

*****ATTACHMENTS*****

CITY OF SHEBOYGAN

REQUEST FOR FINANCE AND PERSONNEL COMMITTEE CONSIDERATION

ITEM DESCRIPTION: Res. No. 85-19-20 by Alderpersons Donohue and Bohren authorizing the acceptance of monies from Sheboygan Police Department personnel in the amount of \$3,334.50.

REPORT PREPARED BY: Marty Halverson, Finance Director

REPORT DATE: September 18, 2019

MEETING DATE: September 23, 2019

FISCAL SUMMARY:

Budget Line Item: N/A
Budget Summary: N/A
Budgeted Expenditure: N/A
Budgeted Revenue: N/A

STATUTORY REFERENCE:

Wisconsin Statutes: N/A
Municipal Code: N/A

BACKGROUND / ANALYSIS:

The members of the police Honor Guard Unit approached police supervision requesting upgrades to the uniforms being utilized, which were 25 years old and outdated.

STAFF COMMENTS:

The members of the Honor Guard Unit advised that they wished to provide \$3,334.50 in personal funds in order to assist with the expenses associated with upgrading the uniforms.

ACTION REQUESTED:

Motion to recommend the Common Council adopt Res. No. 85-19-20 by Alderpersons Donohue and Bohren authorizing the acceptance of monies from Sheboygan Police Department personnel in the amount of \$3,334.50.

ATTACHMENTS:

- I. Res. No. 85-19-20

III

4.1

Res. No. 85 - 19 - 20. By Alderpersons Donohue and Bohren.
September 16, 2019.

A RESOLUTION authorizing the acceptance of monies from Sheboygan Police Department personnel in the amount of \$3,334.50.

WHEREAS, the City of Sheboygan Police Department has a standing Honor Guard Unit that is utilized for police functions; and

WHEREAS, the members attached to the Honor Guard Unit approached police supervision requesting upgrades to uniforms being utilized, which were in excess of 25 years old and outdated; and

WHEREAS, the members attached to the Honor Guard Unit advised that they wished to provide \$3,334.50 in personal funds in order to assist with the expenses associated with upgrading the uniforms; and

WHEREAS, in order to upgrade uniforms, the monies were accepted and utilized to assist with the purchase of uniforms and accompanying equipment.

NOW, THEREFORE, BE IT RESOLVED: That the City of Sheboygan Common Council accepts the donation of \$3,334.50.

THIRD READING PASSED

W. Eugene Donohue
James A. Bohren

I HEREBY CERTIFY that the foregoing Resolution was duly passed by the Common Council of the City of Sheboygan, Wisconsin, on the _____ day of _____, 20____.

Dated _____ 20____. _____, City Clerk

Approved _____ 20____. _____, Mayor

CITY OF SHEBOYGAN

REQUEST FOR FINANCE AND PERSONNEL COMMITTEE CONSIDERATION

ITEM DESCRIPTION: Res. No. 86-19-20 by Alderpersons Donohue and Bohren authorizing the acceptance of the State of Wisconsin WISGrant in the amount of \$4,000.

REPORT PREPARED BY: Marty Halverson, Finance Director

REPORT DATE: September 18, 2019

MEETING DATE: September 23, 2019

FISCAL SUMMARY:

Budget Line Item: N/A
Budget Summary: N/A
Budgeted Expenditure: N/A
Budgeted Revenue: N/A

STATUTORY REFERENCE:

Wisconsin Statutes: N/A
Municipal Code: N/A

BACKGROUND / ANALYSIS:

The Sheboygan Police Department previously participated in the State of Wisconsin traffic initiatives during the year 2018 and subsequently was chosen in 2019 to receive \$4,000 for that participation, contingent upon purchasing \$4,000 of equipment to be utilized for further traffic enforcement and notifying the State of Wisconsin of said purchase.

STAFF COMMENTS:

The City of Sheboygan Police Department chose to purchase ten preliminary breath test devices to be utilized to aid Operating While Intoxicated traffic investigations in order to follow the guidelines.

ACTION REQUESTED:

Motion to recommend the Common Council adopt Res. No. 86-19-20 by Alderpersons Donohue and Bohren authorizing the acceptance of the State of Wisconsin WISGrant in the amount of \$4,000.

ATTACHMENTS:

- I. Res. No. 86-19-20

III

A.2

Res. No. 86-19-20. By Alderpersons Donohue and Bohren.
September 16, 2019.

A RESOLUTION authorizing the acceptance of the State of Wisconsin WISGrant in the amount of \$4,000.

WHEREAS, the City of Sheboygan Police Department previously participated in State of Wisconsin traffic initiatives during the year 2018 and subsequently was chosen in 2019 to receive \$4,000 for that participation, contingent upon purchasing \$4,000 of equipment to be utilized for further local traffic enforcement and notifying the State of Wisconsin of said purchase; and

WHEREAS, in order to follow the guidelines set forth by the State of Wisconsin, the City of Sheboygan Police Department chose to purchase 10 Preliminary Breath Test devices to be utilized to aid Operating While Intoxicated traffic investigations, at a total cost of more than \$4,000; and

WHEREAS, proof of purchase and payment was provided to the State of Wisconsin and subsequent reimbursement was provided to the City of Sheboygan Police Department in the amount of \$4,000.

NOW, THEREFORE, BE IT RESOLVED: That the City of Sheboygan Common Council accepts the State of Wisconsin WISGrant in the amount of \$4,000.

Finance + Personnel

Thomas Donohue
James A. Bohren

I HEREBY CERTIFY that the foregoing Resolution was duly passed by the Common Council of the City of Sheboygan, Wisconsin, on the _____ day of _____, 20____.

Dated _____ 20____. _____, City Clerk

Approved _____ 20____. _____, Mayor

CITY OF SHEBOYGAN

REQUEST FOR FINANCE AND PERSONNEL COMMITTEE CONSIDERATION

ITEM DESCRIPTION: Res. No. 87-19-20 by Alderpersons Donohue and Bohren authorizing an appropriation in the 2019 Budget.

REPORT PREPARED BY: Marty Halverson, Finance Director

REPORT DATE: September 18, 2019

MEETING DATE: September 23, 2019

FISCAL SUMMARY:

Budget Line Item: N/A
Budget Summary: N/A
Budgeted Expenditure: General Fund
10121100-530210
Budgeted Revenue: General Fund
10121100-467101

STATUTORY REFERENCE:

Wisconsin Statutes: N/A
Municipal Code: N/A

BACKGROUND / ANALYSIS:

The \$3,334 has been received from the members of the Sheboygan Police Department Honor Guard Unit.

STAFF COMMENTS:

The City of Sheboygan Police Department has purchased the honor guard uniforms and has requested the appropriation to increase the revenue and expenditure budgetary amounts within the 2019 Budget.

ACTION REQUESTED:

Motion to recommend the Common Council adopt Res. No. 87-19-20 by Alderpersons Donohue and Bohren authorizing the appropriation in the 2019 Budget.

ATTACHMENTS:

- I. Res. No. 87-19-20

III

4.3

Res. No. 87 - 19 - 20. By Alderpersons Donohue and Bohren.
September 16, 2019.

A RESOLUTION to authorize an appropriation in the 2019 Budget.

RESOLVED: That the Finance Director be and is hereby authorized and directed to make the following appropriation in the 2019 Budget for the purpose of:

Establishing appropriation for contributions from nine members of the Sheboygan Police Department Honor Guard Unit to be used for Honor Guard Unit uniform improvements.

General Fund	General Fund	
Police Department	Police Department	
Contributions	Operating Supplies	
10121100-467101	10121100-530210	\$3,334.50

Finance +
Personnel

Michael / Bohren
James A. Bohren

I HEREBY CERTIFY that the foregoing Resolution was duly passed by the Common Council of the City of Sheboygan, Wisconsin, on the _____ day of _____, 20____.

Dated _____ 20____, _____, City Clerk

Approved _____ 20____, _____, Mayor

CITY OF SHEBOYGAN

REQUEST FOR FINANCE AND PERSONNEL COMMITTEE CONSIDERATION

ITEM DESCRIPTION: Res. No. 88-19-20 by Alderpersons Donohue and Bohren authorizing an appropriation in the 2019 Budget.

REPORT PREPARED BY: Marty Halverson, Finance Director

REPORT DATE: September 18, 2019

MEETING DATE: September 23, 2019

FISCAL SUMMARY:

Budget Line Item: N/A
Budget Summary: N/A
Budgeted Expenditure: General Fund
10121100-530210
Budgeted Revenue: General Fund
10121100-434211

STATUTORY REFERENCE:

Wisconsin Statutes: N/A
Municipal Code: N/A

BACKGROUND / ANALYSIS:

The WISGrant of \$4,000 has been received to be used for traffic enforcement devices.

STAFF COMMENTS:

The City of Sheboygan Police Department has purchased preliminary breath test devices and has requested the appropriation to increase the revenue and expenditure budgetary amounts within the 2019 Budget.

ACTION REQUESTED:

Motion to recommend the Common Council adopt Res. No. 88-19-20 by Alderpersons Donohue and Bohren authorizing an appropriation in the 2019 Budget.

ATTACHMENTS:

- I. Res. No. 88-19-20



4.4

Res. No. 88 - 19 - 20. By Alderpersons Donohue and Bohren.
September 16, 2019.

A RESOLUTION to authorize an appropriation in the 2019 Budget.

RESOLVED: That the Finance Director be and is hereby authorized and directed to make the following appropriation in the 2019 Budget for the purpose of:

Establishing appropriation for the WISGrant received to be used for traffic enforcement devices.

General Fund	General Fund	
Police Department	Police Department	
Contributions	Operating Supplies	
10121100-434211	10121100-530210	\$4,000.00

FINANCE
Personnel

James A. Bohren
James A. Bohren

I HEREBY CERTIFY that the foregoing Resolution was duly passed by the Common Council of the City of Sheboygan, Wisconsin, on the _____ day of _____, 20____.

Dated _____ 20____. _____, City Clerk

Approved _____ 20____. _____, Mayor

CITY OF SHEBOYGAN

REQUEST FOR FINANCE AND PERSONNE COMMITTEE

ITEM DESCRIPTION: Res. No. 89-19-20: Resolution imposing a residential Recycling Fee for services provided by the City.

REPORT PREPARED BY: David H. Biebel, Director of Public Works

REPORT DATE: September 17, 2019

MEETING DATE: September 23, 2019

FISCAL SUMMARY:

Budget Line Item: N/A
Budget Summary: N/A
Budgeted Expenditure: N/A
Budgeted Revenue: \$1.1M

STATUTORY REFERENCE:

Wisconsin Statutes: N/A
Municipal Code: N/A

BACKGROUND / ANALYSIS:

Res. No. 190-18-19 passed by the City of Sheboygan Common Council stated that it is the sense of the Council that transitioning the City's current manual garbage and recycling program to an Automated Garbage and Recycling Collection Program is in the best interest of the City and that the Department has proposed paying for some of the operational costs related to the Automated Recycling Program through the creation of a \$4.00 Recycling Fee.

STAFF COMMENTS:

The current contract with Waste Management is set to expire on December 31, 2019. The current cost to process recycling is \$0.00 per ton. Due to current economic markets, the value of recyclables has dropped dramatically. The City went out to bid for a new contract starting January 1, 2020. The bids came back at \$90.00 per ton to process recycling.

Even with the increase to the recycling processing and cart leasing costs, the Department of Public Works was able to establish a budget within the proposed \$4.00 recycling fee. This fee establishes an enterprise fund for recycling that separates costs from the garbage portion of the program; as a result, revenues and expenses will be tracked separately.

ACTION REQUESTED: Motion to recommend the Common Council adopt Res. No. 89-18-19 imposing a residential Recycling Fee for services provided by the City.

ATTACHMENTS:

- I. Res. No. 89-19-20
- II. Garbage and Recycling Projection

III

4.5

Res. No. 89 - 19 - 20. By Alderpersons Wolf and Sorenson.
September 16, 2019.

A RESOLUTION imposing a residential Recycling Fee for services provided by the City.

WHEREAS, in Res. No. 190-18-19, the Common Council of the City of Sheboygan expressed its sense that transitioning to an automated garbage and recycling collection program is in the best interest of the City; and

WHEREAS, in Res. No. 190-18-19, the Department of Public Works proposed paying for some of the operational costs related to the automated recycling program through the imposition of a fee ("Recycling Fee"); and

WHEREAS, it is the Common Council's understanding that such a Recycling Fee would not trigger a negative adjustment to the City's levy under Wis. Stat. § 66.0602(2m); and

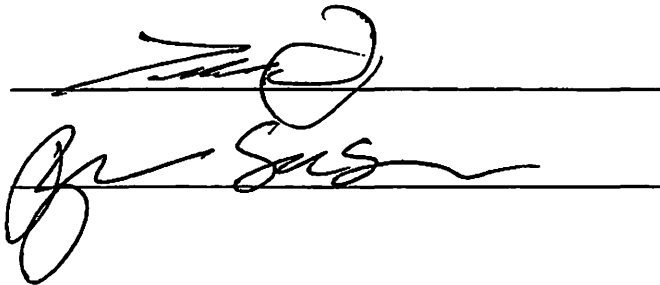
WHEREAS, the City Water Utility will provide administrative support through billing and collection of the Recycling Fee on utility bills.

NOW, THEREFORE, BE IT RESOLVED: That the Common Council hereby imposes a special charge for residential recycling services in the amount of \$4.00 per month per residential unit, with said charge to take effect January 1, 2020.

BE IT FURTHER RESOLVED: That the special recycling charge imposed in accordance with this Resolution shall be a debt due to the City and, if not paid within the time determined by the City, the charge shall be considered delinquent and shall become a lien upon the property. A late payment charge of three percent (3%), but not less than \$0.05 will be added to bills not

*Finance Personnel
Approved*

paid within 20 days of issuance. This one-time three percent (3%) late payment charge will be applied only to any unpaid balance for the current billing period's charge. The household may be given a written notice that the bill is overdue no sooner than 20 days after the bill is issued.



The image shows two handwritten signatures, one above the other, each written over a horizontal line. The top signature is a cursive name that appears to be 'M. J. ...'. The bottom signature is also cursive and appears to be 'J. ...'.

I HEREBY CERTIFY that the foregoing Resolution was duly passed by the Common Council of the City of Sheboygan, Wisconsin, on the _____ day of _____, 20____.

Dated _____ 20____. _____, City Clerk

Approved _____ 20____. _____, Mayor

CITY OF SHEBOYGAN

REQUEST FOR FINANCE AND PERSONNEL COMMITTEE CONSIDERATION

ITEM DESCRIPTION: DIRECT REFERRAL: Res. No. 93-19-20 by Alderpersons Donohue and Bohren authorizing budget adjustments in the "2020 Requested" column of the 2020 Budget.

REPORT PREPARED BY: Marty Halverson, Finance Director

REPORT DATE: September 18, 2019

MEETING DATE: September 23, 2019

FISCAL SUMMARY:

Budget Line Item: N/A
Budget Summary: N/A
Budgeted Expenditure:
Budgeted Revenue:

STATUTORY REFERENCE:

Wisconsin Statutes: N/A
Municipal Code: N/A

BACKGROUND / ANALYSIS:

The "2020 Requested" Budget was reviewed and two errors were detected as well as new information was received from the State of Wisconsin with an adjusted shared revenue amount.

STAFF COMMENTS:

During a review of the budget there were a couple of errors detected. The first in the TID 17 Debt Service Fund, Account No. 32071120-724019 included a favorable adjustment of \$17,472.50. The second in TID 18 Debt Service Fund, Account No. 32171120-729108 included an unfavorable adjustment of \$149,862.50. Lastly, the State of Wisconsin provided the City of Sheboygan with a revised estimate of 2019 Shared Revenue and a 2020 original estimate which revealed a decrease in General Fund Shared Revenue for 2020 of \$598,231. This is a result of the Edgewater Energy Plant being shut down at the end of the year 2018 and a reduced megawatt capacity payment due to the City.

ACTION REQUESTED:

Motion to recommend the Common Council adopt Res. No. 93-19-20 by Alderpersons Donohue and Bohren authorizing adjustments in the "2020 Requested" column of the 2020 Budget.

ATTACHMENTS:

- I. Res. No. 93-19-20

III

DIRECT REFERRAL TO FINANCE AND PERSONNEL COMMITTEE

Res. No. 93 - 19 - 20. By Alderpersons Donohue and Bohren.
September 23, 2019.

A RESOLUTION authorizing adjustments to the 2020 budget requested.

WHEREAS, it was discovered there were errors in the debt service funds related to TID 17 and TID 18 and a revised shared revenue amount was communicated from the state; and

WHEREAS, the TID 17 Debt Service Fund error resulted in a favorable impact to expenditures (32071120-724019) of \$17,472.50; and

WHEREAS, the TID 18 Debt Service Fund error resulted in a negative impact to expenditures (32171120-729108) of \$149,862.50; and

WHEREAS, the General Fund shared revenue change results in a negative impact to revenues (10115100-435100) of \$598,231.

NOW, THEREFORE, BE IT RESOLVED: That the Finance Director is authorized to make the necessary adjustments within the "2020 Requested" of the 2020 budget.

*Finance
Personnel*

I HEREBY CERTIFY that the foregoing Resolution was duly passed by the Common Council of the City of Sheboygan, Wisconsin, on the _____ day of _____, 20____.

Dated _____ 20____, _____, City Clerk

Approved _____ 20____, _____, Mayor

CITY OF SHEBOYGAN

REQUEST FOR FINANCE AND PERSONNEL COMMITTEE CONSIDERATION

ITEM DESCRIPTION: R.O. No. 81-19-20 Submitting the Finance Department Action Plan for the Committee's review.

REPORT PREPARED BY: Marty Halverson, Finance Director

REPORT DATE: September 18, 2019

MEETING DATE: September 23, 2019

FISCAL SUMMARY:

Budget Line Item: N/A
Budget Summary: N/A
Budgeted Expenditure: N/A
Budgeted Revenue: N/A

STATUTORY REFERENCE:

Wisconsin Statutes: N/A
Municipal Code: N/A

BACKGROUND / ANALYSIS:

The 2019 Comprehensive Annual Financial Report ("CAFR") contained three audit findings. As a follow-up, the Finance and Personnel Committee requested that updates be provided to them with an action plan to address the findings

STAFF COMMENTS:

The Finance Department has recognized multiple categories of short comings that need attention and improvement. These categories of need prompted the development of a list of tasks to begin the improvement process. In addition the Common Council approved an operational assessment to be performed by CliftonLarsonAllen ("CLA"). The combination of these two processes is believed to be the start of a long-term strategy to improve the effectiveness, efficiencies, and the operational sustainability of the department. Not any one of these individual tasks will correct the audit findings, but rather the collective group will develop improved policies and procedures along with enhanced training and skills to address the audit findings and create a long-term structure that is successful in meeting the needs of the City.

ACTION REQUESTED:

Motion to recommend the Common Council accept and file R.O. No. 81-19-20 submittal of the Finance Department Action Plan.

ATTACHMENTS:

- I. R.O. No. 81-19-20
- II. Action Plan with supporting schedule

II

DIRECT REFERRAL TO FINANCE AND PERSONNEL COMMITTEE

R. O. No. 81 - 19 - 20. By FINANCE DIRECTOR. September 23, 2019.

Submitting an action plan for the finance department related to but not limited to the audit findings from the 2018 Comprehensive Annual Financial Report ("CAFR").

*Finance +
Personnel*

Finance Director

FINANCE DEPARTMENT ACTION PLAN (September 2019)

Goal: To address the findings by the auditors as identified within the 2018 Comprehensive Annual Financial Report ("CAFR").

Background: The Finance Department has been lacking overall strategic planning, operational effectiveness and efficiencies, and has been severely neglected in training and mentoring. The overall department processes, documentation, and policies and procedures are either out dated or lacking altogether.

Objectives: Address and correct the audit findings by creating a Finance Department structure and operational functionality that is sustainable, accurate, efficient, and effective long-term.

Strategies: Address key components that facilitate the objectives necessary for the department. These include but are not limited to:

- Maintain adequate staffing levels
- Improve office professionalism
- Regular communication to improve information sharing and teamwork (assist those with heavy short-term workloads)
- Regular review of staff job purposes and functions and adjust as necessary
- Regular training for department staff to either maintain or increase necessary skills to perform job functions
- Regular educational updates to increase or maintain knowledge of municipal changes, software updates, and other relevant topics
- Establish, update, and maintain proper documentation and organization of information to improve efficiencies as well as aid in cross coverage of key tasks

Activities: Functions or tasks that will need to take place to be able to achieve the overall goal of improvement within the Finance Department. These functions or tasks include but could vary as the needs of the department change.

- Regular staff meetings
- Regular weekly huddles
- Write up process documentation for regular and recurring tasks
- Cross-training staff (back-ups for key tasks)
 - Challenge is to maintain full segregation of duties
- Regular reconciliations of accounts
 - Primary focus to start is cash
- Operational assessment performed by CLA (began 9/16/19 with estimated time to completion of 2 months)
 - Follow-up items will be identified

Supplemental schedule: Document showing the focus categories and tracking document for the progress through the improvement initiatives and tasks.

City of Sheboygan Finance Department

Categorical Supplemental Schedule

Category	Objective	Started	Completed as of 9/16/19	Expected Completion
Audit	Establish work practices that address concerns from 2018 audit and pro-actively identify, revise and/or correct other weaknesses or risk areas to mitigate audit findings. This category often crosses or is dependent on others such as policy-procedures, cash planning, new plan development, cross training, and system integration.	July 2019	Completion rate is reflected in other categories	
Merge work functions into one system	Improve work flow, efficiency, technological advances, and accuracy of tasks by merging existing work from manual process or aged system (AS400) to single ERP Munis system.	August 2019	0%	June 30, 2020
New Plan Development	Development of plan, process, procedure for work that is new. The work may have been performed in the past, but was discovered to be inconsistent, manual/inefficient and at risk for error and/or fraud. Currently 12 components of this category, each identified as a full project in scope.	August 2019	8%- two projects are partially implemented	2021
Cross Training	Identify and facilitate cross training of co-workers/back up staff for critical functions of Finance. Ensure procedure documentation is created and in place as resource material for critical functions.	September 2019	Position vacancy & move delayed starting.	1 st quarter 2020
Policy – Procedures	Few policies and fewer procedures are created for department. All need review and update. Additionally, policy and procedures for all work flows, functions, and overall responsibilities assigned to the Finance Department need to be created and maintained with a review/revise schedule. Several currently undeveloped policies will need to flow through Common Council. To date. 47 have been identified as needing to be updated,	July 2019	19% are draft completed or in testing. 0% fully implemented or trained.	2020

	created, or finalized and tested. Most of these will need to be implemented across city departments with training included.			
Cash Planning	The city currently has no standardized, predictable process to track, trend, project or forecast cash needs. Policy, procedure, tools and resources need to be developed. This also is dependent on other categories such as merging into one system, policy-procedures. This category will also include in depth analysis and system clean up potentially to be effectively implemented. Research how Munis system can be utilized to support cash management and planning- implement if feasible.	July 2019	5%	2020
Tax Collections	Establish comprehensive procedure guide to include all stakeholders and tasks/action steps required in the tax collection process. Identify owners of functions and due dates for tasks to be complete to support a fluid operational flow to a critical component of the city's work. Have a lead point person identified to be accountable for timeliness and accuracy of the tax collections activities and outcomes.	August 2019	5%	End of November 2019 is the goal.

Notes:

This document does not include the foundational issues of data set up in the Munis system, how Munis system derived work flows may have been erroneously used in prior years, or how work-arounds and manual-based procedures were implemented in Munis. However, as the above projects and tasks are begun, some or all of these data integrity issues will surface and need to be addressed.

This document does not include the impact of implementing change and change management will affect individuals and departments in accepting and implementing changes. These issues will arise and will require significant time and resources to address and overcome which may impact the goal completion dates.

The department priority list is above and beyond the daily tasks and work flows that must be completed by the department and other stakeholders which may impact the timelines.