



Finance Committee Meeting

Cravath Lakefront room 2nd floor 312 West
Whitewater Str, Whitewater, WI, 53190 *In Person
and Virtual

Monday, February 17, 2025 - 4:00 PM

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

You are invited to a Zoom webinar!

When: Feb 17, 2025 04:00 PM Central Time (US and Canada)

Topic: Finance Committee Meeting

Join from PC, Mac, iPad, or Android:

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Join via audio:

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Webinar ID: 856 9899 8657

AGENDA

CALL TO ORDER

ROLL CALL

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.](#) January 28, 2025 Finance Committee Meeting Minutes

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.](#) Election Worker Salary Discussion
- [3.](#) Replacement Procedural Document for Sewer Backup Policy
- [4.](#) Potential Parking Permit Fee Increase
- [5.](#) Update on Recovery of Outstanding CDA Loans
- [6.](#) Update on Tax Increment District Calculations

FUTURE AGENDA ITEMS

7. Committee Approval Discussion
8. Compensation Policy

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.



Finance Committee Meeting Item 1.

Cravath Lakefront room 2nd floor 312 West
Whitewater Str, Whitewater, WI, 53190 *In Person
and Virtual

Tuesday, January 28, 2025 - 5:00 PM

**Citizens are welcome (and encouraged) to join our webinar via computer, smart phone, or telephone.
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Join from PC, Mac, iPad, or Android:
<https://us06web.zoom.us/j/86155365111>

Join via audio:
+1 312 626 6799 US (Chicago)

Webinar ID: 861 5536 5111

AGENDA

CALL TO ORDER

The meeting was called to order at 5:00 p.m. by Lisa Dawsey-Smith.

ROLL CALL

Present: Lisa Dawsey-Smith, Patrick Singer and Brian Schanen.

Absent: None.

Additional Attendees: Rachelle Blich, Director of Finance.

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. December 19, 2024 Finance Committee Meeting Minutes

Motion to approve the consent agenda made by Patrick Singer, Seconded by Brian Schanen.

Voting Yes: Lisa Dawsey-Smith, Patrick Singer and Brian Schanen. 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

2. December Financials
3. Sewer Backup Reimbursement Policy Review
4. Cost Tracking for Starin Rd
5. Costs to Maintain Municipal Parking Lots & Parking Permit Fees
6. Report on Hiring Practices from Other Communities
7. February Meeting Date
8. 2025 Salary Resolution Amendment 2

Motion to recommend the 2025 Salary Resolution Amendment 2 to Common Council made by Patrick Singer, Seconded by Lisa Dawsey-Smith.

Voting Yes: Lisa Dawsey-Smith, Patrick Singer and Brian Schanen. Voting No: None.

FUTURE AGENDA ITEMS

9. Election Worker Salary Discussion
10. Compensation Policy with Financial Projections

ADJOURNMENT

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

Voting Yes: Lisa Dawsey-Smith, Patrick Singer and Brian Schanen. Voting No: None.

The meeting adjourned at 5:48 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: | February 17, 2025 |
| Agenda Item: | Election Worker Salary Discussion |
| Staff Contact (name, email, phone): | Rachelle Blitch, rblitch@whitewater-wi.gov , 262-473-1380 |

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

At a previous meeting, a request was made to review and discuss election worker salaries as a potential recruitment tool. Below, I have included salary information for Elkhorn and Jefferson, as their 2024 Salary Resolutions include these positions. However, many other communities do not list part-time positions in their salary resolutions, limiting the availability of comparable data.

Given that the selection and recruitment process for election workers differs significantly from traditional hiring, increasing pay may not be the most effective solution. It may be more beneficial to first identify the specific challenges affecting recruitment before developing targeted strategies, ensuring that efforts are directed toward the most impactful solutions.

Elkhorn:

- Election Inspectors \$159.12/per day
- Chief Election Inspector \$238.68/per day
- Badger Book Super User \$238.68/per day
- Special Voting Deputies \$81.60/per day
- Hourly help \$12.24/per hour

Jefferson:

- Chief Inspectors \$7.50/per hour
- Inspectors \$7.25/per hour

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

FINANCIAL IMPACT
(If none, state N/A)

N/A

STAFF RECOMMENDATION

Staff recommends first identifying the perceived issue and then developing an appropriate solution.

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

- 1.



Finance Committee Agenda Item

| | |
|-------------------------------------|--|
| Meeting Date: | February 17, 2025 |
| Agenda Item: | No-Fault Sanitary Sewer Backup Damage Reimbursement Policy |
| Staff Contact (name, email, phone): | Rachelle Blitch, rblitch@whitewater-wi.gov , 262-473-1380 |

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

In April 2016, the Common Council approved a resolution establishing the No-Fault Sanitary Sewer Backup Damage Reimbursement Policy. The intent of this policy was to assist homeowners in addressing the financial burden associated with sewer backups, thereby reducing health hazards by encouraging timely property cleanup. While the policy explicitly states that the City is voluntarily offering this program without legal liability for damages, it inadvertently creates the potential for litigation from insurance companies that may have covered portions of the damages.

Attached is an internal procedure document for claims to serve as a replacement to the current policy to ensure there is consistency applied when processing any future claims. Many of the original policy’s eligibilities are included in this document however; instead of using, “the City will” we are using, “the City can” as it is an important distinction to the voluntary payment. This is a working document and suggestions or questions are welcomed. Once it has the Finance Committee’s recommendation it will be presented to Common Council with a request to rescind the original resolution.

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

April 7, 2016 – Common Council approved the resolution

FINANCIAL IMPACT
(If none, state N/A)

This policy offers reimbursement of up to \$7,500 (lifetime) to residents who have experienced damages from a sewer backup that was no-fault of their own.

STAFF RECOMMENDATION

CVMIC and staff recommend that the City review this policy and consider discontinuing the program. Residents would still retain the option to file claims, which would be evaluated on a case-by-case basis, consistent with the City's standard process for handling liability claims.

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

1. Resolution Establishing No-Fault Sanitary Sewer Backup Damage Reimbursement Policy
2. CMVIC’s recommendation email
3. Procedure for Processing a Liability Claim – Internal Guide

A Resolution Establishing a No-Fault Sanitary Sewer Backup Damage Reimbursement Policy.

WHEREAS, the City of Whitewater has determined that it is necessary to increase citizen awareness of the operational dynamics of wastewater collection systems and their responsibilities relative to maintenance and protection against potential property damage from sewer backups, and

WHEREAS, the City of Whitewater is responsible for maintaining sewer mains, manholes, pump stations and force mains that are in City rights-of-way and on City property, and

WHEREAS, the City of Whitewater expends significant resources, through an extensive preventive maintenance program, to keep the sewer system in a good state of repair. Occasionally, however, forces of nature or conditions develop within the system that may cause sewage to back up into a residence or business which are beyond the City's control, and

WHEREAS, the City of Whitewater desires to reduce health hazards by encouraging property owners who have experienced a sewer backup to get it appropriately cleaned up as quickly as possible, and

WHEREAS, the City of Whitewater desires to provide a method for assisting homeowners with the financial burden of a sewer backup even when the City is not legally liable for the resulting damage.

NOW THEREFORE, BE IT RESOLVED by the Common Council of the City of Whitewater that the City will reimburse sanitary sewer customers as set forth in the City's No-Fault Sanitary Sewer Backup Damage Reimbursement Policy.

Resolution introduced by Councilmember Kidd, who moved its adoption. Seconded by Councilmember Binnie. AYES: Wellnitz, Grady, Binnie, Goettl, Singer, Kidd. NOES: None. ABSENT: None. ADOPTED: April 7, 2016.

Cameron L. Clapper, City Manager

Michele R. Smith, City Clerk

City of Whitewater
No-Fault Sanitary Sewer Backup Damage Reimbursement Policy

This Policy is a result of, and authorized by, City of Whitewater Common Council Resolution Number 2016-_____

1. GENERAL

1.1 This Policy is intended to increase citizen awareness of the operational dynamics of wastewater collection systems and their responsibilities relative to maintenance and protection against potential property damage from sewer backups. In addition, this policy provides for limited assistance to individuals who have experienced property damage as a direct result of backup of the City's sanitary sewer system even if it is determined the City is not at fault. It is intended to cover isolated incidents and does not cover multiple claims from widespread damage as a result of forces of nature or other situations out of the City's control.

1.2 The City is responsible for maintaining sewer mains, manholes, pump stations and force mains that are in City rights-of-way and on City property. Maintenance of sewer service lines from the City-owned system to the property owner's structure is the responsibility of the property owner.

1.3 The Wastewater Department expends significant resources, through an extensive preventive maintenance program, to keep the sewer system in a good state of repair. Occasionally, however, forces of nature or conditions develop within the system that may cause sewage to back up into a residence or business which is beyond the City's control and which is not an incident in which the City bears responsibility or legal liability.

1.4 For the purpose of this Policy, the term "no-fault" means without the legal fault of the City and without any cause attributable to the property owner. The intent of this Policy is for the City to reimburse (a) property owner(s), up to the limit(s) established in this Policy, for clean-up costs and repairs to buildings for damages resulting from a City sanitary sewer backup irrespective of whether the City was legally negligent or legally liable for those damages under the controlling provisions of law.

1.5 For the purpose of this Policy the term "sanitary sewer backup" or "sewer backup" means any backup of sewage from the City owned and maintained sanitary sewer or sewer force main system. It does not include stormwater backups or backups caused in areas that are the responsibility of the property owner.

1.6 Overflowing drains and toilets as a result of water running in the house or business is not considered a backup from the City's sewer system, i.e., if there is a pipe blockage, and the resident continues to flush toilets and run water causing an overflow, it is not considered a sewer backup under the definitions of this policy.

1.7 Any kind of damage caused by the potable water system within the structure, including overflows of sinks, toilets, tubs, showers, washing machines or broken water tanks and pipes is not covered by this policy.

2. PURPOSE

2.1 This Policy is intended to:

- A. Reduce health hazards by encouraging property owners who have experienced a sewer backup to get it appropriately cleaned up as quickly as possible.
- B. Provide a method for assisting homeowners with the financial burden of a sewer backup even when the City is not legally liable for the resulting damage.
- C. Educate the public as to the City’s limitation of liability and the responsibility and options of residents to protect their own assets.

2.2 The City shall be the sole and exclusive judge of the claims submitted under this Policy and the payments made hereunder are not entitlements, but are intended to be made in the nature of “courtesy” or “good will” payments and are made subject to fund availability.

3. COMMUNICATION

3.1 To enhance public education, City Staff may develop an educational program designed to inform the public as to the inherent vulnerabilities of wastewater collection systems and what the public can do to protect their health and property from damage from potential sewer backups. This information may be disseminated through various methods available to the City including, but not limited to, websites, newsletters, public speaking events, advertisements and utility bill inserts.

4. PROGRAM

4.1 As part of the contract for the provision of sewer services to the customers of the City, and in consideration of payment of sewer bills, the City agrees to reimburse its sanitary sewer customers for ~~up to \$7,500~~ of cleanup costs, property damages, and mechanical equipment, essential to the habitation of the residence, caused by a sanitary sewer backup, irrespective of whether the City is legally liable for those damages. Included in the \$7,500 limit is reimbursement of personal property and/or possessions, up to \$1,000. The program will have an annual aggregate limit of \$30,000 per all occurrences. Reimbursement is subject to the following conditions:

- A. The backup must have resulted from a condition in the City’s sanitary sewer system or lines and not from a condition in a private line.

- B. The backup must not have been caused by catastrophic weather or other event for which Federal Emergency Management Assistance is available.
- C. The backup must not have been caused by an interruption in electric power to the City's sewer system or to any other City lift station.
- E. ~~The City will not reimburse any costs which have been or are eligible to be covered under the property owner's homeowners or other property insurance.~~
- F. The maximum amount that the City will reimburse is a ~~one-time amount of up to \$7,500 per sewer lateral~~, provided there has been no change in ownership since the last paid claim. In this regard, a structure or group of structures served by a single connection to the City's sewer system is considered a single lateral.
- G. Coverage under said policy shall only be extended to customers of the City of Whitewater wastewater collection system.
- I. All claims for reimbursement under this Policy must be submitted to the City Clerk ~~within one hundred twenty (120) days after the incident occurs.~~
- J. The Finance Director may refer claims for reimbursement to an independent insurance adjuster for investigation, recommendation, and compensability determination on an as needed basis.
- K. The determination as to whether to make payment for loss under this Policy shall be based on the following criteria:
1. Whether an eligible claimant suffered an otherwise uninsured property loss, caused by breach or backup of a City-owned sanitary sewer line, under circumstances where the claimant acted responsibly to avoid the loss; and
 2. If so, whether the extent of the loss has been adequately substantiated.
 3. The following shall result in the denial of a claim:
 - (a) Claim not timely submitted;
 - (b) Loss fully covered by private insurance;
 - (c) Claimant ineligible under the terms of this policy;
 - (d) Loss caused by an irresponsible act of the claimant, claimant's employee or agent, or member of claimant's household;
 - (f) Loss eligibility unsubstantiated;
 - (g) Any other conditions or criteria determined as appropriate by the City.
 4. The following shall result in reduction of payment:
 - (a) Loss partially covered by private insurance;
 - (b) Loss exceeds funding limits of this Policy/Resolution;
 - (c) Verification of loss inadequate or incomplete;
 - (d) Claimant did not cause the problem but failed to act responsibly to minimize the loss;
 - (e) ~~Property sewer bills are not current;~~

- (f) ~~There exist outstanding amounts owed to the City associated with the property or property owner (any payment by the City will be reduced by outstanding amounts owed);~~
 - (g) Loss for an occurrence exceeds financial parameters established by the City Council;
 - (h) Any other conditions or criteria determined as appropriate by the City.
- L. A property owner receiving reimbursement under this program may be encouraged to install a sewer backflow prevention device. The cost of the device and its installation is eligible for reimbursement under this program.
- M. Tenant and Property Owner Claims: Claims from a tenant and property owner that were affected by the same backup will be received separately, but will jointly be restricted to the \$7,500 limit including no more than \$1,000 for personal property and possessions. The City will determine a fair and equitable way of allocating the funds per lateral.
- N. Cleanup costs and real property damages are reimbursable up to one-hundred percent (100%) of the cost. Mechanical equipment essential to the habitation of the residence is reimbursable up to fair market value, as determined by the City. Personal property and possessions are reimbursable up to fifty percent (50%) of replacement cost, as determined by the City.

4.2 Cleanup of Real and Personal Property:

- A. Upon discovering a break, leak, backup or other failure of City facilities, or any damage resulting from the same, ~~a property owner shall immediately notify the Public Works Wastewater Utility of such event.~~
- B. Upon notification of the occurrence of the event, Public Works will respond as determined appropriate and as resources allow.
- C. To request reimbursement for damaged property or other loss, related to a sewer backup, the property owner must complete a Notice of Claim form and file it with the City Clerk. Once the claim is filed, City staff and the City's agents will review and investigate it, and determine compensability.
- D. ~~In the event the property owner engages the services of a cleanup/mitigation contractor the City may reimburse the property owner for actual expenses incurred by the property owner, but only up to the amount the City or its agents determine is reasonable and appropriate. All documentation of loss, damage, and mitigation expenses must be provided to the City or its agents in a media and format requested by the City or its agents.~~
- E. This Policy does not cover alleged damages for personal injury.

F. In no event shall the reimbursement total exceed \$7,500 per lateral for cleanup, other mitigation services, repair, and damaged real or personal property.

4.3. This is a one-time sewer backup reimbursement. This reimbursement applies to a building and the property owner(s) at the time of the event. Subsequent sewer backups at building, while owned by the same property owner(s), will not be eligible for reimbursement.

4.4 Payment does not imply liability.

A. Any payment made under this Policy shall not be construed as an admission of nor does it imply any negligence or responsibility on the part of the City for such damage. Any payment made under this Policy is strictly voluntary on the part of the City.

B. Any payment made under this Policy and accepted shall constitute a full and complete release of any and all claims against the City, its officers, employees and agents arising from the incident. No payments shall be made unless the appropriate parties sign a release, approved by the City Attorney, of all claims against the City.

4.5. Notwithstanding any other provisions of this Policy, no claim shall be accepted from the United States or any of its departments or agencies, the state or any political subdivision, the University of Wisconsin-Whitewater, the Whitewater Unified School District, or any other taxing district.

Rachelle Blich

From: Allison C. De Franze <allisond@cvmic.com>
Sent: Wednesday, December 18, 2024 12:07 PM
To: Rachelle Blich
Subject: Islas Martinez v City of Whitewater

CAUTION: This email originated from outside of the organization. Do not click links or open attachments unless you recognize the sender and know the content is safe.

Hi Rachelle,

I am in receipt of the sewer claim that has been filed by Jorge Islas-Martinez against the City of Whitewater. As you are aware, sewer issues are specifically excluded from coverage under Section VII (3) of the CVMIC GL policy, and as such, there is no coverage for this claim or any other claim arising out of this incident. The City of Whitewater is self-insured for this claim, and should the City decide to settle this matter, any settlement would be from City funds.

Though CVMIC generally recommends denial of sewer claims due to several applicable state immunities, I found out today that there is a City policy in place which reimburses homeowners for no-fault sanitary sewer backups.

I understand that the City is looking to reimburse Mr. Islas- Martinez for up to \$7500 of his claimed damages. I also understand that Mr. Islas-Martinez's insurance company, Farmers, has already paid him his \$2500 policy limit for damages. Therefore, Mr. Islas-Martinez is only eligible for \$5000 in direct reimbursement from the City.

However, it is my opinion that the City may now also have to re-pay Mr. Islas-Martinez's insurance carrier, despite the fact that the City policy indicates that it will not reimburse an insurance company. The City can choose to adhere to its policy, pay Mr. Martinez the remaining \$5000, and deny the carrier's claim, but will then likely be sued by the carrier.

I recommend payment of \$2500 to Farmers and payment of \$5000 to Mr. Islas-Martinez, once executed releases have been received from both parties.

Please let me know if you have any further questions or would like to discuss.

Thank you!

Procedure for Processing a Liability Claim

1. Purpose

This document outlines the step-by-step procedure for processing liability claims to ensure a standardized, efficient, and fair review process.

2. Scope

This procedure applies to all liability claims filed against the City of Whitewater, including but not limited to personal injury, property damage, and financial losses.

3. Responsibilities

The Claims Administrator is responsible for receiving, reviewing, and coordinating the investigation of claims. The Director of Finance is responsible for the duties assigned to this role.

The Legal Department ensures compliance with legal requirements and provides guidance on liability matters. All claims and supporting documentation will be submitted to CVMIC for a review and recommendation.

The Finance Committee is responsible for reviewing and approving or denying all claims, supporting documentation and recommendations.

4. Procedure

4.1 Claim Submission

Claimants must submit a written claim form provided by the City, including all required supporting documentation, such as incident reports, photographs, invoices, or medical records.

Claims should be submitted via email, postal mail, or in person to the Finance Department.

The Claims Administrator logs the claim and supporting documentation into the claims management system to obtain a recommendation.

4.2 Acknowledgment of Receipt

The Claims Administrator sends a written acknowledgment to the claimant within five (5) business days of receiving the claim.

The acknowledgment should include the expected processing timeline.

4.3 Initial Review and Verification

The Claims Administrator verifies that all required information has been provided.

If information is incomplete, the claimant is notified in writing and given a deadline to provide missing details.

4.4 Investigation

The Claims Administrator conducts a thorough investigation, which may include:

Interviewing relevant parties (e.g., witnesses, employees, or contractors).

Reviewing applicable policies, contracts, and safety protocols.

Gathering additional evidence, such as video footage or maintenance logs.

The investigation should be completed within 30 business days unless additional time is required.

4.5 Determination of Liability

Based on the investigation findings, a determination is made regarding the organization's liability.

If the organization is deemed liable, an assessment of damages is conducted.

The Legal Department reviews high-value or complex claims before approval.

4.6 Sewer Backup Damage Claims

The intent for this program is to reduce health hazards by encouraging property owners who have experienced a sewer backup to get it appropriately cleaned up as quickly as possible and to provide a method for assisting homeowners with the financial burden of a sewer backup when the City is not legally liable for the resulting damage.

The City can choose to reimburse a customer up to \$7,500 of clean up costs, property damages, and mechanical equipment, essential to the habitation of the residence cause by sanitary sewer backup.

The following guidelines should be used when considering a claim:

- A. The backup must have resulted from a condition in the City's sanitary sewer system lines and not from a condition in a private line.
- B. Claim should be submitted to the City within 120 days of the incident.
- C. Payments should only be considered for customers not covered or with limited coverage of insurance. The appropriate documentation should be submitted for the claim.
- D. The property sewer bills should be current.
- E. This is a one-time payment per lateral.

4.7 Claim Approval or Denial

The Finance Committee is responsible for approving or denying all claims submitted to the City.

The claimant is notified in writing of the decision:

If approved, the notification includes the settlement amount and payment terms.

If denied, the claimant is provided with a written explanation of the reasons for denial.

Claimants may appeal a denial by submitting a written appeal within 15 business days.

4.8 Settlement and Payment Processing

Upon approval, the Finance Department processes payment according to the agreed terms.

A release of liability form may be required before payment is issued.

Payment should be processed within 15 business days of approval unless additional time is needed to complete all necessary paperwork.

4.9 Record-Keeping and Reporting

All claim-related documents and correspondence are stored in the claims management system.

5. Compliance and Review

This procedure is reviewed annually to ensure compliance with legal and regulatory requirements.

Updates or modifications are made as necessary to improve efficiency and effectiveness.



Finance Committee Agenda Item

| | |
|-------------------------------------|--|
| Meeting Date: | February 17, 2025 |
| Agenda Item: | Parking Permit Costs |
| Staff Contact (name, email, phone): | Rachelle Blitch, rblitch@whitewater-wi.gov , 262-473-1380 |

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

At the January Finance Committee meeting, the committee reviewed and considered an increase in parking permit fees. They directed the Finance Department to project revenues and expenses while implementing gradual, incremental fee adjustments. Additionally, the committee recommended tapering transfers to the General Fund over time to achieve the target fund balance within 10 years, ensuring sufficient funding for parking lot repaving.

Attached you'll find those projections.

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

FINANCIAL IMPACT
(If none, state N/A)

A \$25 per permit increase would add up to \$4,275 per year in revenue.

STAFF RECOMMENDATION

Staff recommends increasing the cost from \$200 to \$225 in 2025 and another increase in 2029 to \$250 while decreasing the GF transfer by \$5,000 each year starting in 2026. This will allow the city to reach the target fund balance needed to cover the repaving of the lots in 2035. These projections should be revisited every 4-5 years and adjusted for inflationary measures to ensure we stay on target.

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

1. Parking Lot Cost Sheet
2. Parking Permit Projections

| Lot | # Permit Stalls | Repaving Cost | # Non-Permit Stalls | Repaving Cost | Total Repaving Cost | Reconstruction Cost | |
|--------|-----------------|------------------|---------------------|---------------|---------------------|---------------------|-------------|
| A | 0 | \$0 | 59 | \$53,100 | \$53,100 | \$147,500 | |
| B | 0 | \$0 | 66 | \$59,400 | \$59,400 | \$165,000 | |
| C | 0 | \$0 | 8 | \$7,200 | \$7,200 | \$20,000 | |
| D | 10 | \$9,000 | 18 | \$16,200 | \$25,200 | \$70,000 | |
| E | 23 | \$20,700 | 0 | \$0 | \$20,700 | \$57,500 | |
| F | 0 | \$0 | 21 | \$18,900 | \$18,900 | \$52,500 | |
| G | 25 | \$22,500 | 40 | \$36,000 | \$58,500 | \$162,500 | |
| H | 28 | \$25,200 | 19 | \$17,100 | \$42,300 | \$117,500 | |
| I | 0 | \$0 | 18 | \$16,200 | \$16,200 | \$45,000 | |
| J | 8 | \$7,200 | | | \$7,200 | \$20,000 | |
| K | 53 | \$47,700 | 0 | \$0 | \$47,700 | \$132,500 | |
| CENTER | 13 | \$11,700 | 0 | \$0 | \$11,700 | \$32,500 | |
| FOURTH | 11 | \$9,900 | 8 | \$7,200 | \$17,100 | \$47,500 | |
| | | \$153,900 | | | \$231,300 | \$385,200 | \$1,070,000 |

Repaving Costs = \$900/stall

\$42,800

Reconstruction Costs = \$2,500/stall

\$250.29

| | Cost | 225.00 | 225.00 | 225.00 | 250.00 | 250.00 | 250.00 | 250.00 | 250.00 | 250.00 | 250.00 | 250.00 | | |
|----------------|------|--------|--------|---------|---------|---------|---------|---------|---------|---------|---------|---------|-----------|--------|
| | Year | 2025 | 2026 | 2027 | 2028 | 2029 | 2030 | 2031 | 2032 | 2033 | 2034 | 2035 | | |
| Revenue | | | | | | | | | | | | | | |
| Permits | | | 38,475 | 38,475 | 38,475 | 42,750 | 42,750 | 42,750 | 42,750 | 42,750 | 42,750 | 42,750 | | |
| Honor Box | | | 6,000 | 6,300 | 6,615 | 6,946 | 7,293 | 7,658 | 8,041 | 8,443 | 8,865 | 9,308 | | |
| Expenses | | | | | | | | | | | | | | |
| Permit Expense | | | 4,080 | 4,202 | 4,328 | 4,458 | 4,592 | 4,730 | 4,872 | 5,018 | 5,168 | 5,323 | | |
| GF Transfer | | | 30,000 | 25,000 | 20,000 | 15,000 | 10,000 | 5,000 | - | - | - | - | | |
| Fund Balance | | 75,000 | 85,395 | 100,968 | 121,729 | 151,967 | 187,418 | 228,095 | 274,014 | 320,189 | 366,635 | 413,370 | (400,000) | 13,370 |

Target FB to repave in 10 years 385,200



www.whitewater-wi.gov
Telephone: 262-473-0500
Fax: 262-222-5903

Office of Finance
312 W. Whitewater St.
Whitewater, WI 53190

Item 5.

Date: February 6, 2025

To: Finance Committee

From: Rachelle Blitch, Director of Financial and Administrative Services

Re: Outstanding CDA Loan Update

Last spring, the Finance Department initiated a review of outstanding loans recorded on the CDA's balance sheet. As a result of this investigation, certain loans were deemed uncollectible and subsequently written off. Loans associated with businesses that remain active, as verified by the Department of Financial Institutions, were referred to legal counsel for further review and are either being pursued or have already undergone collection efforts.

The CDA has reached a revised agreement with the CEO of Inventalator, including the establishment of quarterly meetings. Negotiations with Slipstream are ongoing, and the company is scheduled to present at the February 20th meeting; however, they have indicated that they are considering filing for bankruptcy. While an initial review did not reveal a personal guarantee, one was later identified. The attorney and the CDA will next assess available options for Scanalytics.



Finance Committee Agenda Item

| | |
|-------------------------------------|---|
| Meeting Date: | February 17, 2025 |
| Agenda Item: | Tax Increment District Calculation |
| Staff Contact (name, email, phone): | Rachelle Blich, rblitch@whitewater-wi.gov , 262-473-1380 |

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

The City currently maintains five Tax Increment Districts (TIDs). The process for determining the increment allocated to each county and individual district is complex and is detailed in the accompanying TID calculation sheets. The amounts listed in Column F represent the revenue forgone by other taxing districts in a given year. This total is then distributed among the individual TIDs based on their respective incremental growth in value. These funds are utilized to support the continued development and administration of the districts.

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

N/A

FINANCIAL IMPACT
(If none, state N/A)

N/A

STAFF RECOMMENDATION

N/A

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

1. 2025 Tax Calculation
2. Jefferson TID Calculation
3. Walworth TID Calculation



Tax Calculation - Tax Year 2023 / Calendar Year 2024

WALWORTH COUNTY

Assessment Ratio: 0.964490125
Lottery Credit: 211.76

VALUATION

Assessed Values: 880,882,950
 Equalized Val:(no tif) 896,192,600
 Equalized Val:(w/ tif) 913,117,300
 State Credits: 1,566,773.88

LEVIES without TIF

State -
 County 2,062,164.50
 Technical College 502,799.27
 School 6,477,014.04
 City 5,681,055.34
 TIF 278,045.93
Total 15,001,079.08

LEVIES with TIF

State -
 County 2,101,108.47
 Technical College 512,294.42
 School 6,599,333.40
 City 5,788,342.79
Total 15,001,079.08

TAX RATES

State -
 County 2.385230035
 Technical College 0.581569231
 School 7.491725660
 City 6.571069164
Gross Tax Rate 17.029594090
 Less School Credit (1.778640261)
Net Tax Rate 15.250953829

TIF BREAKOUT

County 38,943.97
 Technical College 9,495.15
 School 122,319.36
 City 107,287.45
Total 278,045.93

JEFFERSON COUNTY

Assessment Ratio: 1.051140818
Lottery Credit: 211.76

VALUATION

Assessed Values: 133,155,700
 Equalized Val:(no tif) 122,927,000
 Equalized Val:(w/ tif) 128,559,200
 State Credits: 192,576.50

LEVIES without TIF

State -
 County 356,651.54
 Technical College 77,920.59
 School 888,424.99
 City 779,246.66
 TIF 96,319.48
Total 2,198,563.26

LEVIES with TIF

State -
 County 372,992.41
 Technical College 81,490.72
 School 929,130.38
 City 814,949.75
Total 2,198,563.26

TAX RATES

State -
 County 2.801174940
 Technical College 0.611995731
 School 6.977773989
 City 6.120276864
Gross Tax Rate 16.511221524
 Less School Credit (1.446250517)
Net Tax Rate 15.064971007

COMBINED TOTALS

1,014,038,650
 1,019,119,600
 1,041,676,500
 1,759,350.38

-
 2,418,816.04
 580,719.86
 7,365,439.03
 6,460,302.00
 374,365.41
Total 17,199,642.34

-
 2,474,100.88
 593,785.14
 7,528,463.78
 6,603,292.54
Total 17,199,642.34



2024-2025 Budget
Preliminary Budget 12/31/2025

TAX INCREMENT CALCULATION-JEFFERSON COUNTY ONLY

Tax Calculation - Tax Year 2023 / Calendar Year 2024

| Taxing Jurisdiction | (A) Apportioned Levy | (B) Equalized Value (less TID Value Increment) | (C) Interim Value | (D) Equalized Value (With TID Value Increment) | (E) Amount To Be Levied | (F) E - A = Tax Increment | Taxing Jurisdiction |
|--------------------------|-------------------------|--|----------------------|--|----------------------------|---------------------------------|--------------------------|
| County | 356,651.54 | 122,927,000 | 0.002901328 | 128,559,200 | 372,992.41 | 16,340.87 | County |
| City | 779,246.66 | 122,927,000 | 0.006339101 | 128,559,200 | 814,949.75 | 35,703.09 | City |
| School District | 888,424.99 | 122,927,000 | 0.007227257 | 128,559,200 | 929,130.38 | 40,705.39 | School District |
| Technical College | 77,920.59 | 122,927,000 | 0.000633877 | 128,559,200 | 81,490.72 | 3,570.13 | Technical College |
| Total | <u>2,102,243.78</u> | | <u>0.017101563</u> | | <u>2,198,563.26</u> | <u>96,319.48</u> | Total |

| TID Area | Increment Value Increase | Increment % Split | Increment Split Value | | Total Tax Asking: | 6,460,302.00 |
|----------|--------------------------|----------------------|-----------------------|-----------|----------------------|--------------|
| TID # 10 | 691,300 | 0.12274066972 | 11,822.32 | 691,300 | % in Jefferson Cty.: | 0.120620779 |
| TID # 14 | 4,940,900 | 0.87725933028 | 84,497.16 | 4,940,900 | Net Amt.: | 779,246.66 |
| TOTAL | <u>5,632,200</u> | <u>1.00000000000</u> | <u>96,319.48</u> | - | | |



TAX INCREMENT CALCULATION-WALWORTH COUNTY ONLY

Tax Calculation - Tax Year 2023 / Calendar Year 2024

| Taxing Jurisdiction | (A) Apportioned Levy | (B) Equalized Value (less TID Value Increment) | (C) Interim Value | (D) Equalized Value (With TID Value Increment) | (E) Amount To Be Levied | (F) E - A = Tax Increment | Taxing Jurisdiction |
|--------------------------|-------------------------|--|----------------------|--|----------------------------|---------------------------------|--------------------------|
| County | 2,062,164.50 | 896,192,600 | 0.002301028 | 913,117,300 | 2,101,108.47 | 38,943.97 | County |
| City | 5,681,055.34 | 896,192,600 | 0.006339101 | 913,117,300 | 5,788,342.79 | 107,287.45 | City |
| School District | 6,477,014.04 | 896,192,600 | 0.007227257 | 913,117,300 | 6,599,333.40 | 122,319.36 | School District |
| Technical College | 502,799.27 | 896,192,600 | 0.000561039 | 913,117,300 | 512,294.42 | 9,495.15 | Technical College |
| Total | 14,723,033.15 | | 0.016428426 | | 15,001,079.08 | 278,045.93 | Total |

| TID Area | Increment Value Increase | Increment % Split | Increment Split Value |
|----------|--------------------------|-------------------|-----------------------|
| TID # 10 | 5,985,800 | 0.35367244323 | 98,337.18 |
| TID # 11 | 2,762,700 | 0.16323479884 | 45,386.77 |
| TID # 12 | 1,929,200 | 0.11398724940 | 31,693.69 |
| TID # 13 | 1,764,700 | 0.10426772705 | 28,991.22 |
| TID # 14 | 4,482,300 | 0.26483778147 | 73,637.07 |
| | 16,924,700 | 1.00000000000 | 278,045.93 |

Total Tax Asking: 6,460,302.00
 % in Walworth Cty: 0.879379221
 Net Amt.: 5,681,055.34