PPO	UHC PPO	UHC PPO	PPO	HDHP	PPO	HDHP	
Deductible	\$200/\$600	\$200/\$600	\$200/\$600	\$500/\$1500	\$500/\$1000	\$500/\$1000	\$500/\$1000	\$500/\$1000	\$1000/\$2000	\$1500/\$4500	\$3000/\$6000	\$1500/\$4500	\$3000/\$6000	
OOB Max	\$400/\$1200	\$400/\$1200	\$400/\$1200	\$1000/\$3000	\$1000/\$2000	\$1000/\$2000	\$1000/\$2000	\$1000/\$2000	\$3000/\$6000	\$4500/\$9000	\$6000/\$12000	\$4500/\$9000	\$4500/\$9000	
Office Copays					\$10	\$10	\$10	\$10	\$15/\$25/\$35/\$40	\$25/\$40/\$50/\$70	N/A	\$25/\$40/\$50/\$70	N/A	
ER Copay	\$100	\$100	\$100	\$100	\$150	\$150	\$150	\$150	\$250	\$400	N/A	\$400	N/A	
Urgent Care Copay	\$50	\$50	\$50	\$50	\$75	\$75	\$75	\$75	\$100	\$100	N/A	\$100	N/A	
Virtual Visit								\$10	\$10	\$15	N/A	\$15	N/A	
RX Copays	\$10/\$25/\$40	\$10/\$25/\$40	\$10/\$25/\$40	\$10/\$25/\$40	\$10/\$25/\$40/25%	\$10/\$25/\$40/25%	\$10/\$35/\$50/25%	\$10/\$35/\$50/25%	\$10/\$35/\$50/25%	\$10/\$35/\$50/25%	\$10/\$40/\$60/25%	N/A	\$10/\$40/\$60/25%	N/A
Monthly Total Premium - Single	\$732.00	\$750.00	\$750.00	\$705.00	\$676.80	\$650.75	\$616.26	\$616.26	\$662.46	\$801.00	\$721.99	\$790.54	\$714.88	
Monthly Total Premium - Family	\$1,716.00	\$1,812.50	\$1,812.50	\$1,705.00	\$1,636.80	\$1,573.85	\$1,490.50	\$1,490.50	\$1,602.30	\$1,929.00	\$1,746.27	\$1,899.72	\$1,724.74	
Monthly EE Prem Share - Single	\$60.00	\$60.00	\$75.00	\$84.60	\$84.60	\$84.60	\$83.20	\$86.28	\$96.06	\$160.00	\$96.02	\$160.00	\$96.02	
Monthly EE Prem Share - Family	\$135.00	\$145.00	\$181.25	\$204.60	\$204.60	\$204.60	\$201.22	\$208.68	\$232.34	\$386.00	\$232.26	\$386.00	\$232.26	
City Contribution to H.S.A.	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	\$750/\$1500	N/A	\$1125/\$2250	
Maximum Single Cost/Yr	\$1,120.00	\$1,120.00	\$1,300.00	\$2,015.20	\$2,015.20	\$2,015.20	\$1,998.40	\$2,035.36	\$4,152.72	\$6,420.00	\$6,402.24	\$6,420.00	\$4,527.24	
Maximum Family Cost/Yr	\$2,820.00	\$2,940.00	\$3,375.00	\$5,455.20	\$4,455.20	\$4,455.20	\$4,414.64	\$4,504.16	\$8,788.08	\$13,632.00	\$13,287.12	\$13,632.00	\$9,537.12	

# THE TRICKY QUESTION OF WHEN TO TAP BUDGET RESERVES

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- The Tricky Question of When to Tap Budget Reserves For local governments coping with the fiscal pressures brought on by the pandemic, it might seem that now is the time. But public leaders first should ask themselves some important questions. Fran David, Former City Manager and Finance Director | August 12, 2020 | Opinion
- Across the country, cities as varied as Cloverdale, Calif., Newport, Ky., and Philadelphia have begun pulling from their budget reserves to address shortfalls resulting from the coronavirus pandemic's extraordinary financial impact. But many other local governments are holding back, looking instead to hold down overall spending and preserve their reserve funds. For many jurisdictions, the most difficult and perplexing financial question is when - or if - they should tap their reserves.
- Why is this such an important question when managing an immediate crisis? What difference does it make? The money has to be spent; the crisis must be addressed. The answer, however, may be critical to the long-term financial health of the jurisdiction.
- Almost all public organizations face two kinds of financial challenges throughout their existence. One kind is cyclical and short-term in nature, caused by a one-time or temporary event - a natural disaster, for example. Short-term cash, such as from the jurisdiction's budget reserves, may solve this kind of problem.
- The other kind of challenge is structural and longer-term in duration. It will not disappear in the short term and reoccurs across multiple years. It reflects a fundamental flaw in the organization's operating structure, one that likely has been building under the surface and cannot be corrected by a one-time infusion of cash.



# THE TRICKY QUESTION OF WHEN TO TAP BUDGET RESERVES - CONTINUED

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- In the public sector, financial reserves have always been a topic of frustration, temptation and potential misuse. Rarely are they maintained at levels recommended by public-finance experts. Too often reserves provide a convenient, but inappropriate, way to temporarily mitigate the negative impact of long-term financial problems. The consistent or long-term use of financial reserves usually masks a serious underlying structural issue.
- So when is using the budget reserves the right decision? There are at least four tests that should be applied - questions for public leaders to ask themselves - in the decision-making process:
  1. How is the organization's general financial health? Is there a structural deficit hidden within? Does the organization normally maintain adequate or better reserves? Does it have and adhere to a well constructed, up-to-date, long-term financial plan - one based on tested assumptions, intelligently projected into the future and spanning at least five years?
  2. Can reserves be maintained? Is the use appropriate and can the reserves be quickly replenished without financially crippling the organization? Can the immediate crisis-related need be met with only a one-time use of reserves, or is there likely to be ongoing annual need?
  3. Are there opportunities for operational improvement? For example, should changes in processes or practices that have been forced by the crisis, such as teleworking and virtual meetings, or other improvements to operations be continued after the pandemic? And if so, do they require additional investment now to be successful into the future?
  4. Are there good alternatives to using reserves? Or is leadership simply taking the easier political path? What about reorganization, changes in services or service levels, partnerships with other jurisdictions, downsizing, or looking for innovative ways to reduce operational costs?

# THE TRICKY QUESTION OF WHEN TO TAP BUDGET RESERVES - CONTINUED

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- The conundrum of COVID-19 is not knowing the length or severity of the virus threat. This makes it impossible to determine when the costs associated with the pandemic will diminish and when the revenue stream will return to pre-pandemic levels, if at all.
- All of this confusion provides both demanding challenges and opportunities. Organizations that can see a light at the end of the tunnel may be well within good financial-management boundaries to use reserves. These would be communities whose tax base is not severely eroded by the pandemic, that can realistically project a swift return to pre-pandemic revenue levels, that can securely identify an end to the need for spending from reserves, and that have rigorously asked and answered questions 1-4 honestly.
- Communities that are experiencing a deep erosion of their revenue streams due to COVID-19 may need to strenuously avoid the use of reserves except in the most demanding and critical of circumstances. Among those communities might be those heavily dependent on revenue from the hospitality, convention or restaurant industries. It is impossible to determine when the revenue stream from those industries may begin to flow again, let alone reach pre-pandemic levels. These communities should also rigorously ask and answer questions 1-4.
- The reality is that those communities will most likely need to focus on questions 3 and 4 and plan for a vastly different future, one in which financial reserves should be used only as a small part of a much more dramatic survival plan. Such a plan might mean drastic cuts in staff or services, dramatic changes in service delivery, or implementation of high-risk innovation processes. In the most extreme cases, it might even mean municipal bankruptcy.
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