

MEMORANDUM

DATE: October 29, 2013

TO: Common Council Organizational Committee
Michael P. May, City Attorney

FROM: Heather Allen, Common Council Legislative Analyst

**RE: UPDATE FROM LEGISLATIVE ANALYST &
SUMMARY OF LEAGUE OF WI MUNICIPALITIES MEETING OCTOBER 2013**

DEMOGRAPHIC CHANGE WORK GROUP

Chair: Alder Resnick, President Pro Tem
Members: Alder Cnare, Alder Phair, Alder Weier

The Demographic Change Work Group met on Thursday October 24th. At that meeting the group finalized a summary of the work to date. The summary will be made available to the Common Council at the December Common Council meeting. The Work Group also discussed a short list of policy recommendations to help Madison to address demographic change. The Work Group will also share key recommendations intended to increase access to opportunity for all citizens and improve quality of life for the growing senior population.

ALTERNATIVE SOURCES OF REVENUE WORK GROUP

Chair: Alder Clear
Members: Alder King, Alder Palm

The Alternative Sources of Revenue Work Group continues to examine the rules related to levy limits and fees. This topic was also covered in depth at the League of WI Municipalities (LWM) meeting in Green Bay. Details on the latest information on levy limits can be found in the LWM highlights in this update and the PowerPoint attachment.

EQUITY STAFF TEAM

The Equity Staff Team held its second general meeting as well as several training and listening sessions in October. The team invited Ms. Sonali Balajee, Senior Policy Advisor, Equity and Diversity Initiatives from Multnomah County, Oregon to present to elected officials. Several alders and department heads attended this event. There will also be presentations by Julie Nelson and Glenn Harris, Seattle Department of Civil Rights on November 1, 2013, 8-5PM detailing Seattle's equity assessment tools. Alders are invited to attend this session.

The Equity Team is also working to develop specific objectives and measureable outcomes for the five work groups:

- tools and models
- data
- training
- engagement and equity
- community outreach and messaging.

The Equity Team will meet next on November 18.

LEAGUE OF WI MUNICIPALITIES: HIGHLIGHTS FROM OCTOBER 2013 CONFERENCE

City and Village Levy Limits

Presented by Ehlers: Leaders in Public Finance

Levy limits now include a new negative adjustment for "covered services." A negative adjustment applies if a covered service was funded in whole or part by the tax levy for the 2013 budget year. Key questions for every municipality are 'do we provide any of the covered services (garbage collection, snow plowing, stormwater management, fire protection, street sweeping)?' and 'Was any part of that covered service covered in part or in whole by the current property tax levy in 2013?'

If a municipality charges fees for any of these services, it must reduce the levy limit by the same amount of fee revenue. This only applies to fee increases which are unrelated to growth in number of users or customers. DOR clarified that recycling does not count as garbage collection. So an increase in recycling fees would not be impacted. The League is waiting for more clarification on fire protection charges. There is a secondary provision which applies to PILOT payments. This is similar, that you cannot move to a PILOT system for things paid for by levy. It is unclear what legislature intention is here and how this might play out.

The negative adjustment primarily applies to general fund programs. There may be an opportunity to try and document that a covered service was not funded by levy dollars, and then you could potentially move it off the levy and begin to charge fees for the service. This was verbally communicated by the Department of Revenue's Sue Nelson, but has not been confirmed in writing.

Any amount of levy support for a program, even if it was minimal (like administrative management of garbage collection) indicates that the program is a covered service and all fee increases in future years will require comparable levy reductions. If costs increase and all of the costs are shouldered by the fees - there must be a comparable reduction in levy limits.

Home Rule 101

Mike Morse, Menomonee Falls Village Attorney presented historical information about Home Rule in Wisconsin. Much of the history of local government comes from England. The word "Shire" from England is actually equivalent to the modern "County." In addition, the "Shire reeve" handled the king's law enforcement at the local level; this concept is similar to the modern sheriff. Local officials appointed by the king were called "ealdorman" much like modern alders. Guilds were issued charters to work and operate; such charters are still used today to establish an organization or business.

Wisconsin has several units of government:

- 72 counties (implement state's powers at local level)
- 190 cities
- 400 villages
- 1,260 towns
- 1,100+ special purpose districts

Only cities and villages are created by people. The state creates and runs all other operations. That is why the powers are very different. Villages and cities are generally presumed to be able to do something, unless the state has preempted it. Towns and special purpose districts, counties, only have authority to do certain things as expressly determined by the state. The Constitution of WI and Wisconsin Statutes both provide home rule authority. According to the presenter Statutory home rule is broader (with lots of irregularities/preemption) while constitutional powers are theoretically huge, but fairly well-restricted because courts don't hold these up.

Planning & Financing for Capital Improvement Projects for Small Communities

Presenter Ryan Amtmann from Ruckert Mielke presented a case study of planning for capital improvement projects in the Village of Bonduel, WI. He highlighted the importance of bringing together all the existing plans and data from all agencies to conduct long-range prioritized planning. In this case the team evaluated the existing sanitary sewer system plan, the stormwater master plan, the smart growth plan and planned road projects. In addition interviews with department heads were conducted to identify extraordinary needs, capital costs for needs and priority of projects. This information was collected in a spreadsheet that estimated costs across the Village of Bonduel for all 'essential projects' for the next twenty years. The asset management process helped elected officials and department heads to be on the same page.

REPORTS AVAILABLE ON THE INTRANET

Reports are continually added to the Common Council Intranet website. Two reports have been added since the previous update in September (Monona Terrace Subsidy Trends and Expanding Community Based Services in Dane County). The reports currently available include:

- [Expanding Community Based Services in Dane County \(JFF\)](#)
- [Health Impact Assessment](#)
- [Healthy Vending in Public Facilities](#)
- [Local Hiring for Public Works](#)
- [Monona Terrace Subsidy Trends](#)
- [Opposing WI Assembly Bill 5 and WI Senate Bill 34](#)
- [Public Space and Large Event Recycling and Composting](#)
- [Short-Term Rental Regulations](#)

OTHER ONGOING RESEARCH PROJECTS

- Bed and Breakfast Promotion Models
- Redevelopment of Entertainment Venues and Arenas
- Comparison of Poverty Levels in Aldermanic Districts