City of WHITEWATER

Finance Committee Meeting

Cravath Lakefront Room, 2nd Floor, 312 W. Whitewater St., Whitewater WI 53190

Tuesday, November 24, 2026 - 5:00 PM

Citizens are welcome (and encouraged) to join our webinar via computer, smart phone, or telephone. Citizen participation is welcome during topic discussion periods.

Join: https://teams.microsoft.com/meet/2256582228090296?p=V1RQ3ORsX37BeLj6zu

Meeting ID: 225 658 222 809 029 6

Passcode: gS6rD9Bt

Dial in by phone

+1 929-229-5663,,54882940# United States

Phone conference ID: 548 829 40#

Please note that although every effort will be made to provide for virtual participation, unforeseen technical difficulties may prevent this, in which case the meeting may still proceed as long as there is a quorum. Should you wish to make a comment in this situation, you are welcome to call this number: (262) 473-0108.

AGENDA

CALL TO ORDER

ROLL CALL

APPROVAL OF AGENDA

A committee member can choose to remove an item from the agenda or rearrange its order; however, introducing new items to the agenda is not allowed. Any proposed changes require a motion, a second, and approval from the Committee to be implemented. The agenda shall be approved at each meeting even if no changes are being made at that meeting.

CONSENT AGENDA

Items on the Consent Agenda will be approved together unless any committee member requests that an item be removed for individual consideration.

1. Finance Committee Meeting Minutes from October 27, 2026

HEARING OF CITIZEN COMMENTS

No formal Committee action will be taken during this meeting although issues raised may become a part of a future agenda. Participants are allotted a three minute speaking period. Specific items listed on the agenda may not be discussed at this time; however, citizens are invited to speak to those specific issues at the time the Committee discusses that particular item.

To make a comment during this period, or during any agenda item: On a computer or handheld device, locate the controls on your computer to raise your hand. You may need to move your mouse to see these controls. On a traditional telephone, dial *6 to unmute your phone and dial *9 to raise your hand.

CONSIDERATIONS / DISCUSSIONS / REPORTS

2. Discussion and Possible Action to Recommend the Historical Vacation Payout Practices and Clarification
3. Discussion and possible action to recommend a Stormwater Rate Increase to Common Council
4. Discussion and possible action to recommend approval of engagement letter for the 2026 financial audit with Johnson & Block to Common Council
5. WAFC Financials
6. Discussion and possible action to recommend year-end employee bonuses to Common Council
7. Discussion and possible action to recommend updated Fire/EMS Organizational Chart to Common Council

FUTURE AGENDA ITEMS

ADJOURNMENT

A quorum of the Common Council may be present. This notice is given to inform the public that no formal action will be taken at this meeting.

Anyone requiring special arrangements is asked to call the Office of the City Manager / City Clerk (262-473-0102) at least 72 hours prior to the meeting.

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AGENDA

CALL TO ORDER

The meeting was called to order at 5:04 p.m. by Brian Schanen.

ROLL CALL

Present: Brian Schanen, Patrick Singer and Gavin Kelleher

Absent: None.

Additional Attendees: Rachelle Blitch, Director of Finance; Kevin Boehm, Parks & Recreation Director; Dan Meyer, Police Chief; Sabrina Objiway, Support Services Manager

CONSENT AGENDA

Items on the Consent Agenda will be approved together unless any committee member requests that an item be removed for individual consideration.

1. Finance Committee Meeting Minutes from September 22,2026
2. Finance Committee Meeting Minutes from October 12, 2026
3. Finance Committee Meeting Minutes from October 14, 2026
4. Finance Committee Meeting Minutes from October 19, 2026

Motion to approve the consent agenda made by Gavin Kelleher, Seconded by Patrick Singer.

Voting Yes: Brian Schanen, Patrick Singer and Gavin Kelleher Voting No: None.

HEARING OF CITIZEN COMMENTS

No formal Committee action will be taken during this meeting although issues raised may become a part of a future agenda. Participants are allotted a three minute speaking period. Specific items listed on the agenda may not be discussed at this time; however, citizens are invited to speak to those specific issues at the time the Committee discusses that particular item.

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CONSIDERATIONS / DISCUSSIONS / REPORTS

5. Discussion and possible action to recommend funding for construction of three additional offices at the Whitewater Municipal Building.

Motion made to recommend funding for construction of three additional offices to Common Council made by Patrick Singer, Seconded by Gavin Kelleher.

Voting Yes: Brian Schanen, Patrick Singer and Gavin Kelleher Voting No: None.

6. Discussion and Possible Action Regarding Finance Committee Guidance on Next Steps for the Whitewater Aquatic and Fitness Center (WAFC) Capital Campaign.

Motion made to recommend moving forward with the Whitewater Aquatic and Fitness Center (WAFC) Capital Campaign to Common Council made by Gavin Kelleher, Seconded by Patrick Singer.

Voting Yes: Brian Schanen, Patrick Singer and Gavin Kelleher Voting No: None.

7. Discussion and possible action to recommend funding for the purchase of new fitness equipment at the Whitewater Aquatic and Fitness Center (WAFC)

Motion to recommend the purchase of new fitness equipment at the Whitewater Aquatic and Fitness Center to Common Council made by Brian Schanen, Seconded by Gavin Kelleher.

Voting Yes: Brian Schanen, Patrick Singer and Gavin Kelleher Voting No: None.

8. Budget Review 4 of 4

9. Discussion and possible action to recommend approval of Aurelian contract for 2027 to Common Council

Motion made to recommend approval of Aurelian contract for 2027 to Common Council made by Brian Schanen, Seconded by Gavin Kelleher.

Voting Yes: Brian Schanen, Patrick Singer and Gavin Kelleher Voting No: None.

10. Discussion and possible action to recommend approval of the K9 program to Common Council

Motion made to recommend approval of the K9 program to Common Council made by Patrick Singer, Seconded by Gavin Kelleher.

Voting Yes: Brian Schanen, Patrick Singer and Gavin Kelleher Voting No: None.

11. Discussion and possible action to recommend approval of the 2027 Shared Ride Taxi contract with Running Inc./Brown Cab to Common Council

Motion made to recommend approval of the 2027 Shared Ride Taxi contract with Running Inc/Brown Cab to Common Council made by Brian Schanen, Seconded by Patrick Singer.

Voting Yes: Brian Schanen, Patrick Singer and Gavin Kelleher Voting No: None.

12. Discussion and possible action to approve and recommend the purchase of a community health vending machine to Common Council

FUTURE AGENDA ITEMS

ADJOURNMENT

Motion made to adjourn by Brian Schanen, Seconded by Patrick Singer.

Voting Yes: Brian Schanen, Patrick Singer and Gavin Kelleher Voting No: None.

The meeting adjourned at 7:12 p.m.

A quorum of the Common Council may be present. This notice is given to inform the public that no formal action will be taken at this meeting.

Anyone requiring special arrangements is asked to call the Office of the City Manager / City Clerk (262-473-0102) at least 72 hours prior to the meeting.

Finance Committee Agenda Item

Meeting Date:	November 24, 202
Agenda Item:	Historical Vacation Payout Practices and Clarification
Staff Contact (name, email, phone):	Sara Marquardt, smarquardt@whitewater-wi.gov, 262-473-1387

BACKGROUND

(Enter the who, what when, where, why)

The City has received questions regarding vacation payouts for long-term employees hired under previous vacation practices. These questions involve two separate historical issues that have at times, been treated as one.

Vacation Not Received During the First Year of Employment
Under the City's former vacation system, employees generally did not receive vacation during their first year of employment.

At some point, the City established a practice of accounting for vacation not received during an employee's first year of employment as part of the employee's payout upon separation. The exact date this practice began has not been established.

Historical payroll records contain notations identifying employees who did not receive vacation during their first year of employment. While some notations specify the number of hours and others do not, historical spreadsheets maintained by the City, together with the payroll records, establish the applicable vacation hours for affected employees.

For more than eight years, the City has consistently applied a vacation payout methodology that accounts for these historical adjustments. In addition to the first-year vacation adjustment, Finance has reviewed whether subsequent increases in vacation entitlement based on years of service were credited in the appropriate year. Any documented differences have been included in the employee's final vacation payout.

This methodology predates the current Human Resources and Finance staff and reflects an established City practice rather than a recently developed interpretation.

Transition to Beginning-of-Year Vacation Crediting
A separate issue arose when the City changed its vacation administration practices to make vacation available at the beginning of the calendar year, providing employees greater flexibility in scheduling and using their vacation.

Following the transition, questions arose regarding whether vacation balances carried forward from the prior system remained separately payable upon retirement or separation.

However, in reviewing this issue, the City was unable to locate records or documentation establishing that employees were entitled to an additional payout of their 2017 vacation hours as a result of the transition. The City's historical vacation payout calculations have not included such an automatic additional payment.

This interpretation was challenged through a Police Union grievance involving a retiring employee. The Union maintained that the employee was entitled to additional vacation hours beyond those calculated by the City, and the grievance proceeded toward arbitration.

In January 2026, the Police Union withdrew its grievance immediately before the scheduled arbitration hearing. The City's legal counsel subsequently confirmed that the Union agreed with the City's retirement payout calculations for the employee involved and for future officers.

While the withdrawal did not result in a binding arbitration decision applicable to all City employees, it is significant development. The Union formally challenged the City's calculation methodology but ultimately withdrew its grievance and agreed with the calculations presented. This provides meaningful support for the City's continued application of its established vacation payout practices.

The matter has resurfaced in connection with the upcoming retirement of a long-term employee hired under the former vacation system. The employee has requested reconsideration of the City's vacation payout calculation and clarification regarding the treatment of vacation under previous policies.

Rather than continuing to address these questions on an individual basis, staff believe it is appropriate to formally document the City's established practices and clarify how historical vacation adjustments will be treated going forward.

PREVIOUS ACTIONS – COMMITTEE RECOMMENDATIONS

(Dates, committees, action taken)

FINANCIAL IMPACT

(If none, state N/A)

$48,300.00. These calculations reflect current rates of pay. The actual amounts payable upon separation will increase as employees receive future wage increases.

STAFF COMMENTS

Staff recommend that the City formally recognize and continue its established practice of paying documented vacation adjustments attributable to employees not receiving vacation during their first year of employment, along with any documented differences resulting from subsequent vacation entitlement increases.

Historical payroll notations and supporting spreadsheets establish the applicable hours for affected employees. These documented hours will be included in the employee's vacation payout upon separation, provided they have not previously been credited, used, or paid.

Separately, staff recommend that the City formally affirm its longstanding interpretation that the transition to beginning-of-year vacation crediting did not create an additional entitlement to payment for vacation earned during 2017.

Neither the City nor the Police Union identified documentation supporting such an additional payout. The City's established calculations have not included an automatic additional vacation allotment attributable to the transition, and the Union's withdrawal of its grievance and agreement with the City's calculations further support maintaining this approach.

ATTACHMENT(S) INCLUDED

(If none, state N/A)

1. Email from Brian Neuemeister regarding reconsideration

Sara Marquardt

From: Brian Neumeister
Sent: Thursday, October 1, 2026 10:25 AM
To: Jeremiah Thomas
Cc: Sara Marquardt
Subject: RE: Sick leave payout, Insurance and Vacation
Attachments: 0196_001.pdf

Jeremiah and Sara,

I am writing to request clarification and review of the interpretation being applied to vacation payouts upon retirement for employees who were hired prior to the change in the vacation policy.

Based on my understanding of the applicable policy and the circumstances of my retirement, I believe the current calculation may be incorrectly applying the vacation payout provisions for employees who were hired under the previous vacation system.

At some point, the vacation policy was changed so that new employees received vacation during their first year of employment. Under that system, employees earn vacation as they go, based on their years of service. This creates a fundamentally different method of accruing and accounting for vacation than the system that was in place when I was hired.

Under the vacation policy in effect when I was hired, employees accrued vacation but did not receive vacation during their first year of employment. Beginning the following year, employees received the vacation earned during the prior year on January 1. At retirement, an employee could therefore use the vacation that had been earned and accrued from the previous year or have that accrued vacation paid out.

Because these two systems operate differently, I do not believe the current method of calculating a retirement payout can simply be applied to employees who were hired under the previous system. Doing so does not account for the vacation that was earned and held under the terms of the policy in effect when those employees began their employment.

While an 80-hour vacation payout may appear to provide a benefit, it does not necessarily account for the vacation that employees accumulated under the previous system throughout their careers. My position is that employees should receive the benefit of the vacation system that was established when they were hired, rather than having their retirement payout determined solely under a subsequent system that was implemented after their employment began.

I have attached the last contract language from 2009–2011 for reference. My understanding is that this language remained consistent from the time I originally started employment in 1995. If necessary, I can also provide a copy of the 1995 contract for further clarification.

I respectfully request that Finance and HR review:

- The vacation payout calculation applied to my retirement.
- The specific contract or policy language being used to determine the payout.
- The distinction between the vacation accrual system in effect when I was hired and the system subsequently implemented for new employees.
- Whether employees hired under the previous system should have their retirement payout calculated under the provisions that applied to them when they began employment.

I would also request that, if this review determines that the current interpretation is incorrect, the appropriate correction be applied consistently to all employees who are in the same situation. I understand that there are currently three employees in Streets/Parks/Forestry who are similarly affected.

My goal is to ensure that the applicable contract language is interpreted and applied consistently and that employees are not disadvantaged at retirement because the vacation system was subsequently changed for new hires.

Please provide a written explanation of the determination, including the specific contract or policy provisions relied upon in calculating my payout. If the current calculation was based on an interpretation that differs from the applicable contract language, I respectfully request that the payout be reviewed and corrected accordingly.

Thank you for your time and attention to this matter. I look forward to your response and to resolving this issue accurately and consistently.

Brian Neumeister
City of Whitewater
Streets/Parks/Forestry Superintendent
BNeumeister@whitewater-wi.gov
(262) 473-0560

From: Jeremiah Thomas <jthomas@whitewater-wi.gov>
Sent: Tuesday, September 22, 2026 2:00 PM
To: Brian Neumeister <bneumeister@whitewater-wi.gov>
Cc: Sara Marquardt <smarquardt@whitewater-wi.gov>
Subject: RE: Sick leave payout, Insurance and Vacation

Answers are in RED

From: Brian Neumeister <bneumeister@whitewater-wi.gov>
Sent: Tuesday, September 22, 2026 10:57 AM
To: Jeremiah Thomas <jthomas@whitewater-wi.gov>
Cc: Sara Marquardt <smarquardt@whitewater-wi.gov>
Subject: Sick leave payout, Insurance and Vacation

2009 - 2011

AGREEMENT

BETWEEN

CITY OF WHITEWATER

and

Local 1145

AMERICAN FEDERATION OF STATE,

COUNTY AND MUNICIPAL EMPLOYEES, AFL-CIO

ARTICLE 13

VACATION

Section 1 - All regular full-time employees shall be allowed ten (10) working days of vacation each year after the first year of service and up to three (3) years of service. After three (3) years of service, twelve (12) working days; after five (5) years of service, fourteen (14) working days; after eight (8) years of service, sixteen (16) working days; after ten (10) years of service, eighteen (18) working days; after twelve (12) years of service, twenty (20) working days, and after fifteen (15) years of service, twenty-two (22) working days of vacation each year.

Section 2 - All employees shall have the approval of their department or division head, in writing before leaving on vacation. This shall be done at least five (5) working days prior to the start of vacation. No employee shall be allowed to carry over accumulated vacation leave from year to year, unless written approval is given by the department head and final approval issued by the City Manager. All leaves will be subject to a calendar year basis. Any new employee will have his vacation computed on that portion of the calendar year for which he worked by prorating at the rate of 10/12 of a day per month employed in that calendar year. The resulting number of days and fractions will be taken in the following calendar year. However, in successive years, that first partial year will be counted as a full year if the employee began employment before August 15, and will be dropped if the employee began employment after August 15.

Section 3 - Any full-time regular employee leaving the municipal service in good standing after giving two (2) weeks notice in writing of such termination of employment shall be compensated for vacation leave accrued to the date of separation, provided said employee has served at least twelve (12) consecutive months prior to separation. No employee shall be permitted to waive vacation for the purpose of receiving double pay. Employees who are transferred from one department to another shall have their vacation leave credits transferred with them.

ARTICLE 14

HOLIDAYS

All regular full-time and regular part-time employees shall be granted the following holidays with pay: 1) New Year's Day; 2) President's Day; 3) Good Friday; 4) Memorial Day; 5) Fourth of July; 6) Labor Day; 7) Thanksgiving Day; 8) Friday after Thanksgiving; 9) December 24th; 10) Christmas Day, and any other such time that the City Manager determines. Effective January 1, 2010, employees shall also be granted one floating holiday that can be used at the employees' discretion subject to supervisor approval. The floating holiday will replace President's Day as President's Day will not be a City observed holiday in 2010 and thereafter. Employees who work on the observed holiday shall be paid at a rate of time and one-half; employees who work on the actual holiday shall be paid at a rate of two times their regular hourly rate.

ARTICLE 15

REST PERIODS

Employees shall be entitled to one (1) period each day, not exceeding fifteen (15) minutes, for a coffee break or rest period. In no case shall work of an emergency nature be interrupted by a coffee break. The Division Superintendent on the job shall be the judge as to whether the work may be safely interrupted for a coffee break. In special cases, such as extremely cold weather, the Division Superintendent may grant additional coffee breaks. In no event shall such rest periods include the employee routinely going to his home for the duration of the break.

City of WHITEWATER Finance Department
www.whitewater-wi.gov
Telephone: 262-473-0500
Fax: 262-222-5903
Office of Finance
312 W. Whitewater St.
Whitewater, WI 53190

Date: November 24, 2026

To: Finance Committee

From: Rachelle Blitch, Director of Financial and Administrative Services

Re: Stormwater Rate Increase

Background

The City established the Stormwater Utility on October 1, 2007, as outlined in Municipal Code Chapter 16.10. According to Section 16.10.070 – Rates and Charges, the value of one Equivalent Runoff Unit (ERU) is determined annually based on the applicable year's budget. In 2025, the city solicited an updated rate case study. The results of the study are attached for reference.

Rate History

Year	Action	Rate per ERU
2007	Stormwater Utility established	$3.58
2011	Rate increase	$4.08
2013	Rate increase	$4.75
2014	Rate increase	$5.58
2015	Rate increase	$6.17
2026	Rate increase	$9.17

How Rates and Credits Are Calculated

Section 16.10.070 of the Municipal Code outlines the method for determining Rates and Charges, which include three components:

Rates

1. **Base Component** – administrative, management, and water quality costs.
2. **Operations & Maintenance (O&M) Component** – ongoing maintenance and operational expenses.
3. **Capital and Debt Service Component** – debt payments and capital project funding.

Credits

The Stormwater Credit Policy details how property owners may qualify for a reduction in ERUs. Currently, the City has:

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- 94,382.4 base ERUs (annual), and
- 80,794.2 net ERUs (annual).

All properties are charged the base component, regardless of credits.

Properties that direct stormwater to privately owned and maintained detention or retention ponds may receive a credit of up to 50% of their total ERUs.

2027 Rate Calculation (Based on the Budget)

Component	Calculation	Rate per ERU
Base	Admin Exp - Debt Service - ERF Transfer / Base ERUs (731,214 - 388,336 -25,000) / 94,382.4	3.37
O&M	Street Cleaning Exp + Stormwater Maintenance + Lake Maintenance + Compost Site - Capital Improvements / Net ERUs (34,164 + 4,166,750 + 10,000 + 94,922 - 4,066,750) / 80,794.2	2.95
Capital & Debt	Debt Service Payment + Capital Equipment / Net ERUs (388,336 + 25,000) / 80,794.2	5.12
Total Required Rate per ERU		**11.43**

The chart above illustrates how the rate is calculated. The budget is also included, and the cells are color-coded for easy reference and to help distinguish the various components of the calculation.

Capital improvement costs are **not** included in this calculation unless they are funded directly from the utility's cash or fund balance. When financed through debt, they are accounted for under **debt service**.

2027 Rate Increase Recommendation

In the attached study, Ehler's recommended a series of year over year increases to stabilize the utility and build a fund balance after ten years with no rate increases. The recommendation for 2027 shows an increase from $9.17 to $12.17 per ERU which is a 32.7% increase. The utility will see one more significant increase in 2028 before being able to return to smaller incremental changes of 3% every other year.

As with any rate increase, we want to give residents a 60-day notice of the change. We will post this on social media as well as print it on the utility bills. We would like to implement a rate change as of February 1st which means residents will see an increase in the bill they receive in March.

	DESCRIPTION	2023 ACTUAL	2024 ACTUAL	2025 ACTUAL	2026 BUDGET	2026 ACT-EST	2027 ORIG BUDGET	2027 ADJ BUDGET
ADMINISTRATIVE/GENERAL EXPENSES / 630-63300								
630-63300-115	ADMINISTRATIVE SALARIES	69,655	81,581	82,780	105,633	113,239	108,801	111,771
630-63300-116	ACCOUNTING/FINANCE SALARIES	21,506	19,972	17,659	29,512	17,148	30,398	30,179
630-63300-120	EMPLOYEE BENEFITS-TOTAL	59,975	111,308	90,453	117,667	108,835	121,197	125,049
630-63300-154	PROFESSIONAL DEVEOPMENT	-	-	-	-	-	-	-
630-63300-214	PROF SERVICES/AUDIT EXPENSES	3,754	1,367	72,656	2,520	2,520	2,550	4,000
630-63300-220	ENGINEERING/PLANNING- TO GF	8,500	8,500	8,500	8,500	-	8,500	8,500
630-63300-221	GIS EXPENSES	6,160	6,160	6,160	6,160	-	6,160	6,160
630-63300-224	SOFTWARE/HARDWARE MAINTENANCE	151	536	880	4,317	480	4,521	3,677
630-63300-225	TELECOM/INTERNET/COMMUNICATION	-	-	-	-	-	-	-
630-63300-247	SOFTWARE EXPENSES	-	-	-	-	-	-	-
630-63300-310	OFFICE & OPERATING SUPPLIES	4,620	5,840	11,018	4,000	14,394	4,000	6,500
630-63300-350	CONTINGENCIES	-	-	-	-	-	-	-
630-63300-352	INFO TECHNOLOGY EXPENSES	2,750	2,228	1,994	2,800	3,212	2,800	4,800
630-63300-362	CREDIT/DEBIT CARD EXPENSES	2,859	3,020	3,451	2,600	3,500	2,600	3,500
630-63300-519	INSURANCE EXPENSES	11,877	11,411	11,727	13,446	12,152	14,000	13,743
630-63300-610	DEBT SERVICE-PRINCIPAL/INT	72,267	80,987	81,927	271,570	271,570	388,336	388,336
630-63300-913	ERF TRANSFER-DPW ERF	25,000	25,000	25,000	25,000	25,000	25,000	25,000
	Total Adm./General Expenses	289,074	357,910	414,204	593,724	572,049	718,863	731,214
STREET CLEANING / 630-63310								
630-63310-111	SALARIES/WAGES	27,199	27,916	32,111	26,156	23,080	26,941	28,164
630-63310-351	FUEL EXPENSES	1,355	549	939	2,000	1,359	2,000	2,000
630-63310-353	EQUIPMENT PARTS/SUPPLIES	-	1,854	229	2,000	90,399	2,000	4,000
630-63310-550	DEPRECIATION EXPENSE	121,028	130,431	131,432	-	-	-	-
	Total Street Cleaning Exp.	149,582	160,751	164,710	30,156	114,838	30,941	34,164
STORMWATER MANAGEMENT / 630-63440								
630-63440-111	SALARIES/WAGES	15,546	12,166	66,746	36,617	61,139	37,715	67,016
630-63440-113	SEASONAL WAGES	-	-	-	-	-	-	-
630-63440-295	CONTRACTUAL SERVICES	62,818	25,616	23,245	20,000	20,427	20,000	20,000
630-63440-320	PUBLIC EDUCATION/OUTREACH	5,195	5,251	5,230	5,300	251	5,300	5,300
630-63440-350	REPAIR/MAINTENANCE SUPPLIES	4,314	4,212	1,986	5,000	2,135	5,000	5,000
630-63440-351	FUEL EXPENSES	-	-	-	-	-	-	-
630-63440-590	PERMIT FEES-DNR	2,564	2,000	2,000	2,000	2,000	2,000	2,000
630-63440-670	BOND ISSUE EXPENSES	-	11,295	719	-	39,763	-	-
630-63440-810	CAPITAL EQUIPMENT	-	-	-	-	-	-	-
630-63440-820	CAPITAL IMPROVEMENTS	937	35,432	167,652	4,658,600	753,764	4,066,750	4,066,750
630-63440-856	TMDL STORMWATER PLAN	-	-	-	-	-	-	-
	Total Stormwater Maintenance	91,373	95,972	267,578	4,727,517	879,479	4,136,765	4,166,066
COMPOST SITE/YARD WASTES / 630-63600								
630-63600-111	SALARIES/WAGES	62,389	70,293	49,444	57,981	47,108	59,720	48,422
630-63600-113	SEASONAL WAGES	9,933	5,238	4,711	8,000	3,948	8,000	4,000
630-63600-310	OFFICE & OPERATING SUPPLIES	7,034	7,927	10,383	5,000	8,410	5,000	5,000
630-63600-351	FUEL EXPENSES	2,182	2,347	2,623	2,000	3,602	2,000	2,500
630-63600-352	VEHICLE/EQUIPMENT/REPAIR PARTS	26,615	36,110	34,170	30,000	38,398	30,000	35,000
	Total Compost Site/Yard Wastes	108,153	121,915	101,331	102,981	101,465	104,720	94,922
LAKE MANAGEMENT/MAINTENANCE / 630-63610								
630-63610-291	LAKE WEED CONTROL EXPENSES	-	-	-	-	-	-	-
630-63610-295	CONTRACTUAL EXPENSES	-	-	-	-	9,300	-	10,000
	Total Lake Manage/Maintenance	-	-	-	-	9,300	-	10,000
STORMWATER EXPENSE TOTAL		**638,182**	**736,548**	**947,823**	**5,454,378**	**1,677,131**	**4,991,289**	**5,036,366**

EHLERS
PUBLIC FINANCE ADVISORS

City of Whitewater, WI

2025 Stormwater Rate Study

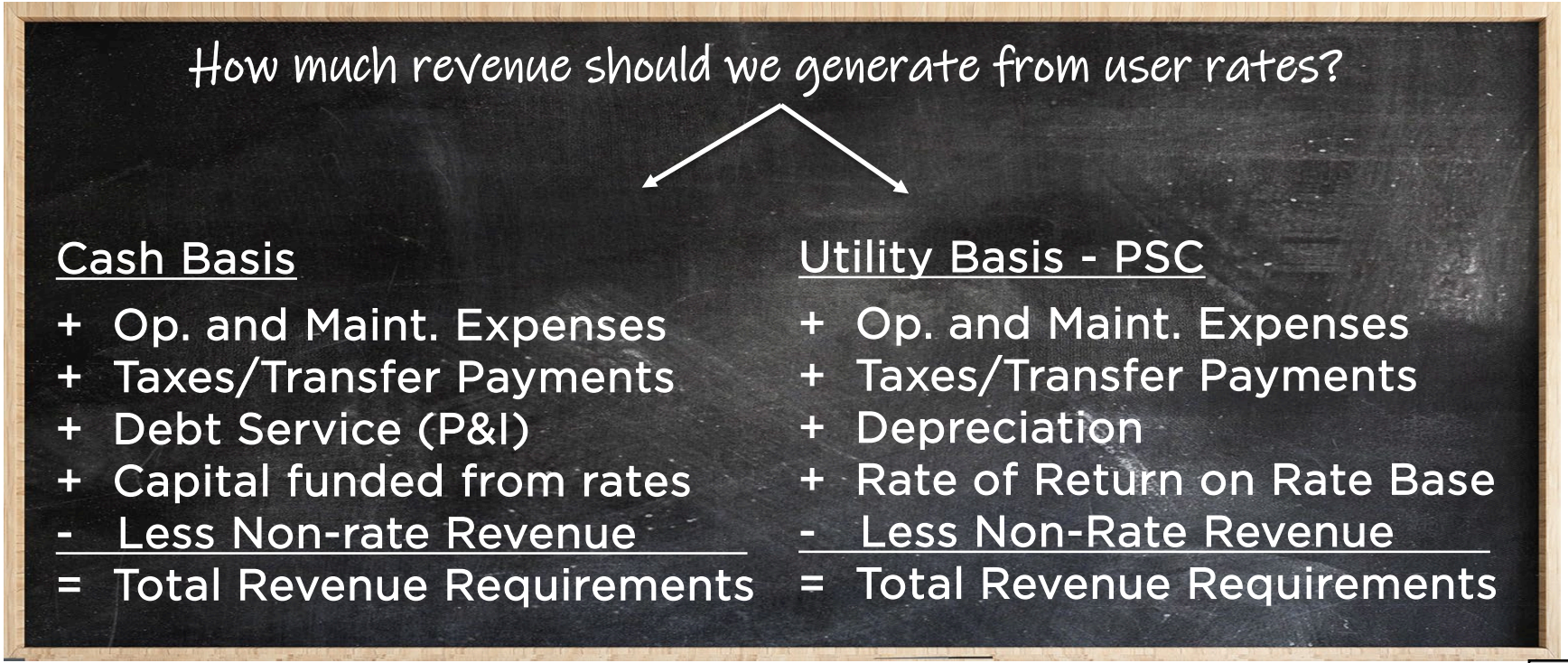
Phase 1: Long-Range Cash Flow Analysis

September 2, 2025 Council Meeting

Why are we here?

- Analyze the impact of planned capital projects and operational expenditures
- Ehlers to identify fiscal sustainability
- Our Process
  - ✓ Historical Rate and Financial Performance
  - ✓ Future Projections
    - ➢ O&M, Depreciation, and PILOT
    - ➢ Funding Project(s): Debt vs. Cash
  - ✓ Rate Impact

Revenue Requirement Review



Stormwater: Historical Rate Performance

Component	Description	Shown with no increase 2020	2021	2022	2023	Est 2024	Budget 2025
Cash Basis							
1	Operating and Maintenance	$362,606	$353,026	$380,422	$439,863	$484,687	$434,249
2	Debt	$171,334	$189,664	$243,934	$247,267	$272,282	$299,424
3	Cash Funded Capital	$142,035	$75,866	$97,574	$98,907	$108,913	$119,770
	Less:						
	Other Revenue	$15,000	$15,000	$17,000	$17,000	$17,000	$17,000
	Interest Income	$194	$30	$3,866	$3,866	$0	$0
	Revenue Requirement (Costs less Other Income)	$660,781	$603,526	$701,064	$765,171	$848,882	$836,442
	User Rates Revenue	$523,428	$527,543	$532,692	$534,171	$536,259	$535,839
	Rate Adequacy	($137,353)	($75,983)	($168,372)	($231,000)	($312,623)	($300,603)
	Rate Adjustment Needed	26.24%	14.40%	31.61%	43.24%	58.30%	56.10%
Utility Basis (PSC)							
1	Operating and Maintenance	$362,606	$353,026	$380,422	$439,863	$484,687	$434,249
2	Depreciation	$81,918	$100,685	$117,144	$121,028	$130,431	$146,616
	NIRB	$5,889,478	$6,151,244	$6,327,906	$6,353,185	$6,559,450	$6,827,184
3	Typical ROI (2.5%)	$147,237	$153,781	$158,198	$158,830	$163,986	$170,680
	Less:						
	Other Revenue	$15,000	$15,000	$17,000	$17,000	$17,000	$17,000
	Interest Income	$194	$30	$3,866	$3,866	$0	$0
	Revenue Requirement (Costs less Other Income)	$576,567	$592,462	$634,898	$698,855	$762,104	$734,545
	User Rates Revenue	$523,428	$527,543	$532,692	$534,171	$536,259	$535,839
	Rate Adequacy	($53,139)	($64,919)	($102,206)	($164,684)	($225,845)	($198,706)
	Rate Adjustment Needed	10.15%	12.31%	19.19%	30.83%	42.11%	37.08%

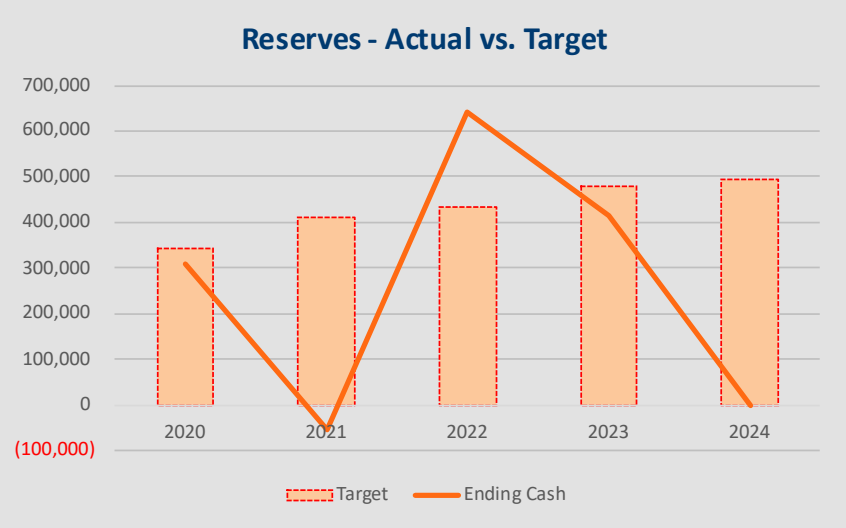
Notes:

[A]Includes recommended debt coverage at 1.4x annual debt payment

- Rates last adjusted effective 12-29-2015
- Per Ord. 16.10.070(c) the City uses Cash basis

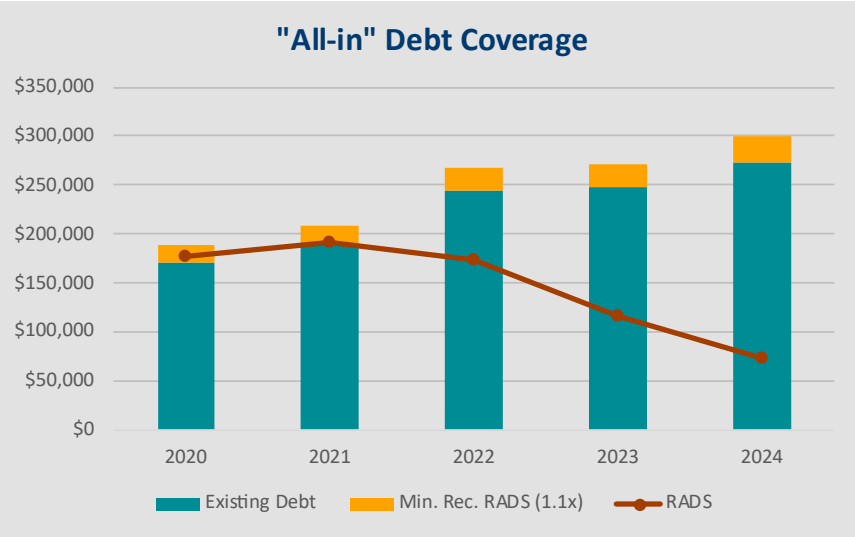
Let's investigate the history further....

Stormwater: Historical Financial Indicators



- Reserves to fund deficits and capital (4 mo. + debt target)

- Unable to cover debt payment



Upcoming Capital Investment

- With limited cash reserves the utility will need primarily to rely on outside sources of funding (debt or other as available)

Projects	Funding	2025	2026	2027	2028	Totals
Putnam Street	G.O. Debt		115,000			*115,000*
Jefferson Street Reconstruction	G.O. Debt	40,000	225,000			*265,000*
Biennial Street Reconstruction	G.O. Debt			90,000		*90,000*
Biennial Street Reconstruction	G.O. Debt				400,000	*400,000*
Detention Pond Dredging	Cash	115,310				*115,310*
Detention Pond Dredging	G.O. Debt		300,000	300,000	300,000	*900,000*
Starin Park Underground Detention - City Portion	G.O. Debt		3,624,300			*3,624,300*
Actual CIP Costs		**155,310**	**4,264,300**	**390,000**	**700,000**	**5,509,610**

Sources of Funding	2025	2026	2027	2028	Totals
G.O. Debt	40,000	4,264,300	390,000	700,000	*5,394,300*
Grants/Aids	0	0	0	0	*0*
Cash	115,310	0	0	0	*115,310*
Total	**155,310**	**4,264,300**	**390,000**	**700,000**	**5,509,610**

Stormwater: Future Projection

	Budget	Projected								
	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034
Revenues										
Total Revenues from User Rates	$535,839	$796,377	$1,056,914	$1,317,452	$1,356,975	$1,356,975	$1,397,685	$1,397,685	$1,439,615	$1,439,615
Percent Increase to User Rates	**0.00%**	**48.62%**	**32.72%**	**24.65%**	**3.00%**	**0.00%**	**3.00%**	**0.00%**	**3.00%**	**0.00%**
Cumulative Percent Rate Increase	**0.00%**	**48.62%**	**97.24%**	**145.87%**	**153.24%**	**153.24%**	**160.84%**	**160.84%**	**168.67%**	**168.67%**
Dollar Amount Increase to Revenues		**$260,538**	**$260,538**	**$260,538**	**$39,524**	**$0**	**$40,709**	**$0**	**$41,931**	**$0**
Total Other Revenues	$17,000	$18,074	$17,749	$18,123	$19,535	$20,980	$22,394	$23,976	$25,526	$27,252
Total Revenues	$552,839	$814,451	$1,074,663	$1,335,575	$1,376,511	$1,377,955	$1,420,079	$1,421,661	$1,465,141	$1,466,867
Less: Expenses										
Operating and Maintenance	$434,249	$445,105	$456,233	$467,639	$479,330	$491,313	$503,596	$516,186	$529,090	$542,317
Net Before Debt Service and Capital Expenditures	$118,590	$369,346	$618,430	$867,936	$897,181	$886,643	$916,483	$905,475	$936,051	$924,549
Debt Service										
Existing Debt P&I	$299,424	$271,570	$269,943	$273,653	$271,978	$199,853	$194,553	$159,503	$160,553	$156,478
New (2025-2034) Debt Service P&I	$0	$0	$283,369	$278,225	$346,663	$414,738	$416,638	$447,413	$442,175	$441,600
Total Debt Service	$299,424	$271,570	$553,311	$551,878	$618,640	$614,590	$611,190	$606,915	$602,728	$598,078
Transfer In (Out)	-$25,000	-$25,000	-$25,000	-$25,000	-$25,000	-$25,000	-$25,000	-$25,000	-$25,000	-$25,000
Less: Capital Improvements & COI	$153,310	$4,436,472	$390,000	$743,600	$0	$0	$0	$0	$0	$0
Debt Proceeds	$540,000	$4,264,300	$390,000	$700,000	$0	$0	$0	$0	$0	$0
Net Annual Cash Flow	**$180,856**	**($99,396)**	**$40,119**	**$247,459**	**$253,541**	**$247,053**	**$280,293**	**$273,560**	**$308,323**	**$301,472**
Restricted and Unrestricted Cash Balance:										
Balance at first of year	$0	$180,856	$81,460	$121,579	$369,038	$622,579	$869,631	$1,149,924	$1,423,484	$1,731,808
Net Annual Cash Flow Addition/(Subtraction)	$180,856	($99,396)	$40,119	$247,459	$253,541	$247,053	$280,293	$273,560	$308,323	$301,472
Balance at end of year	$180,856	$81,460	$121,579	$369,038	$622,579	$869,631	$1,149,924	$1,423,484	$1,731,808	$2,033,279
"All-in" Debt Coverage	0.31	1.27	1.07	1.53	1.41	1.40	1.46	1.45	1.51	1.50

Notes:
1) Assumes no changes in number of ERUs beyond Test Year.
2) Assumes 2.50% annual inflation beyond budget year.

Stormwater: Impact on Avg. Res. Bill

Year	Stormwater Increase	Stormwater Storm User Charge	Stormwater Utility Bill (Monthly)	Stormwater Change Over Prior Year	Utility Bill (Annual)	Change Over Prior Year	% of MHI (49,000)	Year
		Per ERU						
2024		6.17	$ 6.17		$ 74.04		0.15%	2024
2025	0.00%	6.17	$ 6.17	$ -	$ 74.04	$ -	0.15%	2025
2026	48.62%	9.17	$ 9.17	$ 3.00	$ 110.04	$ 36.00	0.22%	2026
2027	32.72%	12.17	$ 12.17	$ 3.00	$ 146.04	$ 36.00	0.30%	2027
2028	24.65%	15.17	$ 15.17	$ 3.00	$ 182.04	$ 36.00	0.37%	2028
2029	3.00%	15.63	$ 15.63	$ 0.46	$ 187.50	$ 5.46	0.38%	2029
2030	0.00%	15.63	$ 15.63	$ -	$ 187.50	$ -	0.38%	2030
2031	3.00%	16.09	$ 16.09	$ 0.47	$ 193.13	$ 5.63	0.39%	2031
2032	0.00%	16.09	$ 16.09	$ -	$ 193.13	$ -	0.39%	2032
2033	3.00%	16.58	$ 16.58	$ 0.48	$ 198.92	$ 5.79	0.41%	2033
2034	0.00%	16.58	$ 16.58	$ -	$ 198.92	$ -	0.41%	2034
Total Change over planning period				**$ 10.41**		**$ 124.88**		

Other customer classes have higher ERUs and their impact would have to be multiplied by ERU amount

Stormwater: Recommendations

- This plan identifies
  - ✓ Min. rate adjustment to achieve the following goals
    - ➢ Max use of cash above benchmark
    - ➢ Get Debt Coverage to minimum recommendation of 1.4
- Plan risk exposure
  - ✓ Other CIP not identified beyond 2029
  - ✓ Future O&M needs (i.e. staffing)

TONIGHT's ACTION: Consensus on stormwater rate approach

Questions?



Finance Committee Agenda Item

Meeting Date:	November 24, 2026
Agenda Item:	Approval of Audit Services for 2025 with Johnson & Block
Staff Contact (name, email, phone):	Rachelle Blitch, rblitch@whitewater-wi.gov , 262-473-1380

BACKGROUND
(Enter the who, what when, where, why)

Each year, the City undergoes an independent financial audit to ensure transparency, accountability, and compliance with generally accepted accounting principles (GAAP). The audit provides assurance to the Common Council, residents, and other stakeholders that the City's financial statements are accurate and that internal controls are functioning effectively.

The City has retained Johnson & Block as its independent auditing firm since approximately 2008–2009. The firm begins planning its year-end audit work in the fall. Prior to commencing the audit, the City is required to sign an engagement letter, which formally outlines the scope of work, responsibilities of both parties, audit standards to be followed, and the estimated fees.

The engagement letter serves as a contractual agreement, ensuring mutual understanding of the audit process and confirming the City's inclusion in the firm's annual audit schedule. This step is essential for maintaining compliance with auditing standards and for establishing clear expectations regarding the timing and responsibilities of both the auditor and the City.

PREVIOUS ACTIONS – COMMITTEE RECOMMENDATIONS
(Dates, committees, action taken)

FINANCIAL IMPACT
(If none, state N/A)

The total estimated cost of the annual audit is $56,750, allocated as follows: $32,400 from the General Fund, $20,200 from the Water and Wastewater Utility, and $4,150 from the Stormwater Utility.

STAFF RECOMMENDATION

Staff recommends approving the engagement letter with Johnson & Block for the 2026 audit to ensure continuity and compliance with required financial reporting timelines.

ATTACHMENT(S) INCLUDED
(If none, state N/A)

1. Johnson & Block Engagement Letter

JBC
JOHNSON BLOCK
CPAs

November 17, 2026

The City Council
City of Whitewater
312 West Whitewater Street
Whitewater, Wisconsin 53190

The following represents our understanding of the services we will provide the City of Whitewater.

You have requested that we audit the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component unit, each major fund, and the aggregate remaining fund information of the City of Whitewater, as of December 31, 2026, and for the year then ended and the related notes, which collectively comprise the City of Whitewater's basic financial statements. We are pleased to confirm our acceptance and our understanding of this audit engagement by means of this letter.

The objectives of our audit of the financial statements are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with auditing standards generally accepted in the United States of America (GAAS), will always detect a material misstatement when it exists. Misstatements, including omissions, can arise from fraud or error and are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

Accounting principles generally accepted in the United States of America, as promulgated by the Governmental Accounting Standards Board (GASB) require that certain required supplementary information be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the GASB, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. As part of our engagement, we will apply certain limited procedures to the required supplementary information (RSI) in accordance with auditing standards generally accepted in the United States of America. These limited procedures consist primarily of inquiries of management regarding their methods of measurement and presentation, and comparing the information for consistency with management's responses to our inquiries. We will not express an opinion or provide any form of assurance on the RSI. The following RSI is required by accounting principles generally accepted in the United States of America. This RSI will be subjected to certain limited procedures but will not be audited:

1) Budgetary Comparison Schedules
2) Wisconsin Retirement System Schedules
3) Local Retiree Life Insurance Fund Schedules
4) Health Insurance OPEB Schedule
5) Management's Discussion and Analysis (if prepared)

JOHNSON BLOCK AND COMPANY, INC. | 9701 Brader Way, Suite 202, Middleton, WI 53562 | Phone: (608) 274-2002 | Fax: (608) 274-4320
JOHNSONBLOCK.COM

Supplementary information other than RSI will accompany the City of Whitewater's basic financial statements. We will subject the following supplementary information to the auditing procedures applied in our audit of the basic financial statements and perform certain additional procedures, including comparing and reconciling the supplementary information to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and additional procedures in accordance with auditing standards generally accepted in the United States of America. We intend to provide an opinion on the following supplementary information in relation to the basic financial statements as a whole.

1) Combining Statements

The supplementary information referred to above will be presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information, which is the responsibility of management, will be subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. Our auditor's report will provide an opinion on the supplementary information in relation to the basic financial statements as a whole.

Auditor Responsibilities

We will conduct our audit in accordance with GAAS. As part of an audit of financial statements in accordance with GAAS, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinions. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls.

- Obtain an understanding of the system of internal control in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. However, we will communicate to you in writing concerning any significant deficiencies or material weaknesses in internal control relevant to the audit of the financial statements that we have identified during the audit.

- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Conclude, based on the audit evidence obtained, whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the City of Whitewater's ability to continue as a going concern for a reasonable period of time.

Because of the inherent limitations of an audit, together with the inherent limitations of internal control, an unavoidable risk that some material misstatements of noncompliance may not be detected exists, even though the audit is properly planned and performed in accordance with GAAS.

Our responsibility as auditors is limited to the period covered by our audit and does not extend to any other periods.

Compliance with Laws and Regulations

As previously discussed, as part of obtaining reasonable assurance about whether the basic financial statements are free of material misstatement, we will perform tests of the City of Whitewater's compliance with the provisions of applicable laws, regulations, contracts, and agreements. However, the objective of our audit will not be to provide an opinion on overall compliance, and we will not express such an opinion.

Management Responsibilities

Our audit will be conducted on the basis that management acknowledge and understand that they have responsibility:

a. For the preparation and fair presentation of the basic financial statements in accordance with accounting principles generally accepted in the United States of America;
b. For the design, implementation, and maintenance of the system of internal control relevant to the preparation and fair presentation of basic financial statements that are free from material misstatement, whether due to error, fraudulent financial reporting, misappropriation of assets, or violations of laws, governmental regulations, grant agreements, or contractual agreements; and
c. To provide us with:
    i. Access to all information of which management is aware that is relevant to the preparation and fair presentation of the basic financial statements including the disclosures such as records, documentation, and other matters;
    ii. Additional information that we may request from management for the purpose of the audit;
    iii. Unrestricted access to persons within the entity and others from whom we determine it necessary to obtain audit evidence;
d. For including the auditor's report in any document containing basic financial statements that indicates that such basic financial statements have been audited by us;
e. For identifying and ensuring that the entity complies with the laws and regulations applicable to its activities;

f. For adjusting the basic financial statements to correct material misstatements and confirming to us in the management representation letter that the effects of any uncorrected misstatements aggregated by us during the current engagement and pertaining to the latest period presented are immaterial, both individually and in the aggregate, to the basic financial statements as a whole; and
g. For acceptance of nonattest services, including identifying the proper party to oversee nonattest work;
h. For maintaining adequate records, selecting and applying accounting principles, and safeguarding assets;
i. For informing us of any known or suspected fraud affecting the entity involving management, employees with significant role in the system of internal control and others where fraud could have a material effect on the financials,
j. For the accuracy and completeness of all information provided,
k. For taking reasonable measures to safeguard protected personally identifiable and other sensitive information; and
l. For confirming your understanding of your responsibilities as defined in this letter to us in your management representation letter.

With regard to the supplementary information referred to above, you acknowledge and understand your responsibility: (a) for the preparation of the supplementary information in accordance with the applicable criteria; (b) to provide us with the appropriate written representations regarding supplementary information; (c) to include our report on the supplementary information in any document that contains the supplementary information and that indicates that we have reported on such supplementary information; and (d) to present the supplementary information with the audited basic financial statements, or if the supplementary information will not be presented with the audited basic financial statements, to make the audited basic financial statements readily available to the intended users of the supplementary information no later than the date of issuance by you of the supplementary information and our report thereon.

As part of our audit process, we will request from management written confirmation concerning representations made to us in connection with the audit.

Nonattest Services

With respect to any nonattest services we perform, at the end of the year, we agree to perform the following:

- Preparation of financial statements
- Maintaining lease information, if requested or applicable

We will not assume management responsibilities on behalf of the City of Whitewater. However, we will provide advice and recommendations to assist management of the City of Whitewater in performing its responsibilities.

The City of Whitewater's management is responsible for (a) making all management decisions and performing all management functions; (b) assigning a competent individual to oversee the services; (c) evaluating the adequacy of the services performed; (d) evaluating and accepting responsibility for the results of the services performed; and (e) designing, implementing, and maintaining the system of internal control, including the process used to monitor the system of internal control.

Our responsibilities and limitations of the nonattest services are as follows:

- We will perform the services in accordance with applicable professional standards.
- The nonattest services are limited to the services previously outlined. Our firm, in its sole professional judgment, reserves the right to refuse to do any procedure or take any action that could be construed as making management decisions or assuming management responsibilities, including determining account coding and approving journal entries.

Reporting

We will issue a written report upon completion of our audit of the City of Whitewater basic financial statements. Our report will be addressed to the City Council of the City of Whitewater. Circumstances may arise in which our report may differ from its expected form and content based on the results of our audit. Depending on the nature of these circumstances, it may be necessary for us to modify our opinions, add an emphasis-of-matter or other-matter paragraph(s) to our auditor's report, or if necessary, withdraw from the engagement. If our opinions on the basic financial statements are other than unmodified, we will discuss the reasons with you in advance. If, for any reason, we are unable to complete the audit or are unable to form or have not formed opinions, we may decline to express opinions or to issue a report as a result of this engagement.

Other

We understand that your employees will prepare all confirmations we request and will locate any documents or support for any other transactions we select for testing.

If you intend to publish or otherwise reproduce the basic financial statements and make reference to our firm, you agree to provide us with printers' proofs or master's for our review and approval before printing. You also agree to provide us with a copy of the final reproduced material for our approval before it is distributed.

Regarding the electronic dissemination of audited financial statements, including financial statements published electronically on your Internet website, you understand that electronic sites are a means to distribute information and, therefore, we are not required to read the information contained in these sites or to consider the consistency of other information in the electronic site with the original document.

Professional standards prohibit us from being the sole host and/or the sole storage for your financial and non-financial data. As such, it is your responsibility to maintain your original data and records and we cannot be responsible to maintain such original information. By signing this engagement letter, you affirm that you have all the data and records required to make your books and records complete.

Provisions of Engagement Administration, Timing and Fees

We will maintain various physical, electronic, policy, and procedural safeguards to guard your information and personal data. We may communicate with you and /or store data through email, facsimile, third-party vendor secured portals or cloud environments, or other electronic means. If a more secure medium of communication is desired, we will provide you with various electronic alternatives. Electronic data that is confidential may be transmitted and/or stored using these methods and you authorize us to do so. Notwithstanding the security measures and safeguards employed by us and/or our third-party vendors, you accept that we have no control over the unauthorized interception or breach of communications and/or data. All confidential, proprietary, and personally identifiable information should be transmitted through secure means which we have available. We may communicate with you or your other representatives through unencrypted email and you authorize us to do so. Emails can be intercepted and read, disclosed, or otherwise used or shared with an unintended third party, or may not be delivered to each of the parties or persons to whom they were originally directed. As such we cannot guarantee emails will be read only by the intended recipient(s). In the event of a data breach, each of us agrees to notify each other in the most expedient time possible and without unreasonable delay. We specifically disclaim and waive any liability or responsibility whatsoever for the unauthorized interception and/or disclosure of confidential or proprietary information transmitted in connection with the performance of this engagement, except to the extent determined as a result from our gross negligence or willful misconduct.

Many banks have engaged a third party to electronically process cash or debt audit confirmation requests, and certain of those banks have mandated the use of this service. Further, such third-party confirmation requests processors also provide for the electronic (and manual) processing of other confirmation types (e.g. legal, accounts receivable, and accounts payable). To the extent applicable, the City of Whitewater hereby authorizes Johnson Block & Company, Inc. to participate in such confirmation processes, including through the third party's website (e.g. by entering the City of Whitewater bank account information to initiate the process and then accessing the bank's confirmation response), and agrees that Johnson Block & Company, Inc. shall have no liability in connection therewith.

Kevin Krysinski, CPA is the engagement partner for the audit services specified in this letter. The engagement partner's responsibilities include supervising Johnson Block & Company, Inc.'s services performed as part of this engagement and signing or authorizing another qualified firm representative to sign the audit report.

Our fees are based on the amount of time required at various levels of responsibility, plus actual out-of-pocket expenses. Based on our preliminary estimates, the total fees and expenses should approximate the following:

City Audit	$ 32,400
Water and Wastewater Utility Audit	18,200
Storm Water Utility Audit	4,150
PSC Annual Report	2,000
	$ 56,750

This letter was prepared under the assumption that a single audit performed in accordance with the Uniform Guidance will not be required. If we are requested or required by governmental agencies to audit additional funds or programs not included in our proposal, our time performing these services would be billed at our standard hourly rates. The amount of time spent on a single audit is dependent on the type of major programs to be tested.

Our invoices for these fees will be rendered as work progresses and are payable upon presentation. In accordance with firm policies, work may be suspended if your account becomes 60 days or more overdue and will not be resumed until your account is paid in full. If we elect to terminate our services for nonpayment, you will be obligated to compensate us for all time expended and to reimburse us for all out-of-pocket expenditures through the date of termination. Third-party confirmation providers for certain financial institutions may invoice us for responding to confirmation requests and we will pass those costs through to you.

The attached Addendum A, which is an integral part of this engagement letter, relates to our preparation of the PSC annual report.

During the course of the audit we may observe opportunities for economy in, or improved controls over, your operations. We will bring such matters to the attention of the appropriate level of management, either orally or in writing.

We agree to retain our audit documentation or work papers for a period of at least seven years from the date of our report.

You agree to inform us of facts that may affect the basic financial statements of which you may become aware during the period from the date of the auditor's report to the date the financial statements are issued.

At the conclusion of our audit engagement, we will communicate to the City Council the following significant findings from the audit:

- Our view about the qualitative aspects of the entity's significant accounting practices;
- Significant difficulties, if any, encountered during the audit;
- Uncorrected misstatements, other than those we believe are trivial, if any;
- Disagreements with management, if any;
- Other findings or issues, if any, arising from the audit that are, in our professional judgment, significant and relevant to those charged with governance regarding their oversight of the financial reporting process;
- Material, corrected misstatements that were brought to the attention of management as a result of our audit procedures;
- Representations we requested from management;
- Management's consultations with other accountants, if any; and
- Significant issues, if any, arising from the audit that were discussed, or the subject of correspondence, with management.

The audit documentation for this engagement is the property of Johnson Block and Company, Inc. and constitutes confidential information. However, we may be requested to make certain audit documentation available to regulators pursuant to authority given to it by law or regulation, or to peer reviewers. If requested, access to such audit documentation will be provided under the supervision of Johnson Block and Company Inc.'s personnel. Furthermore, upon request, we may provide copies of selected audit documentation to regulators. The regulators may intend, or decide, to distribute the copies of information contained therein to others, including other governmental agencies.

Changes in Accounting and Audit Standards

Standard setters and regulators continue to evaluate and modify standards. Such changes may result in new or revised financial reporting and disclosure requirements or expand the nature, timing, and scope of the activities we are required to perform. To the extent that the amount of time required to provide the services described in this letter increases due to such changes, our fee may need to be adjusted.

Unanticipated Services

We do not anticipate encountering the need to perform additional services beyond those described in this letter. However, below are listings of services considered to be outside the scope of our engagement. If any such service needs to be completed before the audit can proceed in an efficient manner, we will determine whether we can provide the service and maintain our independence. If appropriate, we will notify you and provide a fair and reasonable price for providing the service. We will bill you for the service at periodic dates after the additional service has been performed.

Bookkeeping services

Bookkeeping services are not audit services. Bookkeeping services include but are not limited to the following activities:

- Preparation of a trial balance
- Account or bank statement reconciliations
- Capital asset accounting (e.g., calculating depreciation, identify capital assets for additions and deletions), unless previously agreed to as part of services to be provided
- Significant additional time spent calculating accruals
- Processing immaterial adjustments through the financial statements requested by management
- Adjusting the financial statements for new activities and new disclosures

Additional work resulting from unanticipated changes in your organization or accounting records

If your organization undergoes significant changes in key personnel, accounting systems, and/or internal control, we are required to update our audit documentation and audit plan. The following are examples of situations that will require additional audit work:

- Deterioration in the quality of the entity's accounting records during the current-year engagement in comparison to the prior-year engagement
- Significant new accounting issues, significant changes in your volume of business or new or unusual transactions
- Changes in audit scope or requirements resulting from changes in your activities
- Erroneous or incomplete accounting records
- Implementation or adoption of new or existing accounting, reporting, regulatory, or tax requirements and any applicable financial statement disclosures

Please sign and return this letter to indicate your acknowledgment of, and agreement with, the arrangements for our audit of the basic financial statements including our respective responsibilities.

We appreciate the opportunity to be your financial statement auditors and look forward to working with you and your staff.

Respectfully,

Johnson Block & Company, Inc.

Johnson Block & Company, Inc.

RESPONSE:

This letter correctly sets forth our understanding.

Acknowledged and agreed on behalf of the City of Whitewater by:

Management Signature: _____

Title: _____

Date: _____

Governance Signature: _____

Title: _____

Date: _____

ADDENDUM A

We will perform the following services:

We will compile, from information you provide, the Public Service Commission Annual Report, including the balance sheet of the water utility, an enterprise fund of the City of Whitewater, as of December 31, 2026, and the related income statements for the year then ended and the supplemental schedules as of and for the year ended December 31, 2026. Upon completion of the Public Service Commission Annual Report, we will provide the City of Whitewater with our accountant's compilation report. If, for any reason caused by or relating to affairs or management of the City of Whitewater we are unable to complete the compilation or if we determine in our professional judgment the circumstances necessitate, we may withdraw and decline to submit the Public Service Commission Annual Report to you as a result of this engagement.

Our Responsibilities and Limitations

We will be responsible for performing the compilation in accordance with *Statements on Standards for Accounting and Review Services* established by the American Institute of Certified Public Accountants. The objective of a compilation is to assist management in presenting financial information in the form of financial statements. We will utilize information that is the representation of management without undertaking to obtain or provide any assurance that there are no material modifications that should be made to the financial statements in order for the statements to be in conformity with accounting principles generally accepted in the United States of America.

Our engagement cannot be relied upon to disclose errors, fraud, or other illegal acts that may exist and, because of the limited nature of our work, detection is highly unlikely. However, we will inform the appropriate level of management of any material errors, and of any evidence that fraud may have occurred. In addition, we will report to you any evidence or information that comes to our attention during the performance of our compilation procedures regarding illegal acts that may have occurred, unless they are clearly inconsequential. We have no responsibility to identify and communicate deficiencies in your internal control as part of this engagement.

Management's Responsibilities

The City of Whitewater management is responsible for the financial statements referred to above. In this regard, management is responsible for (i) the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, (ii) designing, implementing, and maintaining internal control relevant to the preparation and fair presentation of the financial statements, (iii) preventing and detecting fraud, (iv) identifying and ensuring that the entity complies with the laws and regulations applicable to its activities, and (v) making all financial records and related information available to us. Management also is responsible for identifying and ensuring that the City of Whitewater complies with the laws and regulations applicable to its activities.

Management is responsible for providing us with the information necessary for the compilation of the financial statements and the completeness and the accuracy of that information and for making the City of Whitewater personnel available to whom we may direct inquiries regarding the compilation. We may make specific inquiries of management and others about the representations embodied in the financial statements.

2026-2027 Budget
Aquatic Center Special Revenue Fund-247
Revenues & Expenses

REVENUES

	DESCRIPTION	2023 ACTUAL	2024 ACTUAL	2025 ACTUAL	2026 BUDGET	2026 YTD-OCT	2026 ACT-EST	2027 ORIG BUDGET	2027 ADJ BUDGET
AQUATIC CTR-MEMBERSHIPS									
247-41000-55	FAMILY MEMBERSHIP REVENUE	123,557	125,716	117,283	125,000	103,515	124,217	125,000	125,000
247-41100-55	MONTHLY EFT REVENUE	376	-	-	-	-	-	-	-
247-41200-55	YOUTH MEMBERSHIP REVENUE	17,026	10,628	12,571	12,500	14,188	17,026	12,500	14,000
247-41250-55	ADULT MEMBERSHIP REVENUE	48,333	46,413	40,068	50,000	41,033	49,240	50,000	55,000
247-41300-55	SENIOR MEMBERSHIP REVENUE	41,568	65,197	66,877	65,000	61,484	73,781	65,000	65,000
247-41350-55	INSURANCE REIMBURSEMENTS	27,408	15,964	-	45,600	37,942	45,530	45,600	45,000
247-41400-55	COUPLE MEMBERSHIP REVENUE	-	-	-	-	-	-	-	-
247-41500-55	COLLEGE STUDENT MEMBERSHIPS	-	450	180	500	-	-	500	-
	Total:	258,269	264,368	236,979	298,600	258,162	309,795	298,600	304,000
AQUATIC CTR-PASSES									
247-42000-55	ADULT DAY PASSES	44,356	50,517	54,999	50,000	37,633	45,160	50,000	50,000
247-42100-55	YOUTH DAY PASSES	31,217	21,213	22,938	25,000	14,046	16,856	30,000	25,000
247-42200-55	FAMILY PASSES	-	-	-	30,000	15,271	18,325	30,000	20,000
247-42300-55	GROUP RATES	11,471	9,164	11,312	12,000	10,324	12,389	12,000	12,000
	Total:	87,045	80,894	89,249	117,000	77,275	92,730	122,000	107,000
AQUATIC CTR-CLASSES									
247-43000-55	SWIM LESSONS	11,923	8,804	4,977	7,500	23,523	28,228	7,500	25,000
247-43100-55	SUMMER SCHOOL SWIM LESSONS	-	-	-	-	-	-	-	-
247-43200-55	FITNESS CLASSES	9,884	8,112	10,366	10,000	7,686	9,223	10,000	10,000
247-43300-55	WATER CLASSES	794	-	-	-	-	-	-	-
247-43350-55	WAFC PROGRAMS	-	932	4,464	5,000	7,142	8,570	5,000	7,500
	Total:	22,601	17,848	19,807	22,500	38,350	46,020	22,500	42,500
AQUATIC CTR-RENTALS									
247-44000-55	MEETING ROOM RENTALS	1,828	7,505	427	-	-	-	-	-
247-44050-55	OFFICE SPACE RENTALS	-	-	-	3,600	2,000	2,400	3,800	4,800
247-44100-55	WHITEWATER SCHOOL DIST RENTAL	709	7,595	7,500	7,500	7,500	7,500	7,700	7,500
247-44105-55	J HAWKS RENTALS	389	389	-	500	-	-	600	-
247-44200-55	BIRTHDAY PARTIES	5,771	17,863	24,674	17,500	19,848	23,817	20,000	20,000
	Total:	8,698	33,352	32,601	29,100	29,348	33,717	32,100	32,300
AQUATIC CTR-OTHER INCOME									
247-45050-55	DONATIONS	103	25	53	-	238	286	-	-
247-45100-55	GIFT CERTIFICATES	-	-	-	-	-	-	-	-
247-45400-55	CONCESSIONS STAND	11,520	10,646	14,971	14,000	19,766	23,719	15,000	20,000
247-45500-55	PRO-SHOP INCOME	303	2,106	2,201	1,500	2,248	2,698	1,500	2,000
247-45505-55	MISC INCOME-ONE TIME REV	44	3,606	148	-	-	-	-	-
247-45600-55	GIFT CARDS/CERTIFICATES	1,824	1,034	(115)	250	(22)	(26)	260	-
	Total:	13,794	17,417	17,257	15,750	22,230	26,676	16,760	22,000
AQUATIC CTR-OTHER FIN SOURCES									
247-49280-55	WUSD CONTRIBUTION	400,009	216,934	183,339	188,840	188,839	188,840	194,505	194,505
247-49290-55	CITY CONTRIBUTION/TRANSFER	279,759	258,767	266,530	274,526	274,526	274,526	282,762	282,762
247-49291-55	CITY ADDITIONAL CONTRIBUTION	-	87,998	90,891	-	-		-	(6,366)
	Total:	679,767	563,699	540,760	463,366	463,365	463,366	477,267	470,901
	Total Operating Revenue:	**1,070,173**	**977,579**	**936,653**	**946,316**	**888,730**	**972,304**	**969,227**	**978,701**

EXPENSES

	DESCRIPTION	2023 ACTUAL	2024 ACTUAL	2025 ACTUAL	2026 BUDGET	2026 YTD-OCT	2026 ACT-EST	2027 ORIG BUDGET	2027 ADJ BUDGET
WAC- MANAGEMENT									
247-55100-111	SALARIES/PERMANENT	60,238	47,017	57,534	116,840	83,930	103,913	120,345	115,030
247-55100-112	WAGES/OVERTIME	-	-	-	-	-	-	-	-
247-55100-150	MEDICARE TAX/CITY SHARE	972	1,159	769	1,709	1,200	1,486	1,760	1,682
247-55100-151	SOCIAL SECURITY/CITY SHARE	4,156	2,243	3,289	7,306	5,132	6,354	7,525	7,194
247-55100-152	RETIREMENT	4,353	3,216	3,804	8,412	6,297	7,796	8,665	8,340
247-55100-153	HEALTH INSURANCE	8,217	11,081	7,696	21,954	17,418	21,565	22,613	22,626
247-55100-154	HRA-LIFE STYLE ACCT EXPENSE	-	-	125	3,000	791	980	3,090	2,000
247-55100-155	WORKERS COMPENSATION	300	43	1,060	2,536	1,885	2,334	2,612	2,322
247-55100-156	LIFE INSURANCE	1	3	5	-	16	20	-	-
247-55100-158	UNEMPLOYMENT COMPENSATION	-	-	-	-	-	-	-	-
247-55100-211	PROFESSIONAL DEVELOPMENT	-	278	2,196	1,500	3,058	3,670	1,500	1,500
	Total:	78,238	65,039	76,478	163,257	119,727	148,117	168,110	160,694
WAC-FRONT DESK									
247-55150-113	WAGES/TEMPORARY	107,242	88,176	88,872	85,007	74,416	92,134	87,557	71,400
247-55150-150	MEDICARE TAX/CITY SHARE	1,551	1,272	1,285	1,233	1,142	1,413	1,270	1,035
247-55150-151	SOCIAL SECURITY/CITY SHARE	6,632	5,440	5,494	5,270	4,881	6,043	5,429	4,427
247-55150-152	RETIREMENT	133	8	471	-	29	36	-	-
247-55150-155	WORKERS COMPENSATION	2,003	1,648	1,214	1,845	1,615	2,000	1,901	1,442
247-55150-158	UNEMPLOYMENT COMPENSATION	-	-	-	-	-	-	-	-
	Total:	117,562	96,544	97,336	93,355	82,082	101,626	96,156	78,304
WAC-FITNESS									
247-55200-113	WAGES/TEMPORARY	-	-	-	-	-	-	-	-
247-55200-114	WAGES/PART-TIME/PERMANENT	46,066	45,127	45,339	32,240	41,339	51,182	33,207	38,300
247-55200-150	MEDICARE TAX/CITY SHARE	664	648	659	467	624	772	482	555
247-55200-151	SOCIAL SECURITY/CITY SHARE	2,838	2,769	2,818	1,999	2,667	3,302	2,059	2,375
247-55200-152	RETIREMENT	267	297	330	-	516	639	-	-
247-55200-153	HEALTH INSURANCE	513	-	-	-	-	-	-	-
247-55200-155	WORKERS COMPENSATION	967	879	870	700	888	1,099	721	773
247-55200-156	LIFE INSURANCE	2	1	1	-	1	1	-	-
247-55200-158	UNEMPLOYMENT COMPENSATION	-	-	-	-	83	100	-	-
	Total:	51,316	49,721	50,018	35,406	46,118	57,095	36,468	42,003
WAC-AQUATIC									
247-55300-113	WAGES/TEMPORARY	10	30	342	-	14	18	-	-
247-55300-114	WAGES/PART-TIME/PERMANENT	157,400	275,458	305,239	284,707	267,346	331,000	293,248	316,913
247-55300-150	MEDICARE TAX/CITY SHARE	2,243	3,886	4,440	4,128	4,078	5,049	4,252	4,595
247-55300-151	SOCIAL SECURITY/CITY SHARE	9,588	16,615	18,986	17,652	17,437	21,589	18,181	19,649
247-55300-152	RETIREMENT	2,136	2,963	3,242	1,382	3,951	4,891	1,424	4,927
247-55300-153	HEALTH INSURANCE	1,052	-	-	-	-	-	-	-
247-55300-155	WORKERS COMPENSATION	3,445	5,657	6,165	6,180	6,049	7,490	6,366	6,399
247-55300-156	LIFE INSURANCE	3	5	5	-	3	4	-	-
247-55300-158	UNEMPLOYMENT COMPENSATION	-	-	-	-	-	-	-	-
	Total:	175,877	304,614	338,418	314,050	298,879	370,041	323,471	352,482
WAC-MAINTENANCE									
247-55400-111	SALARIES/PERMANENT	12,558	19,733	16,344	17,551	13,820	17,110	18,078	18,271
247-55400-150	MEDICARE TAX/CITY SHARE	173	272	248	278	227	282	286	288
247-55400-151	SOCIAL SECURITY/CITY SHARE	740	1,165	1,062	1,187	973	1,205	1,222	1,231
247-55400-152	RETIREMENT	846	1,343	1,142	1,259	1,051	1,301	1,296	1,319
247-55400-153	HEALTH INSURANCE	2,980	4,085	690	1,440	1,080	1,337	1,483	1,440
247-55400-154	HRA-LIFE STYLE ACCT EXPENSE	-	-	75	150	75	93	155	150
247-55400-155	WORKERS COMPENSATION	280	416	332	378	313	388	390	367
247-55400-156	LIFE INSURANCE	2	3	3	13	2	3	14	13
247-55400-250	CONTRACTED SERVICES	1,463	6,000	-	-	-	-	-	
	Total:	19,041	33,017	19,895	22,256	17,541	21,718	22,924	23,080

	DESCRIPTION	2023 ACTUAL	2024 ACTUAL	2025 ACTUAL	2026 BUDGET	2026 YTD-OCT	2026 ACT-EST	2027 ORIG BUDGET	2027 ADJ BUDGET
WAC-ADMIN EXPENSES									
247-55500-219	OTHER PROFESSIONAL SERVICES	-	-	-	-	9,080	24,080	-	
247-55500-220	INSURANCE	7,416	300	307	313	264	316	350	269
247-55500-224	SOFTWARE/HARDWARE MAINTENANC	11,472	13,199	11,203	7,461	15,920	19,105	8,889	8,527
247-55500-225	TELECOM/INTERNET/COMMUNICATIO	4,440	4,594	4,154	3,707	6,402	7,682	3,818	1,371
247-55500-246	CLEANING & SUPPLIES	9,278	11,100	4,627	6,000	4,314	5,177	6,200	6,000
247-55500-310	FITNESS & OPERATING SUPPLIES	2,660	16,370	4,782	2,500	3,072	3,686	2,500	2,500
247-55500-320	CHAMBER DUES & EXPENSES	288	60	-	-	-	-	-	-
247-55500-650	CREDIT CARD PROCESSING FEES	90	72	26	50	6,845	8,214	75	7,000
247-55500-652	BANK CHARGES	-	8	12	20	-	-	20	20
247-55500-654	PERMITS & FEES	2,035	1,212	1,356	1,400	1,294	1,294	1,400	1,400
247-55500-656	MEMBER KEY TAGS	885	855	895	1,000	796	956	1,000	1,000
	Total:	38,564	47,770	27,361	22,451	47,986	70,509	24,252	28,087
WAC-POOL EXPENSES									
247-55600-310	OFFICE & OPERATING SUPPLIES	6,191	13,715	13,024	10,000	7,925	9,510	11,000	10,000
247-55600-342	WSI CLASS EXPENSE	656	-	316	100	237	284	100	750
247-55600-344	LIFEGUARD CLASS EXPENSE	2,087	3,212	5,034	4,000	7,150	8,580	4,000	7,500
247-55600-346	GENERAL POOL MAINTENANCE	13,126	15,507	15,908	14,400	17,107	20,529	15,000	15,000
247-55600-348	POOL EQUIPMENT	13,051	7,335	22,453	7,500	5,688	6,826	7,500	7,500
247-55600-350	POOL CHEMICALS	18,000	18,000	18,880	19,800	15,800	18,960	20,000	19,800
	Total:	53,110	57,770	75,615	55,800	53,907	64,689	57,600	60,550
WAC-UTILITIES/HVAC									
247-55700-221	WATER/SEWER UTILITIES	26,350	30,629	33,064	30,000	23,449	28,139	31,000	30,000
247-55700-222	ELECTRIC UTILITIES	87,824	100,401	95,849	90,000	89,912	107,894	92,000	90,000
247-55700-223	NATURAL GAS	53,879	42,580	58,371	50,000	39,214	47,057	50,000	55,000
247-55700-355	REPAIR/MAINT SUPPLIES	10,894	17,561	14,321	15,000	23,075	27,690	15,000	15,000
	Total:	178,946	191,171	201,605	185,000	175,650	210,780	188,000	190,000
WAC-OTHER EXPENSES									
247-55800-310	OFFICE & OPERATING SUPPLIES	16,686	28,157	23,402	17,000	20,619	24,743	17,250	20,000
247-55800-324	MARKETING	10,788	16,248	6,578	5,000	2,394	2,873	5,200	5,000
247-55800-341	JANITORIAL/CLEANING SUPPLIES	337	1,321	6,364	-	163	196	-	-
247-55800-342	CONCESSION SUPPLIES	9,903	7,135	8,773	8,000	11,364	13,637	8,000	9,500
247-55800-344	LAND FITNESS MAINTENANCE	-	8,097	3,680	8,000	9,006	10,807	8,000	8,000
247-55800-346	PRO-SHOP INVENTORY	185	1,417	785	1,000	864	1,037	1,000	1,000
	Total:	37,900	62,374	49,581	39,000	44,410	53,293	39,450	43,500
	Total Operating Expenses:	**750,553**	**908,020**	**936,309**	**930,575**	**886,302**	**1,097,867**	**956,431**	**978,701**
	Total Operating Revenue:	**1,070,173**	**977,579**	**936,653**	**946,316**	**888,730**	**972,304**	**969,227**	**978,701**
	Total Operating Expenses:	**750,553**	**908,020**	**936,309**	**930,575**	**886,302**	**1,097,867**	**956,431**	**978,701**
	Total Operating Net:	319,620	69,559	344	15,741	2,429	(125,563)	12,796	0
OPERATING FUND BALANCE		(69,578)	-	-			(125,563)		(125,562)
247-34300	Net Change-Increase/(Decrease	355,449	69,559	344			(125,563)		0

Finance Committee Agenda Item

Meeting Date:	November 24, 2026
Agenda Item:	Employee Bonuses
Staff Contact (name, email, phone):	Rachelle Blitch, rblitch@whitewater-wi.gov , 262-473-1380

BACKGROUND
(Enter the who, what when, where, why)

Since 2023, the Council has approved one-time year-end employee bonuses when year-end financial results produced sufficient surpluses to support the expenditure. These bonuses have been used to recognize employee contributions while sharing a portion of the City's positive financial performance with staff.

Although current year financial conditions do not reflect the same level of surplus experienced in prior years, staff request that the Finance Committee and Common Council consider authorizing a one-time employee bonus for 2026. The request is based on the economic challenges that many employees continue to face, including the impact of inflation and higher costs for housing, food, transportation and other necessities. These pressures are often felt most acutely by the front-line employees.

The proposed bonus is intended to provide meaningful recognition of employee service and continued dedication to the organization while supporting employee retention and morale. City staff have continued to deliver essential services despite ongoing operational challenges, workforce shortages, and increasing service demands.

Should the Finance Committee and Common Council recommend approval, staff also recommends clearly communicating to employees that the bonus is a one-time payment and not a guaranteed benefit. Future bonuses would remain dependent upon the City's overall financial condition and year-end operating results. If future fiscal years do not generate sufficient surpluses, the City may not be able to provide similar bonuses.

Staff have outlined the total expense based on the schedule and eligibility used in the previous year.

FT Employees <1 year: $100
FT Employees 1-5 years: $300
FT Employees 5+ years: $500

Permanent PT Employees:
<1 year: $50
1-5 years: $100
5+ years: $200

PREVIOUS ACTIONS – COMMITTEE RECOMMENDATIONS
(Dates, committees, action taken)

12/19/2023 – Common Council approved bonuses for employees
12/3/2024 – Common Council approved bonuses for employees
12/2/2025 – Common Council approved bonuses for employees

FINANCIAL IMPACT
(If none, state N/A)

The approximate cost of this proposal is $38,250, which would be funded through the use of fund balance. If approved, the projected unassigned fund balance would decrease from $2,979451 to approximately $2,941,201. As a result, the fund balance ratio would decline slightly from 21.7% to 21.4%, while still remaining above the City's minimum policy requirement of 20%.

STAFF RECOMMENDATION

Staff recommends setting aside $38,250 for bonuses for full-time hourly employees and a prorated amount for permanent part-time employees. If approved, the City Manager and HR Manager will meet with each department to reinforce the importance of holding the line on expenditures and meeting the City's financial targets, and to make clear that any future bonus depends entirely on those results. If year-end results do not anticipate to produce a sufficient surplus next year, no bonus will be recommended in 2027.

ATTACHMENT(S) INCLUDED
(If none, state N/A)

Whitewater Fire & EMS

2027 Organizational Chart

Admin
(Unfunded)

Fire & EMS Chief
Kelly Freeman

Medical Director
Mercy Health
Dr. Christopher Wistrom

Fire Inspector
Lt. Jacob Maas

Assistant Chief – Fire Operations
Ryan Dion

Assistant Chief – EMS Operations
(TBD – Full-Time)

Assistant Chief – POC (Part-Time)
Joe Uselding

A Shift
A Shift Lead – Carl Strait
FF/Paramedic

- FF/AEMT — Tim Girard
- FF/Paramedic — Abel Turner
- FF/EMT — Liam Griffin
- FF/EMT — Noah Boers
- FF/EMT — Future Position

B Shift
B Shift Lead – (TBD)
FF/Paramedic

- FF/Paramedic — Alex Rohde
- FF/AEMT — Sean O'Flanagan
- FF/EMT — Connor Wolf
- FF/EMT — Jordan Wedig
- FF/EMT — Future Position

C Shift
C Shift Lead – Mikayla Fehl
FF/Paramedic

- FF/AEMT — Matt Rollins
- FF/Paramedic — Ethan Krause
- FF/EMT — TJ Spiegelberg
- FF/EMT — Anthoney Vilavong
- FF/EMT — Future Position

EMS Operations

- EMS Officer Program (TBD)
- EMS Billing
- EMS Quality Review & Licensing
- EMS Training & Protocols
- Medical Director Liaison

POC / POP

- Captain Andy Beckman
- Lieutenant Marshall Lewis
- Christ Christon
- Tommy Cushman
- Ehren Ezzell
- Kristen Lewis
- Michael Messler
- Karsyn Nehls
- Tanner Stark
- Mel Taylor
- Riley Walters
- Steven Witt
- (Vacant)

Direct reporting

EMS oversight / coordination

Acting Chief in Chief's absence:
Assistant Chief – _____ (per written order)