



FINANCE COMMITTEE MEETING AGENDA

MONDAY, JULY 21, 2025 AT 5:30 PM

MUNICIPAL BUILDING COUNCIL CHAMBERS – 106 JONES STREET, WATERTOWN, WI 53094

Virtual Meeting Info: <https://us06web.zoom.us/join> Meeting ID: 965 279 3780 Passcode: 53094 One tap mobile
+16469313860 <https://us06web.zoom.us/j/9652793780?pwd=0glWdtrdiJJHznZXyVgAb9U8pNOstl.1>

1. CALL TO ORDER

2. REVIEW AND APPROVE MINUTES

A. Finance Committee minutes from July 7, 2025

3. OPENING FOR PUBLIC COMMENT

Each individual who would like to address the Committee will be permitted up to three minutes for their comments on agenda items only

4. BUSINESS

A. Review and take possible action: Hiring of City Attorney candidate

B. Review and take action: Collateral Assignment of TIF for Lumin Terrace LLC

C. Review and update: Water Department, 2025 Private Lead Service Line Project

D. Review and discuss: General Fund Income Statement through June 2025

E. Review and discuss: General Direction for 2026 Budget Creation

F. Convene into closed session per Wis. Stat. 19.85(1)(f) to considering financial, medical, social or personal histories or disciplinary data of specific persons, preliminary consideration of specific personnel problems or the investigation of charges against specific persons except where par. (b) applies which, if discussed in public, would be likely to have a substantial adverse effect upon the reputation of any person referred to in such histories or data, or involved in such problems or investigations. (F.D.)

G. Reconvene into open session

H. Review and discuss: Public comment at city meetings

5. ADJOURNMENT

Persons requiring other reasonable accommodations for any of the above meetings, may contact the office of the City Clerk at cityclerk@watertownwi.gov phone 920-262-4000

A quorum of any City of Watertown Council, Committee, Board, Commission, or other body, may be present at this meeting for observing and gathering of information only



FINANCE COMMITTEE MEETING MINUTES

MONDAY, JULY 7, 2025, AT 5:30 PM

MUNICIPAL BUILDING COUNCIL CHAMBERS – 106 JONES STREET, WATERTOWN, WI 53094

Finance Committee members present: Mayor Stocks, Alderpersons Berg, Davis (video), Lampe and Smith (video)

Others present: Ald Bartz, Finance Director Stevens, Attorney Chesebro, Public Works Director Beyer, Streets Operations Manager Winkleman, Fire Chief Reynen (video), Park/Rec Director Butteris, Tim Hayden, Lisa Schwartz, Malayna Moes (McGrath Consulting)

1. Call to order. Mayor Stocks called the meeting to order at 5:32 p.m.
2. A motion was made by Ald. Berg, seconded by Ald. Lampe, to approve the minutes from June 23. Approved.
3. Streets Operations Manager Winkleman is requesting the **promotion of Wayne Boyd**, a 25-yr employee of the Public Works Division, as solid waste foreman. A motion was made by Ald. Berg, seconded by Ald. Davis, to accept this recommendation at a G/S of H6, due to the 5% promotion policy, effective July 9. Unanimously approved.
4. The suggested **use of TID#4 increment** was last discussed by the Finance Committee at its March 24 meeting. At the advisement of our auditors, a resolution to approve the modification of budgets to represent the determination of spending should not be sent to Common Council until after the TID closure audit (scheduled in August). During today's discussion, it was agreed to add the S. Church St. Transportation Alternatives Program (TAP) for sidewalk leading from Kwik Trip to Walmart and to remove the Washington Park diamond renovations from the second priority list. Mr. Stevens will modify the list and bring this back to the Finance Committee after the audit is completed for a final decision and recommendation of budget modification.
5. Judge Sweet requested consideration of an update to Section 38-4 that determines where the **official bond deposit schedule** is kept. A motion was made by Ald. Lampe to approve the recommendation, seconded by Ald. Davis. After Attorney Chesebro commented that the City Clerk is the assigned position to maintain official records of the City, Ald. Lampe amended the motion to indicate that the City Clerk will house the approved bond deposit schedule and copies will be kept in the offices of the Municipal Court and Police Department. The amendment was approved unanimously followed by unanimous approval to recommend the revised ordinance to Common Council for approval.
6. After review by departments that have fees listed on the **General Fee Schedule**, a resolution was presented to update the proposed fee schedule with a two-phase implementation:
 - a. A decrease in solid waste fees effective August 1, 2025
 - b. Adjustments to other municipal fees effective January 1, 2026

Ald. Berg made the motion to recommend the resolution as presented, supported by Ald. Smith, and unanimously approved.
7. McGrath Consulting Group rep Malayna Halverson-Moes joined the meeting via Zoom to provide a short recap of the **final report of the compensation study** that was originally presented to the Finance Committee in April. She spent time explaining the comparable organizations and the market analysis.

Mr. Stevens rehearsed his two documents that help provide a global summary of compensation costs for 2025 with what-if calculations for 2026 along with a preliminary snapshot of available funds to afford **2026 compensation expense increases** (wage adjustments, benefit costs, additional personnel) as well as non-payroll expenses.

The guidance from Finance Committee members was to limit spending increases in conformance with the WI DOR Expenditure Restraint Program, move forward with an attempt to implement the Option I of the McGrath pay study, and to include new positions as recommended by the Mayor. Mr. Stevens will work with the McGrath consultant to determine an acceptable approach.

8. The latest iteration of the **Capital Improvements Projects** list was presented for discussion. Ald. Davis provided a few suggested eliminations. The Mayor will review the list for his recommended budget proposal.
9. Ald. Berg moved, seconded by Ald. Lampe, to convene into **closed session** per §19.85(1)(g) to confer with legal counsel for the governmental body who is rendering oral or written advice concerning strategy to be adopted by the body with respect to litigation in which it is or is likely to become involved (**Indoor Pool**). Unanimously approved by roll call vote.
10. After reconvening into open session, Mayor Stocks moved, supported by Ald. Lampe, to have city staff draft a letter to the Watertown Unified School District administration per the closed session conversation.
11. Finance Committee adjournment. Ald. Lampe moved, seconded by Ald. Berg, to adjourn the Finance Committee at 7:54 p.m., and was carried by unanimous voice vote.

Respectfully submitted,

Mark Stevens, Finance Director

Note: These minutes are uncorrected, and any corrections made thereto will be noted in the proceedings at which these minutes are approved.

MEMO

Administration Department

To: Finance Committee

From: Mayor Stocks

Date: July 15, 2025

Subject: City Attorney

Background

Notice was provided by the individual occupying the City Attorney position on June 26, 2025, with a separation date of July 17, 2025. Since that time, a panel has gone through the interview processes as per the recruitment policy. The position was posted on June 26, 2025, and received 2 applications that have been reviewed and were invited to be interviewed. The interview panel has been mindful of finding not only the right technical skills, but also the right fit for the City.

The recruitment process provided a candidate that possesses the technical requirements and will be a good fit with the city team and operations. The candidate selection form for Alexandra Panagopoulos is attached. Alexandra has been offered a conditional offer, contingent on a background check and approval by the Common Council. It is part of our recruitment policy to present positions to the Finance Committee for approval if the wage offered is Grade N or higher. Based on the combined experience of Alexandra Panagopoulos in her previous municipal roles, it's requested that the Finance Committee approve the grade and step of T3, \$51.12/hr. The compensation analysis currently being reviewed for 2026 indicates our City Attorney position being one of the positions that is below the midpoint in the market.

You'll find the offer letter, application materials, salary chart for 2025 (with a reminder that we are undergoing a pay study for changes in 2026), and the candidate selection form included.

Budget Goal

1. Supports employee retention and growth, while also evaluating operations and the associated staffing
2. Maintains a safe and healthy community, with an eye toward future needs and trends

MEMO

Financial Impact

The position is budgeted for what has been offered. While there are savings that could make up for some of the difference, other areas of the budget may be impacted. Additionally, there would be an impact on the 2026 budget.



Candidate Selection Form

With the guidance of the Recruitment Policy and expectations noted in the approved Request to Fill, the candidate below has been identified to fill the need listed below for the City of Watertown.

POSITION TITLE City Attorney DEPARTMENT City Attorney # OF APPLICANTS: 2

FT ☒ PT ☐ SALARY ☒ HOURLY ☐ Days Posted: 20 Incumbent: Steven Chesebro

☐ NEW POSITION ☒ REPLACEMENT OPENING FINANCE COMMITTEE APPROVAL REQUIRED: ☒ Y / ☐ N
(See Recruitment Policy)

Reason for Opening:
Vacancy due to incumbent's resignation

Justification for fill:
This job provides critical legal consultation services for the entire city organization.

Top Candidate Name: Alexandra Panagopoulos Recommended Grade/Step/\$ T3 51.12

Qualifications:
1. Municipal experience representing a municipality
2. Experience with municipal court and representing the city
3. Experience writing/reviewing resolutions, contracts, and other legal agreements for a municipality

First Alternate Name: continue to post Recommended Grade/Step/\$ _____

Qualifications:

Second Alternate Name: _____ Recommended Grade/Step/\$ _____

Qualifications:

Comments:

Supervisor Signature/Date

Robert Hall 7/15/25

Department Head Signature/Date

Human Resources

☐ References Completed PD

☐ Background Check Completed PD

☐ Permission for Screening Received

☒ Grade, Step, and Years of Service T3 51.12 9 yr vac

☒ Contingent Offer Drafted

Leo Schwartz 7/15/2025

HR Signature Date

Mark Starny 7/15/25

Finance Director Signature Date

Final Approval

Grade Step Vacation

Finance Committee(as required)

Effective Date:

Mayor Signature Date

MEMO

Administration

To: Finance Committee

From: Mason Becker, Manager of Economic Development and Strategic Initiatives

Date: July 21, 2025

Subject: Collateral Assignment of TIF for Lumin Terrace LLC project

Background

As committee members likely recall, the City previously approved a development agreement with Lumin Terrace LLC to construct 92 new apartment rental units on property owned by the Greater Watertown Community Health Foundation. TID #9 was created to provide TIF assistance necessary to cause the project to occur.

Lumin Terrace LLC is currently finalizing lending for the project with Associated Bank. As part of the process, the lender has requested approval of the attached Collateral Assignment of TIF relating to this development agreement.

Atty Chesebro has reviewed and found it in the interest of the City to approve this agreement. This agreement does not change or increase any obligations of the City under the development agreement.

Budget Goal

Fosters community growth by assessing opportunities, stakeholder input, environmental needs, and modern code and policy priorities

Financial Impact

There is no financial impact to the City beyond items previously approved in the development agreement with Lumin Terrace LLC.

Recommendation

Recommend approval of attached resolution by the Common Council.

RESOLUTION TO
APPROVE THE COLLATERAL ASSIGNMENT OF TIF DEVELOPMENT
AGREEMENT AND ACKNOWLEDGE AND CONSENT TO THE
COLLATERAL ASSIGNMENT OF THE TIF DEVELOPMENT

SPONSOR: MAYOR STOCKS
FROM: FINANCE COMMITTEE

WHEREAS, on March 19, 2025, the City of Watertown and Lumin Terrace LLC executed a Development Agreement in which the City agreed to provide Tax Increment Financing (TIF) as financial assistance for the Development Project; and,

WHEREAS, the Developer’s Lender, Associated Bank, National Association, has requested that Lumin Terrace LLC shall have assigned for purposes of collateral its interest in the Development Agreement and the City contribution; and,

WHEREAS, the assignment of collateral does not diminish Developer’s obligations to the City, nor does it increase the City’s obligation to the Developer; and,

WHEREAS, after consideration of the facts and advice of legal counsel, the City has determined that it is in the best interest of the City to approve the Assignment as set forth in the attached Exhibit A; and,

WHEREAS, the City wishes to ensure this project, which will provide necessary housing within the City, moves forward;

NOW, THEREFORE, BE IT RESOLVED BY THE COMMON COUNCIL OF THE
CITY OF WATERTOWN, WISCONSIN:

That the proper City Officials be and are hereby authorized to execute the Acknowledgement and Consent, a copy of which is attached hereto as Exhibit A.

That this Resolution shall be in full force and effect upon its passage and adoption.

	YES	NO
DAVIS		
LAMPE		
BERG		
BARTZ		
BLANKE		
SMITH		
ARNETT		
WETZEL		

ADOPTED _____
Type meeting date

CITY CLERK

APPROVED _____
Type meeting date

MOLDENHAUER		
MAYOR STOCKS		
TOTAL		

MAYOR

ACKNOWLEDGEMENT AND CONSENT

The City of Watertown, Wisconsin, a Wisconsin municipal corporation (the “City”) hereby enters into this Acknowledgement and Consent (the “Acknowledgment and Consent”) and hereby acknowledges and consents to the above-described collateral assignment of the Agreement and the City Contribution (the “Assignment”). The City understands that the Assignment of the City Contribution and the Agreement to the Lender is intended as a collateral assignment to secure the Loans the Lender is providing to the Borrower for the development project envisioned in the Agreement. The City acknowledges and agrees that disbursements of the City Contribution shall be made directly to Lender upon Lender’s request.

Until such time in which the Lender provides the City with written notice that it no longer has an assignment of the City Contribution and Agreement and that it has released its security interest in the City Contribution and Agreement, the City shall not consent to or acknowledge the transfer or assignment of the City Contribution and/or the Agreement to another person or entity without the Lender’s express written consent.

The City hereby certifies and covenants to Lender the following: (i) the Agreement, as originally executed, is in full force and effect and has not been modified, supplemented or amended; (ii) all obligations of Developer under the Agreement have been fulfilled to date, and the undersigned has no demands, claims or causes of action against Developer under the Agreement; (iii) there are no pending, or to the best of the City’s knowledge, threatened proceedings or litigation with respect to the Agreement or the TIF district described therein; (iv) the City has not given the Developer written notice of any default under the Agreement, and to the best of the City’s knowledge, the Developer has not committed any act or omission under the Agreement which would constitute a default with the giving of notice, the passage of time, or both; and (v) any notice of default or termination provided by the City to Developer under the Agreement will be simultaneously sent to Lender at the following address:

Associated Bank, National Association
Attn: Bryan Schreiter, Senior Vice President
8040 Excelsior Drive
Madison, WI 53717
Email: Bryan.Schreiter@AssociatedBank.com

[Signature Page Follows]

Executed as of the date first written above.

CITY OF WATERTOWN, Jefferson County, Wisconsin

By: _____
Name: _____
Title: _____

Attest:

By: _____
Name: _____
Title: _____

Water Systems

800 Hoffmann Drive • P.O. Box 477 • Watertown WI 53094-0477
WASTEWATER (920) 262-4085 • WATER (920) 262-4075

To: Mayor Stocks and members of the Finance Committee
From: Peter Hartz – Water Systems Manager

July 17, 2025

Re: Water Systems agenda item for July 21, 2025

Water Department:

Review and update – Water Department, 2025 Private Lead Service Line Project

On April 22, 2025, Five Star Energy Services, LLC (FSES) was awarded the citywide lead service replacement project for \$7,772,734. This project will span 3 years from start to finish, beginning in September of 2025, and completion tentatively scheduled for late 2027.

The funding for this project comes from the Bipartisan Infrastructure Loan (BIL) program and is administered by the Wisconsin Department of Natural Resources (WDNR). We are getting a loan for the project amounting to \$8,218,522 (including 5% contingency, and money to buy water filters for residents). \$5,109,324 is treated as a grant as the principal will be forgiven (PF). The remaining balance of \$3,109,198 is expected to be paid with the water department cash reserves. However, the Department of Administration (DOA) and WDNR have stated to Watertown that the city needs to provide the funds in a general obligation note to pay for the project. The general obligation note is needed because the money is loaned to the City of Watertown and not the Water Utility, however the Water Department (System) will pledge revenue for the bonds to cover the general obligation for the purpose of paying the cost of the project which comes from borrowing on the credit of the income and revenue of the Water System.

An additional requirement for receiving the BIL funding each individual property owner needs to be invoiced for the lead water lateral removal following the requirements Ordinance #20-27 related to the water lateral connection found in city code §512-87. The alternative to the invoice option is to follow the special assessment procedure provided in Wisconsin Statutes §66.0809 and the charge would show up on the parcel tax bill. Neither of these options would impact the tax levy, and the repayment of the lateral replacement is between the property owner and the city, the government just needs to see that the cost was levied to the parcel where the lateral was replaced.

As a result of our citywide program, 4 separate financial assistance agreements will need to be reviewed and passed by resolution as our project area was split up to maximize the PF of the loan. We expect to be presenting these agreements to the City Council on August 19, 2025, and then WDNR has tentatively listed the loan closing dates as August 27, 2025.

City staff discussed our options with the DOA, WDNR, and our Baird representative recently, the details of which I will refer to our Finance Director Mr. Stevens who can better explain how we plan to move forward for this project funding. Included with this memo are copies of the financial review by the DOA showing what a 5-year pledge, and a 20-year pledge would look like, which were just received on July 16, 2025.

Sincerely,
Peter Hartz

Water Systems Manager

Safe Drinking Water Fund Program DRAFT Certification Worksheet

Section 4, Item C.

Date of Analysis	7/15/2025
Municipality Name	City of Watertown

Financial Review Notes as of 07/15/2025

1. Net revenue appears **sufficient** for this debt service on this project.
2. The City of Watertown has not provided a reimbursement resolution for this project.
3. The City of Watertown will be pledging general obligations
4. In FAA definitions, Parity Obligations means any obligations issued on a parity with the Municipal Obligations pursuant to the restrictive provisions of Section 11 of the Municipal Obligation Resolution.
6. The City of Watertown states that a couple customers generates more than five percent of system revenue. No special agreement exists.

Project Manager	Kate Leja-Brennan
DOA Contact	Amy Johnson
Primary Project Number	5439-08
Additional Project	5439-07
Additional Project	n/a
Substantial Completion Date	10/31/2027
Muni Meeting Date	9/2/2025
Project was on funding list for State Fiscal Year	2025

Proposed Loan Amount	964,017
Principal Forgiveness	964,017
Disadvantaged Status	Not disadvantaged
Assumed Interest Rate	0.250%
Loan Term	5

Only Complete Equalized Value GO Table if the New Loan Is a GO

2024 Equalized Value	2,382,749,500
2024 General Obligation Debt Limit	\$ 119,137,475
2024 General Obligation Debt Outstanding w/o New Loan	\$ 42,825,000
General Obligation Debt Divided by Equalized Value w/o New Loan	1.8%
% of General Obligation Debt Limit Available w/o New Loan	64.1%
\$ of General Obligation Debt Limit Available w/o New Loan	\$ 76,312,475
Share of New Loan that Is General Obligation	100.0%
New Loan 5439-07 & 5439-08 Total	1,240,936
General Obligation Debt Outstanding w/ New Loans	\$ 44,065,936
General Obligation Debt Divided by Equalized Value w/ New Loan	1.8%
% of General Obligation Debt Limit Available w/ New Loan	63.0%
\$ of General Obligation Debt Limit Available w/ New Loan	\$ 75,071,539

DOA Capital Finance Office

This analysis is only as of the date indicated. This worksheet will be updated and may change as DOA reviews finances, ability to pay, etc.

City of Watertown, Wisconsin

Exhibit B

Project 5439-07 Safe Drinking Water Fund Program

Loan Closing Date: **September 24, 2025**

Payment Date	Principal Payment	Interest Rate	Interest Payment	Principal & Interest	Bond Year Debt Service	Calendar Year Debt Service
1-May-26	0.00	0.250%	1,452.72	1,452.72	1,452.72	0.00
1-Nov-26	0.00	0.250%	1,205.02	1,205.02	0.00	2,657.74
1-May-27	0.00	0.250%	1,205.02	1,205.02	2,410.04	0.00
1-Nov-27	0.00	0.250%	1,205.02	1,205.02	0.00	2,410.04
1-May-28	320,536.99	0.250%	1,205.02	321,742.01	322,947.03	0.00
1-Nov-28	0.00	0.250%	804.35	804.35	0.00	322,546.36
1-May-29	321,338.33	0.250%	804.35	322,142.68	322,947.03	0.00
1-Nov-29	0.00	0.250%	402.68	402.68	0.00	322,545.36
1-May-30	322,141.68	0.250%	402.68	322,544.36	322,947.04	322,544.36
Totals	964,017.00		8,686.86	972,703.86	972,703.86	972,703.86
Net Interest Rate				0.2500%		
Bond Years				3,474.7439		
Average Life				3.6044		

The above schedule assumes full disbursement of the loan on the loan closing date.

15-Jul-25 Wisconsin Department of Administration

Loan Payment Schedule Comments

Please review the preceding loan payment schedule. It shows the dates of your first interest and principal payments. The preceding loan payment schedule assumes you draw all the loan funds on the loan closing date. Borrowers often draw loan funds over time. Interest only accrues on the funds disbursed and only after the date of each disbursement.

You can view your payment schedule based on disbursements to date at <http://eif.doa.wi.gov/>. Select Loan Payment Schedule on the lower half of the page. You can also request loan payment information from doaeif@wisconsin.gov.

You can generate additional reports at <http://eif.doa.wi.gov/>.

<u>Available Report</u>	<u>Information Provided</u>
Auditor Verification Report	Information commonly requested by municipal auditors. Available for completed calendar years.
Loan Account History	Loan disbursements, principal payments, and loan balance.
Loan Payment Schedule	Future principal and interest payments for disbursements.
Payment History	Past principal and interest payments.
Disbursement History	Past loan and grant disbursements.

Use the Output to Excel button at the bottom of the page to create your report in Microsoft Excel. Find details on generating reports at <http://eif.doa.wi.gov/siteDescr.htm>.

The Environmental Improvement Fund sends invoices semi-annually. You will receive an invoice approximately 45 days prior to the due date. If you have multiple loans, we will send a single invoice showing the payment amount for each loan.

May 1: principal and interest payments due
November 1: interest payments due

For more information about your payment schedule, please email doaeif@wisconsin.gov. The first available staff will respond to your inquiry.

Safe Drinking Water Fund Program DRAFT Certification Worksheet

Section 4, Item C.

Date of Analysis	7/15/2025
Municipality Name	City of Watertown

Financial Review Notes as of 07/15/2025

1. Net revenue appears **sufficient** for this debt service on this project.
2. The City of Watertown has not provided a reimbursement resolution for this project.
3. The City of Watertown will be pledging general obligations
4. In FAA definitions, Parity Obligations means any obligations issued on a parity with the Municipal Obligations pursuant to the restrictive provisions of Section 11 of the Municipal Obligation Resolution.
6. The City of Watertown states that a couple customers generates more than five percent of system revenue. No special agreement exists.

Project Manager	Kate Leja-Brennan
DOA Contact	Amy Johnson
Primary Project Number	5439-07
Additional Project	5439-08
Additional Project	n/a
Substantial Completion Date	10/31/2027
Muni Meeting Date	9/2/2025
Project was on funding list for State Fiscal Year	2025

Proposed Loan Amount	276,919
Principal Forgiveness	830,756
Disadvantaged Status	Not disadvantaged
Assumed Interest Rate	0.250%
Loan Term	5

Only Complete Equalized Value GO Table if the New Loan Is a GO

2024 Equalized Value	2,382,749,500
2024 General Obligation Debt Limit	\$ 119,137,475
2024 General Obligation Debt Outstanding w/o New Loan	\$ 42,825,000
General Obligation Debt Divided by Equalized Value w/o New Loan	1.8%
% of General Obligation Debt Limit Available w/o New Loan	64.1%
\$ of General Obligation Debt Limit Available w/o New Loan	\$ 76,312,475
Share of New Loan that Is General Obligation	100.0%
New Loan 5439-07 & 5439-08 Total	1,240,936
General Obligation Debt Outstanding w/ New Loans	\$ 44,065,936
General Obligation Debt Divided by Equalized Value w/ New Loan	1.8%
% of General Obligation Debt Limit Available w/ New Loan	63.0%
\$ of General Obligation Debt Limit Available w/ New Loan	\$ 75,071,539

DOA Capital Finance Office

This analysis is only as of the date indicated. This worksheet will be updated and may change as DOA reviews finances, ability to pay, etc.

City of Watertown, Wisconsin

Exhibit B

Project 5439-07 Safe Drinking Water Fund Program

Loan Closing Date: September 24, 2025

Payment Date	Principal Payment	Interest Rate	Interest Payment	Principal & Interest	Bond Year Debt Service	Calendar Year Debt Service
1-May-26	0.00	0.250%	417.30	417.30	417.30	0.00
1-Nov-26	0.00	0.250%	346.15	346.15	0.00	763.45
1-May-27	0.00	0.250%	346.15	346.15	692.30	0.00
1-Nov-27	0.00	0.250%	346.15	346.15	0.00	692.30
1-May-28	92,075.87	0.250%	346.15	92,422.02	92,768.17	0.00
1-Nov-28	0.00	0.250%	231.05	231.05	0.00	92,653.07
1-May-29	92,306.06	0.250%	231.05	92,537.11	92,768.16	0.00
1-Nov-29	0.00	0.250%	115.67	115.67	0.00	92,652.78
1-May-30	92,536.82	0.250%	115.67	92,652.49	92,768.16	92,652.49
Totals	276,918.75		2,495.34	279,414.09	279,414.09	279,414.09
Net Interest Rate				0.2500%		
Bond Years				998.1377		
Average Life				3.6044		

The above schedule assumes full disbursement of the loan on the loan closing date.

15-Jul-25 Wisconsin Department of Administration

Loan Payment Schedule Comments

Please review the preceding loan payment schedule. It shows the dates of your first interest and principal payments. The preceding loan payment schedule assumes you draw all the loan funds on the loan closing date. Borrowers often draw loan funds over time. Interest only accrues on the funds disbursed and only after the date of each disbursement.

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<u>Available Report</u>	<u>Information Provided</u>
Auditor Verification Report	Information commonly requested by municipal auditors. Available for completed calendar years.
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Disbursement History	Past loan and grant disbursements.

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The Environmental Improvement Fund sends invoices semi-annually. You will receive an invoice approximately 45 days prior to the due date. If you have multiple loans, we will send a single invoice showing the payment amount for each loan.

May 1: principal and interest payments due
November 1: interest payments due

For more information about your payment schedule, please email doaeif@wisconsin.gov. The first available staff will respond to your inquiry.

Safe Drinking Water Fund Program DRAFT Certification Worksheet

Section 4, Item C.

Date of Analysis
Municipality Name

7/16/2025
City of Watertown

Financial Review Notes as of 07/16/2025

1. Net revenue appears **sufficient** for this debt service on this project.
2. City of Watertown has not provided a reimbursement resolution for this project.
3. The City of Watertown has a number of outstanding water revenue bonds. The pledge for the new bonds will be water system revenue. New bonds will be senior-parity and tax-exempt.
4. In FAA definitions, Parity Obligations means the Municipality's \$5,880,000 Water System Revenue Bonds, dated April 23, 2012; its \$945,000 Water System Revenue Refunding Bonds, dated March 1, 2017; its \$10,757,910 Water System Revenue Bonds, Series 2017B, dated May 10, 2017; and any other obligations issued on a parity with the Municipal Obligations pursuant to the restrictive provisions of Section 11 of the Municipal Obligation Resolution.
6. The City of Watertown states that a customer generates more than five percent of system revenue. No special agreement exists.

Project Manager	Kate Laja-Brennan
DOA Contact	Amy Johnson
Primary Project Number	5439-99
Additional Project	n/a
Additional Project	n/a
Substantial Completion Date	10/31/2027
Muni Meeting Date	
Project was on funding list for State Fiscal Year	2025

Proposed Loan Amount	2,863,161
Principal Forgiveness	318,129
Disadvantaged Status	Not disadvantaged
Assumed Interest Rate	0.250%
Loan Term	20

DOA Capital Finance Office

This analysis is only as of the date indicated. This worksheet will be updated and may change as DOA reviews finances, ability to pay, etc.

City of Watertown - DEBT COVERAGE CALCULATION

Section 4, Item C.

Water Revenue

7/16/2025

DRAFT

	bakertilly 2022	bakertilly 2023	bakertilly 2024
<u>Water System Revenues</u>			
Sales of water	5,649,819	5,596,056	5,466,920
Other operating revenue	-	-	-
Interest and dividend income	28,991	306,790	388,383
reserved	-	-	-
reserved	-	-	-
reserved	-	-	-
reserved	-	-	-
reserved	-	-	-
Total Gross Earnings	5,678,810	5,902,846	5,855,303
<u>Water System Expenses</u>			
Operation & maintenance	2,104,648	2,120,902	1,781,712
PSC Tax	46,891	43,117	42,383
reserved	-	-	-
reserved	-	-	-
reserved	-	-	-
reserved	-	-	-
reserved	-	-	-
Total Current Expenses	2,151,539	2,164,019	1,824,095
Net Revenues	\$ 3,527,271	\$ 3,738,827	\$ 4,031,208

	2032 Max Debt Servic Prin & Int	Required Debt Cover
<u>Sewer Revenue Debt Issues</u>		
\$5,880,000, CM 2012, Series N/A	137,363	125%
\$945,000, CM 2017, Series N/A	0	125%
\$10,757,910, SDW 5439-02, Series 2001	630,199	125%
\$2,863,161, SDW 5439-99, Series 2025	162,672	125%
Reserved	0	
Max Annual Debt Service	930,234	

Net Revenues / Max Annual Debt Service = \$ 4,031,208 / \$ 930,234 = 433% debt coverage ratio

Net Revenues must be at least \$1,162,793 (930,234 x 125%) to meet Debt Coverage Test

Net Revenues Excess or (Shortfall) 2,868,415

ANNUAL DEBT SERVICE SCHEDULE

Maximum Debt Service is Shaded

7/16/2025

DRAFT

Section 4, Item C.

		CM 2012	CM 2017	SDW 5439-02	SDW 5439-99	Annual Debt Service Total
		Water Revenue	Water Revenue	Water Revenue	Water Revenue	
		\$5,880,000	\$945,000	\$10,757,910	\$2,863,161	
		N/A	N/A	Closed Out	Footnote 1	
		Series N/A	Series N/A	Series 2001	Series 2025	
	Year	Dated 4/23/12	Dated 3/1/17	Dated 5/10/2017	Dated 9/24/2025	
1	2025	13,944	3,150	63,344	-	80,438
2	2026	136,238	109,725	630,759	7,894	884,615
3	2027	132,938	106,575	630,670	7,158	877,340
4	2028	134,419	-	630,579	162,674	927,672
5	2029	135,600	-	630,487	162,674	928,761
6	2030	136,463	-	630,393	162,673	929,529
7	2031	137,000	-	630,297	162,673	929,970
8	2032	137,363	-	630,199	162,672	930,234 MAX Annual
9	2033	-	-	630,100	162,672	792,772
10	2034	-	-	629,999	162,671	792,670
11	2035	-	-	629,895	162,671	792,566
12	2036	-	-	629,790	162,670	792,461
13	2037	-	-	629,683	162,670	792,353
14	2038	-	-	-	162,669	162,669
15	2039	-	-	-	162,669	162,669
16	2040	-	-	-	162,668	162,668
17	2041	-	-	-	162,668	162,668
18	2042	-	-	-	162,667	162,667
19	2043	-	-	-	162,667	162,667
20	2044	-	-	-	162,666	162,666
21	2045	-	-	-	162,666	162,666
22	2046	-	-	-	-	-
23	2047	-	-	-	-	-
24	2048	-	-	-	-	-
25	2049	-	-	-	-	-
26	2050	-	-	-	-	-
27	2051	-	-	-	-	-
28	2052	-	-	-	-	-
29	2053	-	-	-	-	-
30	2054	-	-	-	-	-
31	2055	-	-	-	-	-
32	2056	-	-	-	-	-
33	2057	-	-	-	-	-
34	2058	-	-	-	-	-
35	2059	-	-	-	-	-
36	2060	-	-	-	-	-
37	2061	-	-	-	-	-
38	2062	-	-	-	-	-
39	2063	-	-	-	-	-
40	2064	-	-	-	-	-
41	2065	-	-	-	-	-
Total		963,963	219,450	7,626,194	2,943,115	11,752,722
						TRUE
						Check with Amort

¹ See Exhibit B in FAA for details on amortization schedule.

Exhibit B**City of Watertown, Wisconsin**

Project 5439-99 Safe Drinking Water Fund Program

Loan Closing Date:

September 24, 2025

Payment Date	Principal Payment	Interest Rate	Interest Payment	Principal & Interest	Bond Year Debt Service	Calendar Year Debt Service
1-May-26	0.00	0.250%	4,314.62	4,314.62	4,314.62	0.00
1-Nov-26	0.00	0.250%	3,578.95	3,578.95	0.00	7,893.57
1-May-27	0.00	0.250%	3,578.95	3,578.95	7,157.90	0.00
1-Nov-27	0.00	0.250%	3,578.95	3,578.95	0.00	7,157.90
1-May-28	155,711.10	0.250%	3,578.95	159,290.05	162,869.00	0.00
1-Nov-28	0.00	0.250%	3,384.31	3,384.31	0.00	162,674.36
1-May-29	156,100.38	0.250%	3,384.31	159,484.69	162,869.00	0.00
1-Nov-29	0.00	0.250%	3,189.19	3,189.19	0.00	162,673.88
1-May-30	156,490.63	0.250%	3,189.19	159,679.82	162,869.01	0.00
1-Nov-30	0.00	0.250%	2,993.57	2,993.57	0.00	162,673.39
1-May-31	156,881.86	0.250%	2,993.57	159,875.43	162,869.00	0.00
1-Nov-31	0.00	0.250%	2,797.47	2,797.47	0.00	162,672.90
1-May-32	157,274.06	0.250%	2,797.47	160,071.53	162,869.00	0.00
1-Nov-32	0.00	0.250%	2,600.88	2,600.88	0.00	162,672.41
1-May-33	157,667.25	0.250%	2,600.88	160,268.13	162,869.01	0.00
1-Nov-33	0.00	0.250%	2,403.79	2,403.79	0.00	162,671.92
1-May-34	158,061.42	0.250%	2,403.79	160,465.21	162,869.00	0.00
1-Nov-34	0.00	0.250%	2,206.22	2,206.22	0.00	162,671.43
1-May-35	158,456.57	0.250%	2,206.22	160,662.79	162,869.01	0.00
1-Nov-35	0.00	0.250%	2,008.15	2,008.15	0.00	162,670.94
1-May-36	158,852.71	0.250%	2,008.15	160,860.86	162,869.01	0.00
1-Nov-36	0.00	0.250%	1,809.58	1,809.58	0.00	162,670.44
1-May-37	159,249.85	0.250%	1,809.58	161,059.43	162,869.01	0.00
1-Nov-37	0.00	0.250%	1,610.52	1,610.52	0.00	162,669.95
1-May-38	159,647.97	0.250%	1,610.52	161,258.49	162,869.01	0.00
1-Nov-38	0.00	0.250%	1,410.96	1,410.96	0.00	162,669.45
1-May-39	160,047.09	0.250%	1,410.96	161,458.05	162,869.01	0.00
1-Nov-39	0.00	0.250%	1,210.90	1,210.90	0.00	162,668.95
1-May-40	160,447.21	0.250%	1,210.90	161,658.11	162,869.01	0.00
1-Nov-40	0.00	0.250%	1,010.34	1,010.34	0.00	162,668.45
1-May-41	160,848.33	0.250%	1,010.34	161,858.67	162,869.01	0.00
1-Nov-41	0.00	0.250%	809.28	809.28	0.00	162,667.95
1-May-42	161,250.44	0.250%	809.28	162,059.72	162,869.00	0.00
1-Nov-42	0.00	0.250%	607.72	607.72	0.00	162,667.44
1-May-43	161,653.57	0.250%	607.72	162,261.29	162,869.01	0.00
1-Nov-43	0.00	0.250%	405.65	405.65	0.00	162,666.94
1-May-44	162,057.71	0.250%	405.65	162,463.36	162,869.01	0.00
1-Nov-44	0.00	0.250%	203.08	203.08	0.00	162,666.44
1-May-45	162,462.85	0.250%	203.08	162,665.93	162,869.01	162,665.93
Totals	2,863,161.00		79,953.64	2,943,114.64	2,943,114.64	2,943,114.64

Net Interest Rate 0.2500%
Bond Years 31,981.4610
Average Life 11.1700

The above schedule assumes full disbursement of the loan on the loan closing date.

16-Jul-25 Wisconsin Department of Administration

Safe Drinking Water Fund Program DRAFT Certification Worksheet

Section 4, Item C.

Date of Analysis
Municipality Name

7/16/2025
City of Watertown

Financial Review Notes as of 07/16/2025

1. Net revenue appears **sufficient** for this debt service on this project.
2. City of Watertown has not provided a reimbursement resolution for this project.
3. The City of Watertown has a number of outstanding water revenue bonds. The pledge for the new bonds will be water system revenue. New bonds will be senior-parity and tax-exempt.
4. In FAA definitions, Parity Obligations means the Municipality's \$5,880,000 Water System Revenue Bonds, dated April 23, 2012; its \$945,000 Water System Revenue Refunding Bonds, dated March 1, 2017; its \$10,757,910 Water System Revenue Bonds, Series 2017B, dated May 10, 2017; and any other obligations issued on a parity with the Municipal Obligations pursuant to the restrictive provisions of Section 11 of the Municipal Obligation Resolution.
6. The City of Watertown states that a customer generates more than five percent of system revenue. No special agreement exists.

Project Manager	Kate Laja-Brennan
DOA Contact	Amy Johnson
Primary Project Number	5439-99
Additional Project	n/a
Additional Project	n/a
Substantial Completion Date	10/31/2027
Muni Meeting Date	
Project was on funding list for State Fiscal Year	2025

Proposed Loan Amount	2,863,161
Principal Forgiveness	318,129
Disadvantaged Status	Not disadvantaged
Assumed Interest Rate	0.250%
Loan Term	5

DOA Capital Finance Office

This analysis is only as of the date indicated. This worksheet will be updated and may change as DOA reviews finances, ability to pay, etc.

City of Watertown - DEBT COVERAGE CALCULATION

Section 4, Item C.

Water Revenue

7/16/2025

DRAFT

	bakertilly 2022	bakertilly 2023	bakertilly 2024
<u>Water System Revenues</u>			
Sales of water	5,649,819	5,596,056	5,466,920
Other operating revenue	-	-	-
Interest and dividend income	28,991	306,790	388,383
reserved	-	-	-
reserved	-	-	-
reserved	-	-	-
reserved	-	-	-
reserved	-	-	-
Total Gross Earnings	5,678,810	5,902,846	5,855,303
<u>Water System Expenses</u>			
Operation & maintenance	2,104,648	2,120,902	1,781,712
PSC Tax	46,891	43,117	42,383
reserved	-	-	-
reserved	-	-	-
reserved	-	-	-
reserved	-	-	-
reserved	-	-	-
Total Current Expenses	2,151,539	2,164,019	1,824,095
Net Revenues	\$ 3,527,271	\$ 3,738,827	\$ 4,031,208

	2030 Max Debt Servic Prin & Int	Required Debt Cover
<u>Sewer Revenue Debt Issues</u>		
\$5,880,000, CM 2012, Series N/A	136,463	125%
\$945,000, CM 2017, Series N/A	0	125%
\$10,757,910, SDW 5439-02, Series 2001	630,393	125%
\$2,863,161, SDW 5439-99, Series 2025	957,967	125%
Reserved	0	
Max Annual Debt Service	1,724,822	

Net Revenues / Max Annual Debt Service = \$ 4,031,208 / \$ 1,724,822 = 234% debt coverage ratio

Net Revenues must be at least \$2,156,028 (1,724,822 x 125%) to meet Debt Coverage Test

Net Revenues Excess or (Shortfall) 1,875,180

ANNUAL DEBT SERVICE SCHEDULE

Maximum Debt Service is Shaded

7/16/2025

DRAFT

Section 4, Item C.

		CM 2012	CM 2017	SDW 5439-02	SDW 5439-99		
		Water Revenue	Water Revenue	Water Revenue	Water Revenue		
		\$5,880,000	\$945,000	\$10,757,910	\$2,863,161		
		N/A	N/A	Closed Out	Footnote 1		
		Series N/A	Series N/A	Series 2001	Series 2025	Annual	Debt Service
Year		Dated 4/23/12	Dated 3/1/17	Dated 5/10/2017	Dated 9/24/2025	Total	
1	2025	13,944	3,150	63,344	-	80,438	
2	2026	136,238	109,725	630,759	7,894	884,615	
3	2027	132,938	106,575	630,670	7,158	877,340	
4	2028	134,419	-	630,579	957,973	1,722,971	
5	2029	135,600	-	630,487	957,970	1,724,057	
6	2030	136,463	-	630,393	957,967	1,724,822	MAX Annual
7	2031	137,000	-	630,297	-	767,297	
8	2032	137,363	-	630,199	-	767,562	
9	2033	-	-	630,100	-	630,100	
10	2034	-	-	629,999	-	629,999	
11	2035	-	-	629,895	-	629,895	
12	2036	-	-	629,790	-	629,790	
13	2037	-	-	629,683	-	629,683	
14	2038	-	-	-	-	-	
15	2039	-	-	-	-	-	
16	2040	-	-	-	-	-	
17	2041	-	-	-	-	-	
18	2042	-	-	-	-	-	
19	2043	-	-	-	-	-	
20	2044	-	-	-	-	-	
21	2045	-	-	-	-	-	
22	2046	-	-	-	-	-	
23	2047	-	-	-	-	-	
24	2048	-	-	-	-	-	
25	2049	-	-	-	-	-	
26	2050	-	-	-	-	-	
27	2051	-	-	-	-	-	
28	2052	-	-	-	-	-	
29	2053	-	-	-	-	-	
30	2054	-	-	-	-	-	
31	2055	-	-	-	-	-	
32	2056	-	-	-	-	-	
33	2057	-	-	-	-	-	
34	2058	-	-	-	-	-	
35	2059	-	-	-	-	-	
36	2060	-	-	-	-	-	
37	2061	-	-	-	-	-	
38	2062	-	-	-	-	-	
39	2063	-	-	-	-	-	
40	2064	-	-	-	-	-	
41	2065	-	-	-	-	-	
Total		963,963	219,450	7,626,194	2,888,961	11,698,568	TRUE Check with Amort

¹ See Exhibit B in FAA for details on amortization schedule.

City of Watertown, Wisconsin

Exhibit B

Project 5439-99 Safe Drinking Water Fund Program

Loan Closing Date:
 September 24, 2025

Payment Date	Principal Payment	Interest Rate	Interest Payment	Principal & Interest	Bond Year Debt Service	Calendar Year Debt Service
1-May-26	0.00	0.250%	4,314.62	4,314.62	4,314.62	0.00
1-Nov-26	0.00	0.250%	3,578.95	3,578.95	0.00	7,893.57
1-May-27	0.00	0.250%	3,578.95	3,578.95	7,157.90	0.00
1-Nov-27	0.00	0.250%	3,578.95	3,578.95	0.00	7,157.90
1-May-28	952,005.00	0.250%	3,578.95	955,583.95	959,162.90	0.00
1-Nov-28	0.00	0.250%	2,388.95	2,388.95	0.00	957,972.90
1-May-29	954,385.02	0.250%	2,388.95	956,773.97	959,162.92	0.00
1-Nov-29	0.00	0.250%	1,195.96	1,195.96	0.00	957,969.93
1-May-30	956,770.98	0.250%	1,195.96	957,966.94	959,162.90	957,966.94
Totals	2,863,161.00		25,800.24	2,888,961.24	2,888,961.24	2,888,961.24
Net Interest Rate				0.2500%		
Bond Years				10,320.0994		
Average Life				3.6044		

The above schedule assumes full disbursement of the loan on the loan closing date.
 16-Jul-25 Wisconsin Department of Administration

PUBLIC WORKS COMMISSION

Tuesday, April 22, 2025

5:30 p.m.

The Public Works Commission met on the above date and time. The following members were present: Alderpersons Brad Blanke, Dan Bartz, Myron Moldenhauer, and Tony Arnett; Citizen member Pete Thompson. Also present: City Staff Andrew Beyer, Tim Hayden, Richie Piltz.

1. **Call to order.** Chairperson Arnett called the meeting to order at 5:30 p.m.
2. **Comments and Suggestions from Citizens Present.** There were no comments received.
3. **Review & approve minutes dated April 8, 2025.** Mr. Bartz moved to approve the minutes as presented, seconded by Mr. Thompson, and carried by unanimous voice vote.
4. **Review and take possible action: Sidewalk repair orders for 514 N. Water Street; 415 N. Sixth Street; 1508 Doctors Court.** Mr. Blanke moved to approve the repair orders for the properties listed. Mr. Bartz seconded the motion. Motion carried by unanimous voice vote.
5. **Review and take possible action: Award Rebidding of Plaza Phase II ADA Concrete Ramp Improvements Contract #10-25 Alternate Bid B to Maas Brothers Construction Co., Inc. For \$145,170.00** Engineering Project Manager Richie Piltz presented the bids received for the installation of the ADA concrete on the east side of the river, near the Main St. bridge. This project had been rebid because no bids were received the first time. It was put out to bid with 3 options. Staff recommended accepting the "Alternate B" bid from Mass Brothers for \$145,170 as best low bid received. Mr. Blanke asked what was the project budget, to which he was informed that \$400,000 had been budgeted. Mr. Blanke also asked why Alternate B was recommended, to which staff replied the cast concrete in Alternate B will last longer, and will allow the city to select a pattern to the concrete to reflect the nearby rip rap. Mr. Moldenhauer moved to recommend awarding the bid to Maas Brothers for \$145,170 for "Alternate B". Mr. Thompson seconded. Motion carried by unanimous roll call vote, 5-0.
6. **Review and take possible action: Award bid for the 2025 Private Lead Service Line Project to Five Star Energy LLC.** Assistant Water Utility Manager Tim Hayden presented the bids received for the replacement of lead service lines throughout the city. The best low bid was received from Five Star Energy LLC in the amount of \$7,772,734. This is a 3-year project, continuing on work done the last few years, with the goal of replacing all lead service lines in the city. The prior round were 100% funded by the State of Wisconsin. This round is funded based on city census tracts, with tracts with lower average incomes receiving 100% State funding, and other tracts only 75% or 50%. Overall, the State will provide approximately 85% of the funding for this round, with the city portion amounting to \$1,250,000. The work in year will prioritize the properties with 100% State funding. Mr. Blanke asked where the city portion of the expense will come from. Mr. Hayden responded it will come from fund balance in the Water Utility and by deferring other Water Utility projects. The goal is to get this done without requiring a rate increase. Mr. Bartz asked if there were any concerns that the recommended contractor has 32 other projects like this going on (are they overcommitted?) Mr. Hayden answered they had inquired about this and the contractor provided assurances to be able to scale up to meet the work. Mr. Thompson asked if there were any concerns about the costs being 20% than other bidders. Mr. Hayden answered they had inquired to several communities who have use the same contractor and received positive reports. Mr. Bartz moved to recommend awarding the bid to Five Star Energy LLC for \$7,772,734. Mr. Moldenhauer seconded. It was noted that the resolution presented had an improperly worded last sentence indicating no city funding account was needed.

Chairperson Arnett offered a friendly amendment to change the last sentence to "A funding account for the city portion of the total cost will be determined once a SWDL award has been received from the State of Wisconsin." Mr. Bartz accepted the friendly amendment, as did Mr. Moldenhauer. Motion carried by unanimous roll call vote, 5-0.

7. **Adjournment.** Mr. Blanke moved to adjourn at 5:56 p.m., seconded by Mr. Moldenhauer. Motion carried by unanimous voice vote.

Respectfully submitted,

Tony Arnett, Chairperson



Water Systems

800 Hoffmann Drive • P.O. Box 477 • Watertown WI 53094-0477
WASTEWATER (920) 262-4085 • WATER (920) 262-4075

To: Chairman Board and members of the Public Works Commission December 10, 2024
From: Peter Hartz – Water Systems Manager

Re: December 10, 2024, Public Works Commission agenda item

Water Systems:

Review and take possible action: Approve and verify funding breakouts for the private lead service replacement program in census tract (CT) CT1002, CT9620, and CT City Wide remaining.

Background:

- In 2020, the city set a goal of replacing all the lead services by 2030. The city started in 2021, backing up projects in 2018, 2019, 2020 and replacing all the partial services that were left while doing the public side water service. A total of 150 were replaced in 2021, 456 replaced in 2022, and 102 replaced in 2023. Over those years a total of 708 lead services were replaced. At the end of 2023 the Department of Natural Resources exhausted the private lead service replacement funds. New opportunities were sought by the city which included the Bipartisan Infrastructure Law-funded Lead Service Line (LSL) Replacement funding which was incorporated into the regular Safe Drinking Water Loan Program (SDWLP) State Fiscal Year (SFY) 2025 funding cycle.
- May 14, 2024 – the PWC is provided an update regarding the submittal of applications for funding the replacement of all remaining lead water services in the city of Watertown. Watertown chooses to include the entire city and all remaining lead services with a completion goal of 3 years.
- November 4, 2024 - DNR issues press release and shares the statewide project ranking for the SFY 2025 private lead service replacement funding, Watertown ranks very well and will be funded for a total of shared project rankings for the private lead service replacement program. This breakdown is very close to the estimated PF/loan calculations prepared by Strand. All costs not funded through private or remaining cost (public) PF should come in the form of a 0.25% interest loan. All our applications received at least 50% private PF with the breakdown as follows:

Census Tract (CT)	Project #	LSL PERF Score	Requested Costs	Private Costs	Private PF %	Allocated Private PF	Private Side Loan	Remaining Costs	Remaining Cost PF %	Remaining Cost PF Allocation	Remaining Costs Loan
1002	5439-09	307	\$3,334,100	\$3,334,100	100%	\$3,334,100	\$0	\$0	10%	\$0	\$0
9620	5439-07	276	\$1,771,000	\$1,771,000	75%	\$1,328,250	\$442,750	\$0	10%	\$0	\$0
City-Wide	5439-08	274	\$8,915,700	\$3,415,698	50%	\$1,707,849	\$1,707,849	\$5,550,002	10%	\$550,000	\$4,950,002
Total			\$14,020,800	\$8,520,798	--	\$6,370,199	\$2,150,599	\$5,550,002	--	\$550,000	\$4,950,002

- November 15, 2024 – the water department mails out individual letters to all customers who have a lead, galvanized or unknown water service in the City of Watertown, over 1,078 letters are sent.

Regarding the PSC program requirements, the attached final decision lays all of that out. This program, which mirrors City Code 512-87 (Amd. Ord 20-27) will allow the City to offer eligible customers a grant to pay for up to 50% of the cost to replace the private-side LSL, to a maximum grant amount of \$5,000. Any cost above this amount will be provided in the form of a loan to the property owner over a 10-year period at a 2.5% interest rate to pay back the SDWLP loan.

Any significant changes to the PSC’s program must first receive approval from the PSC. Because we now know exactly how much funding the city will receive for each of the three applications, the actual expenses can be somewhat narrowed down, as we anticipated the total grant cost to be 50% of \$7,000,000 or \$3,500,000 over three years. However, until the project is Bid out and awarded, we won’t know actual costs and how the various WDNR PF allocations will shake out. This might have to involve a conversation with both the PSC to see if their approval is needed based on the WDNR PF allocations or upcoming Bid results.

The total number of private LSLs to be replaced is 1,109. CT 1002 contains 433 private LSLs and will be provided 100% PF from the WDNR, so no loan is expected to be needed for property owners. CT 9620 contains 230 private LSLs and will be provided with 75% PF from the WDNR. The remaining 25% is expected to be funded through the PSC program using water rates, so no loan is expected for the property owners. The remainder of the city contains 446 private LSLs and will be provided with 50% PF from the WDNR. The remaining 50% is expected to be funded through the PSC program using water rates, so no loan is expected for the property owners. There are 440 public LSLs in the City, which are categorized as “Remaining Costs” and will be provided 10% PF from the WDNR. The remainder of the costs will be taken out as a loan from the WDNR.

Actual costs won’t be known until the project is Bid out so the PF percentages can be allocated against an actual cost.

Financial Impact: This project was included in the 2025 capital improvement budget that was approved on 11/19/2024, the approved project funding source was the SDWLP, new debt must be recuperated from the water customers following City of Watertown City Code 512-87 (Amd. Ord 20-27).

Recommendation: Support and approve funding allocations and sources for the 2025 Private and Public Lead Service Replacement City-Wide Program.

Sincerely,
Peter Hartz

Water Systems Manger

**City of Watertown
Public Works Commission
Tuesday, December 10, 2024**

1. Call to Order

Meeting called to order by Chairman Steve Board at 5:30 p.m.

Attendees: Alders Board, Bartz, and Wetzel, and Commissioner Thompson.

Also present: DPW Director/Engineer Andrew Beyer, Water Systems Manager Peter Hartz, Stormwater Project Manager Maureen McBroom, Assistant Water Systems Manager Tim Hayden, John Butt of Mead Hunt, Katie Vandenberg and Steve Wurster of Ruekert-Mielke, Eric Vieth and Justin Biskemper of Strand Associates, Zack Goodrow, and a resident by phone.

Tim Hayden

2. Comments and Suggestions from Citizens Present

No comments received.

3. Review and Approve Meeting Minutes

- a. Public Works Minutes from November 12, 2024 and November 20, 2024

Motion by Wetzel, supported by Thompson to approve the minutes of November 12, 2024 and November 20, 2024. Motion carried unanimously.

4. Business

- a. Review and take possible action: Wastewater Facilities Plan approval and public hearing date.

Motion by Thompson, supported by Wetzel to approve the Wastewater Facilities Plan as amended and contingent upon the completion of the Public Hearing date of December 17, 2024, before City Council. Motion carried unanimously.

- b. Review and take possible action: Approve and verify the remaining funding breakouts for the private lead service replacement program in census tracts (CT) CT1002, CT9620, and CT City Wide

Motion by Bartz, supported by Thompson, to approve and verify funding breakouts for the private lead service replacement program in census tract (CT) CT1002, CT9620, and CT City Wide remaining allocations and sources for the 2025 Private and Public Lead Service Replacement City Wide Program. Motion carried unanimously.

- c. Review and take possible action: Hire Mead Hunt to provide engineering design and construction related services for the biosolids dryer project for \$344,000.

Motion by Bartz, supported by Wetzel to approve the contract for Mead Hunt for the engineering design and construction related services for the Biosolids Dryer project totaling \$344,000. Motion carried unanimously.

- d. Review and take possible action: Approve the purchase of a Combination Sewer Cleaner Truck.

Motion by Thompson supported by Bartz to approve the purchase of a Combination Sewer Cleaner Truck for the not-to-exceed amount of \$475,0308 to R.N.O.W., Inc. Motion carried unanimously.

- e. Review and take possible action: Hire Strand Associates to complete phase 1 route refinement and preliminary design for the West Side Sanitary Sewer Interceptor project for \$28,500.

Motion by Wetzel, supported by Thompson to approve the Hiring of Strand Associates to complete phase 1 route refinement and preliminary design for the West Side Sanitary Sewer Interceptor project for \$28,500. Motion carried.

- f. Discussion: Storm Water Utility billing overview.

Maureen McBroom, Stormwater Program Manager, provided an overview of the storm water utility.

No action required.

- g. Review and take possible action: Hart Street Drainage Study.

Maureen McBroom, Stormwater Program Manager, provided an update of the Hart Street Drainage Study.

No action required.

- h. Review and take possible action: Modified US Cellular Lease Agreement for 106 Jones Street Communications Tower.

Motion by Board, supported by Bartz to approve the second amendment to tower and ground space lease between US Cellular and the city of Watertown located at 106 Jones Street, Watertown. Motion carried unanimously.

5. Adjournment

Motion by Wetzel supported by Thompson to adjourn. Motion carried unanimously.

Meeting adjourned at 7:02 p.m.

Respectfully submitted by Alderman Steve Board, Chair.

**AN ORDINANCE
TO AMEND SECTION 512-87 "WATER LATERAL CONNECTION" OF CHAPTER 512,
"WATER AND SEWERS" "ARTICLE VI. WATER AND SEWER LATERAL CONTROL"
OF THE CITY OF WATERTOWN GENERAL ORDINANCES**

Sponsor: Alderperson Pasch
Committee: Public Works Commission

THE COMMON COUNCIL OF THE CITY OF WATERTOWN DOES ORDAIN AS FOLLOWS:

SECTION 1. Section 512-87, "Water Lateral Connection" is hereby amended to read and include as follows:

* * *

A. Water Lateral Connection.

No person, firm or corporation shall establish or permit to be established, replace or permit to be replaced any water lateral, unless otherwise provided herein. No water lateral shall be established whereby potable water is transmitted from the public water supply of the City of Watertown to a private building, residence, or other private property unless such water lateral has been connected, installed, and supplied by the City of Watertown Water Department, unless otherwise provided herein.

8. Lead Service Lines.

Purpose. Lead service lines have the potential to leach lead into drinking water. Disturbing or reconnecting to an existing lead service line may increase lead levels in drinking water. Elevated lead levels in drinking water have been determined to cause health problems in young children, pregnant women, and their unborn children, and are also potentially harmful to adults. The City Council therefore finds it in the public interest to establish a comprehensive program for removing and replacing all lead service lines within and connected to the Watertown Water Utility distribution system.

C. Authority.

This section is enacted pursuant to Sections 62.11(5) and 196.372, Wisconsin Statutes.

D. Definitions.

This section shall be interpreted so that the intent and purpose described may be accomplished. Words and phrases shall be understood according to common meanings unless the contrary is clearly indicated. Definitions of terms used in this section are listed below:

CUSTOMER-SIDE LEAD SERVICE LINE OR CUSTOMER-SIDE LSL

A customer-side service line constructed of lead or galvanized material.

CUSTOMER-SIDE SERVICE LINE

The property owner's water service line from the outlet of the curb stop to the inlet of the customer's water meter. The outlet joint of the curb stop is considered customer owned.

DISTRIBUTION SYSTEM

The network of water pipes, including mains and service lines, owned and operated by Watertown Water Utility.

(November 2, 2020) Ord #20-27

LEAD SERVICE LINE OR LSL

A water service line constructed of lead or galvanized pipe. The term covers both a customer-side lead or galvanized service line and/or a utility-side lead or galvanized service line.

NON-COMPLIANCE PENALTIES

These may include, but not necessarily be limited to, violation citations, elimination of financial assistance, service disconnection, or other actions deemed permissible by the PSC and/or Watertown Water Utility.

PLUMBING CONTRACTOR

A person, firm, corporation, or other entity licensed by the State of Wisconsin to perform plumbing work in the City of Watertown ("City").

PREQUALIFIED PLUMBING CONTRACTOR

A plumbing contractor who has gone through the City of Watertown's approval process and been placed on Watertown Water Utility's prequalified plumbing contractor list.

PROPERTY

Real property as defined in Section 70.03, Wisconsin Statutes.

PROPERTY OWNER

A person or legal entity, or his/her or its representative, having an ownership interest, legal or equitable, in the property. The term property owner includes an estate or trust.

PSC

Public Service Commission of Wisconsin.

WWU

The abbreviation will identify Watertown Water Utility, the city utility responsible for operating the city's public water system.

UTILITY MANAGER

The Water Systems Manager of the WWU or his or her designee.

UTILITY-SIDE LEAD SERVICE LINE OR UTILITY-SIDE LSL

A Utility-side Service Line constructed of lead or galvanized pipe.

UTILITY-SIDE SERVICE LINE

The utility owned portion of the water service line, comprised of any material, from the water main to the outlet of the curb stop, including the curb stop.

E. Lead Service Line Replacement Requirement.

- (1) As provided in this ordinance, all existing lead service lines connected to the WWU distribution system shall be replaced with water service lines constructed of materials approved by the City.

- (2) Where both the customer-side and utility-side service lines are constructed of lead, the replacement of both sides of the service line will be completed at the same time following the process set out in section 512-87(G).
- (3) Where only the customer-side service line is constructed of lead, the replacement of the customer-side LSL shall be completed within thirty-six (36) months of notification by WWU following the process set out in section 512-87(H).

F. Identification of Customer-Side lead Service Lines.

- (1) WWU will create a contact list of homes that potentially have lead service lines based on the building's date of construction.
- (2) Upon notice from WWU, a property owner or customer who exercises control over a property connected to the WWU distribution system will schedule an inspection of the customer-side service line by an authorized WWU water operator in order to allow WWU to confirm the service line's material of construction. WWU may use various methods to contact the property owner or customer, including but not limited to phone calls, bill stuffers, emails, mailers, and door-to-door contact.
- (3) In the event that a property owner or customer refuses or fails to provide access to the interior of any improvement in order to accomplish such inspection, the utility manager may take the steps necessary to complete the inspection and confirm the service line's material of construction, including and up to the issuance of non-compliance penalties.
- (4) As an alternative to WWU inspection, the property owner or customer, at their expense, may arrange to have a plumbing contractor perform the inspection and provide inspection results to WWU.
- (5) Upon confirmation that a customer-side service line is constructed of lead, WWU will notify the property owner of the requirement to replace the customer-side lead service line following the steps detailed in sections 512-87(G) and 512-87(H), depending on the circumstance.
- (6) WWU will create and maintain records of all inspected, identified and replaced lead service lines in the city, until such time that no lead service lines exist.

G. Replacement of Customer-Side Lead Service Lines in conjunction with replacement of Utility-Side Lead Service Lines or planned City street reconstruction projects.

- (1) Utility-side service lines will be replaced as part of a city street reconstruction project if possible. Before undertaking a utility-side service line project, WWU will identify those properties that connect to the utility-side service lines planned for replacement.
- (2) Prior to scheduling the replacement of utility-side service, a certified WWU water operator or WWU employee proficient at determining lead service

line materials, shall inspect all connected and affected customer-side service lines for the presence of lead.

- (3) If a customer-side service line is found to be constructed of lead, WWU will notify the property owner of that fact in writing. WWU will also notify the property owner that the property owner must replace the customer-side LSL in conjunction with WWU's scheduled replacement of the utility-side service lines, and that failure to do so may subject the property owner to non-compliance penalties.
- (4) At least forty-five (45) days prior to the date of the scheduled replacement of the utility-side service line, WWU will notify the property owner with a customer-side LSL in writing of the scheduled date of replacement of the utility-side LSL or other utility service lines or planned City street reconstruction project.
- (5) Within thirty (30) days of receipt of the replacement notice, the property owner must schedule the replacement of the customer side LSL to coincide with the scheduled replacement of the utility side service line. The property owner shall promptly notify WWU that the replacement of the customer-side LSL has been scheduled and provide the name of the plumbing contractor who will complete the replacement work.
- (6) Upon a property owner's request, WWU may assist the property owner with getting bids from plumbing contractors. WWU's contractor for utility-side service line replacement work may be available to perform customer-side LSL replacement work.
- (7) Customer-side LSL replacement work must be completed at the same time as the utility-side service line is replaced unless an extension is allowed. Failure to commence customer-side LSL replacement work as required by this ordinance or to complete such work within a reasonable time after commencement of the work, may result in the issuance of non-compliance penalties.
- (8) A property owner who follows the procedures detailed herein, may be eligible to receive financial assistance for the customer-side LSL replacement.

H. Replacement of Customer-side Lead Service Line where only the Customer-Side portion of the Service Line is Lead.

- (1) If WWU confirms that a customer-side service line is constructed of lead and notifies the property owner of that fact in writing as provided by subsection 512-87(F) the property owner must, unless subsection 512-87(G) applies, arrange for the replacement of the customer-side LSL to be completed within thirty-six (36) months of notification. Failure to complete the replacement of the customer-side LSL within that time period may result in non-compliance penalties.
- (2) A property owner who follows the procedures detailed in both this section and

section 512-87(J), may be eligible to receive financial assistance for the customer-side LSL replacement.

I. Timing of replacement.

- (1) Leak or failure emergency replacement. Property owners who are required to replace a customer side portion of a lead service line due to a leak or failure emergency replacement will replace their lead service line as soon as reasonably practical but no later than 30 days of receiving written notice.
- (2) The Water Systems Manager or his designee may extend the time for replacement up to 36 months of the customer side portion of a customer-side LSL that has been identified and noticed to be replaced under this Chapter if the property owner so requests and demonstrates a compelling need, unless the extension would create an imminent threat to the health, safety or welfare of the public.

J. Financial Assistance for Customer-Side LSL Replacements.

- (1) WWU is authorized to establish a program to provide eligible property owners with financial assistance to replace customer-side LSLs. WWU must seek PSC approval of any WWU financial assistance program to replace customer-side LSLs. If WWU's financial assistance program has received PSC approval and has available funding, WWU may provide eligible property owners with financial assistance to replace customer-side LSLs as provided in this section.
- (2) WWU may provide an eligible property owner with financial assistance to pay the property owner's customer-side LSL replacement costs. WWU may provide a grant to pay for a percent of the property owner's customer-side LSL replacement costs. The grant may not exceed a maximum amount of five thousand dollars (\$5,000.00). Financial assistance for the remainder of the property owner's customer-side LSL replacement costs may be provided in the form of a loan.
- (3) WWU may loan an eligible property owner funds to pay the property owner's remaining customer-side LSL replacement cost after the receipt of any grant monies under section 512-87(J)(2). WWU may provide an eligible property owner a ten-year, 2.5% interest loan. A property owner shall repay the loan in yearly installments, consisting of principal and interest. Loan repayments will be invoiced yearly by WWU. Loan repayments that are past due may be placed on the property tax roll as provided in Section 66.0809, Wisconsin Statutes.
- (4) A property owner is eligible for financial assistance for the purpose of replacing the customer-side LSL if the property owner satisfies all of the following criteria:
 - (a) The property owner alone, or collectively with others, owns the entire fee simple title to the property served by the customer-side LSL.

- (b) The property owner's customer-side LSL is either attached to a utility-side service line that is not a LSL, or a utility-side LSL scheduled for replacement and for which the property owner has been notified by WWU of such scheduled replacement.
 - (c) The property owner agrees to have the replacement work done by a pre-qualified plumbing contractor in compliance with this ordinance.
- (5) Written applications for financial assistance shall include the following:
- (a) A completed application on a form furnished by WWU signed by the eligible property owner. The completed application form shall include a certification by the property owner that attests that all eligibility criteria listed in this section are met.
 - (b) Copies of a written quote from a pre-qualified plumbing contractor for the replacement of the property owner's customer-side LSL.
- (6) A property owner will be eligible for financial assistance based on the amount included in the written quote received from the pre-qualified plumbing contractor. .
- (7) After a complete application is received, and prior to the commencement of any replacement work, WWU will determine if the property owner is eligible for financial assistance, and the amount of financial assistance available as a grant and the amount of financial assistance available as a loan. Such determination will be provided in writing to the applying property owner.
- (8) Customer-side LSL replacement work must be accomplished in accordance with the Wisconsin State Plumbing Code and all applicable federal, state, and municipal laws and regulations. Work must also be done in a workmanlike manner and be coordinated with any WWU utility-side service line replacement work as required by section 512-87(G).
- (9) Upon completion of the customer-side LSL replacement and passing the necessary building/plumbing inspections, the pre-qualified plumber shall provide WWU with a copy of the invoice. Upon proof of completion satisfactory to the property owner and WWU, WWU will directly pay the plumbing contractor the amount of money approved by WWU for financial assistance for replacement of the customer-side LSL.
- (10) The total amount of money provided by WWU as financial assistance in the form of a grant and loan may not exceed the actual cost of replacement of the customer-side LSL.
- (11) Disputes regarding eligibility for financial assistance may be appealed as laid out in Chapter 10 of the Watertown Municipal Code, Administrative Review.

K. Severability.

If any subsection or portion of this ordinance is for any reason determined to

be invalid or unconstitutional by the decision of a court of competent jurisdiction, that subsection or portion shall be deemed severable and shall not affect the validity of the remaining subsections or portions of this ordinance.

L. Authority to Discontinue Service.

If a property owner fails to replace a customer-side LSL as required by this ordinance, WWU may in accordance with PSC Chapter 185.37 and discontinue water service to such property until the customer-side LSL is replaced.

* • *

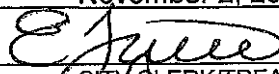
SECTION 2. All ordinances or parts of ordinances inconsistent with the provisions of this ordinance are hereby repealed.


SECTION 3. This ordinance shall take effect and be in force the day after its passage and publication.

This is to certify that I have compared the attached copy with the original record now on file in my office and that the same is a correct transcript thereof and of the whole thereof. In Testimony Whereof, I have hereunto subscribed my name and affixed the seal of the City of Watertown this 2nd day of November, 2020.



City Clerk/Treasurer

ADOPTED November 2, 2020


CITY CLERK/TREASURER
APPROVED November 2, 2020


MAYOR

City of Watertown
Income Statement - June 2025

Section 4, Item D.

50.0%

Run Date: 250715

	2022 Actual	2023 Actual	2024 Actual	Curr Yr To-Date	Curr Yr Budget	Remain Balance	% Rev/Exp
Revenues							
Taxes	11,105,967	11,424,736	11,460,766	10,523,877	11,501,800	977,923	91.5%
Intergovt Shared Taxes	3,261,639	3,302,333	3,961,759	204,187	4,163,713	3,959,526	4.9%
Intergovt State Grants	1,298,364	1,169,435	1,213,326	580,675	1,191,469	610,794	48.7%
Licenses	67,240	69,618	73,850	72,949	74,399	1,450	98.1%
Permits	197,777	226,723	198,032	155,095	315,200	160,105	49.2%
Law & Order Violations	181,477	223,839	228,923	155,766	266,000	110,234	58.6%
Gen Govt Public Charges for Services	355,108	284,263	372,275	80,113	296,650	216,537	27.0%
Public Safety	833,120	871,440	987,053	293,102	849,200	556,098	34.5%
Health & Social Services	9,729	19,512	18,256	11,305	13,500	2,195	83.7%
Public Works	43,759	51,941	52,724	42,883	48,650	5,767	88.1%
Recreation	346,086	352,845	360,724	176,227	346,900	170,673	50.8%
Intergovt Township Fire Protection	287,287	286,437	325,412	165,727	310,095	144,368	53.4%
Interest	(151,064)	680,007	775,324	431,854	650,000	218,146	66.4%
Reserve Acct Revenue & Transfers In	159,460		266,000	1,000		(1,000)	
Miscellaneous	26,264	155,462	20,761	26,765	22,500	(4,265)	119.0%
Rent	25,640	26,148	90,035	18,564	40,252	21,688	46.1%
Total Revenues	18,047,854	19,144,737	20,405,217	12,940,089	20,090,328	7,150,239	64.4%
Expenditures							
Common Council	94,885	107,888	110,190	63,687	112,234	48,547	56.7%
Municipal Court	110,048	113,371	118,436	63,191	126,951	63,760	49.8%
Mayor	170,125	277,037	267,345	139,710	274,510	134,800	50.9%
Finance Department	448,127	479,275	497,511	234,540	519,551	285,011	45.1%
Elections	50,655	29,615	74,489	30,589	46,185	15,596	66.2%
Assessor	145,749	146,111	138,051	111,223	147,050	35,827	75.6%
Accounting & Auditing	61,656	78,752	71,499	57,027	71,050	14,023	80.3%
Human Resources	83,459	86,928	116,595	55,887	121,160	65,273	46.1%
City Attorney	240,825	247,647	221,354	100,384	236,759	136,375	42.4%
Municipal Building	304,482	337,599	321,916	138,066	290,305	152,239	47.6%
Other Buildings	6,947	6,496	6,536	2,894	6,536	3,642	44.3%
Miscellaneous	750	422	1,366		83,700	83,700	0.0%
Media & Communications	169,844	169,313	180,635	102,044	191,243	89,199	53.4%
Information Technology	173,744	249,582	266,304	165,751	266,500	100,749	62.2%
Property & Liability Insurance	451,430	458,477	459,126	308,525	572,307	263,781	53.9%
Employee Programs	24,093	22,010	22,047	47,343	56,416	9,073	83.9%
Other Insurance	4,235	4,416	19,612		21,660	21,660	0.0%
Other General Govt	-	2,325	2,382	15,358	2,400	(12,958)	639.9%
General Government	2,541,054	2,817,263	2,895,393	1,636,221	3,146,517	1,510,296	52.0%
			% of Total Exp	16.8%	14.9%		

	2022 Actual	2023 Actual	2024 Actual	Curr Yr To-Date	Curr Yr Budget	Re Balance	Rev/Exp
Police	4,731,008	4,881,534	5,219,728	2,480,665	5,737,915	3,257,250	43.2%
Crossing Guards	27,695	28,365	29,632	15,193	40,074	24,881	37.9%
Dispatch Center	726,739	744,002	865,163	426,630	823,422	396,792	51.8%
Fire	3,066,250	3,276,048	3,592,702	1,826,061	3,833,800	2,007,739	47.6%
Building Inspection	280,826	305,985	339,238	146,372	361,908	215,536	40.4%
Emergency Govt	5,417	7,954	29,224	6,147	5,100	(1,047)	120.5%
Public Safety	8,837,936	9,243,887	10,075,686	4,901,068	10,802,219	5,901,151	45.4%
			% of Total Exp	50.2%	51.2%		
Health	459,524	493,343	458,997	217,684	555,326	337,642	39.2%
Environmental Health Division	19,382					-	
Other Services	61,000	62,830	62,830	31,415	62,830	31,415	50.0%
Health	539,906	556,173	521,827	249,099	618,156	369,057	40.3%
			% of Total Exp	2.6%	2.9%		
Planning & Development	285	12,963	28,966	10,386	24,025	13,639	43.2%
Engineering	363,895	265,894	178,940	110,963	318,934	207,971	34.8%
Machinery & Equipment	341,218	341,487	263,394	113,841	288,500	174,659	39.5%
Street Garages	120,020	70,790	65,995	34,102	76,000	41,898	44.9%
Street Administration	138,375	189,534	191,873	97,737	230,891	133,154	42.3%
Service to Other Departments	88,919				0	0	0.0%
Traffic Control	21,424	24,031	30,789	11,534	22,000	10,466	52.4%
Street Maintenance	673,108	1,154,199	1,219,798	544,323	1,276,464	732,141	42.6%
Snow & Ice Control	343,767	263,786	266,797	226,330	274,084	47,754	82.6%
Signs & Markings	102,571	14,622	17,171	10,603	18,900	8,297	56.1%
Street Lighting	444,500	570,176	533,696	226,621	451,000	224,379	50.2%
Airport	214,840	224,404	206,218	101,000	211,100	110,100	47.8%
Public Works	2,852,921	3,131,886	3,003,637	1,487,439	3,191,898	1,704,459	46.6%
			% of Total Exp	15.2%	15.1%		
Library	823,709	814,787	850,342	425,429	850,859	425,430	50.0%
Recreation Administration	184,495	516,745	647,293	309,060	684,627	375,567	45.1%
Recreation	116,853	137,708	113,401	39,138	92,735	53,597	42.2%
Outdoor Pool	210,126	216,618	239,194	49,357	223,754	174,397	22.1%
Indoor Pool	95,553	51,416	60,111	24,537	67,668	43,131	36.3%
Senior Center	267,188					-	
Park	861,873	926,618	974,952	442,296	1,002,085	559,789	44.1%
Park Garage	23,244					-	
Library, Leisure, & Parks	2,583,040	2,663,892	2,885,293	1,289,817	2,921,728	1,631,911	44.1%
			% of Total Exp	13.2%	13.9%		
Forestry	208,959	220,629	198,630	116,621	228,655	112,034	51.0%
Public Service Enterprises	78,000	78,000	71,000	74,000	82,000	8,000	90.2%
Reserves	320,673					-	
Transfer	60,000	82,625	45,000		93,000	93,000	0.0%
Total Expenditures	18,022,489	18,794,355	19,696,465	9,754,264	21,084,173	11,329,909	46.3%
Net Income	25,365	350,382	708,752	3,185,826	(993,845)	(4,179,670)	

**Compensation Budget Summary - Watertown
2025 Totals w/ 2026 What-If Calcs**

Rev: 07/17/2025 ESTIMATES

Wages

01 Gen Fund	11,351,060
02 Wastewtr	767,550
03 Water	796,135
11 Library	704,073
14 Enviro Hlth	320,540
15 ER Prepare	63,802
16 Stormwater	589,854
17 Solid Waste	421,283
18 Seal Smile	8,119
26 Town Square	68,266
	15,090,681

Benefits

Required: WRS, SS, Med **2,538,730**

	2026: Additional Cost if Increase is x%										
	Total	1.0%	1.5%	2.0%	2.5%	3.0%	3.5%	4.0%	McGrath Opt I- 3.71%	McGrath Opt II- 10.86%	8.6%
Fnd 01 Non-union Wages & Req Bnfts:	5,330,618	53,306	79,959	106,612	133,265	159,919	186,572	213,225	252,912	749,296	
Fnd 01 Wages & Req Bnfts FD union:	2,911,075							116,443			
Fnd 01 Wages & Req Bnfts PD union:	5,192,959							207,718			
Other Fnds Wages & Required Bnfts:	4,274,611	42,746	64,119	85,492	106,865	128,238	149,611	170,984	86,916	244,602	
Total Wages & Required Bnfts:	17,629,411	176,294	264,441	352,588	440,735	528,882	617,029	705,176	339,828	993,898	

	% of Wages										
Health	18.3%	3,231,813	32,318	48,477	64,636	80,795	96,954	113,113	129,273		277,936
Life	0.2%	27,849	278	418	557	696	835	975	1,114		
Dental	1.0%	178,291	1,783	2,674	3,566	4,457	5,349	6,240	7,132		

Total Compensation **21,067,364**

2025 Fund 01	Total	21,084,173	
	Wages & Req Bnf	13,434,652	64%
	Health Ins	2,318,585	11%
	Other Ins	151,240	1%
	Non-comp	5,179,696	25%
			100%

Fund 1	Wage increase: McGrath Option I	252,912
	Wage increase: FD 4.0%	116,443
	Wage increase: PD 4.0% (?)	207,718
	Health Increase: 8.6%	2,318,585
	Fund 1 Total	776,472
	^ Premiums	

Available \$ for 2026 Fund 01

Rev: 07/17/2025 ESTIMATE

Additional Revenue:

Shared Revenue: 4.1% incr	139,809	Note- 2025: 2.3% incr
Expend Restraint Pgrm (2.62%)	582,938	Updated through June CPI
Total Additional Revenue		722,747
NOTE: Expenses in new year cannot rise more than ERP total		

Additional Compensation Expenses:

Wage Incr- new pay table	252,912	
Delay implementation: 07/01	(126,456)	
Wage Incr- FD 4.0%	116,443	
Wage incr- PD 4.0% ?	207,718	
Hlth Ins: 8.6%	199,398	
Work Comp- exp mod decr: 1.08	(10,000)	Note- 2025: 1.23
+/-		
Total Compensation Exp	640,016	
Diff of ERP minus additional comp exp; amount available for non-PR exp		
	(57,078)	
Non-PR expense total		
	5,179,696	
Increase available	-1.1%	

7/21/25 Discussion

Option A		
0% increases in dept budgets		
Make cuts in services/staff to allow for	157,078	
\$100K in required "have to" increases	100,000	
Option B		
Utilize the positive growth of the unassigned fund balance		
2024: \$650K incr instead of \$747K decr		
12/31/24 unassigned fnd bal	6,688,035	
2024 expend budget	20,402,933	32.8%
Est 12/31/25 unassigned fnd bal		
2025 expend budget	21,084,173	27.0%
Waive the ERP for 2026		
	439,000	-2.1%
0% increases in dept budgets		
New pay table Option I implementation		
\$100K in required "have to" increases		
Addition of positions		
Est 12/31/25 unassigned fnd bal not less than 20%		