

i **City of La Crosse**
Agreed Upon Procedures Report for period 2015 - 2017
December 6, 2018

Presented by Mary Jo Werner, JD, CPA, CFF

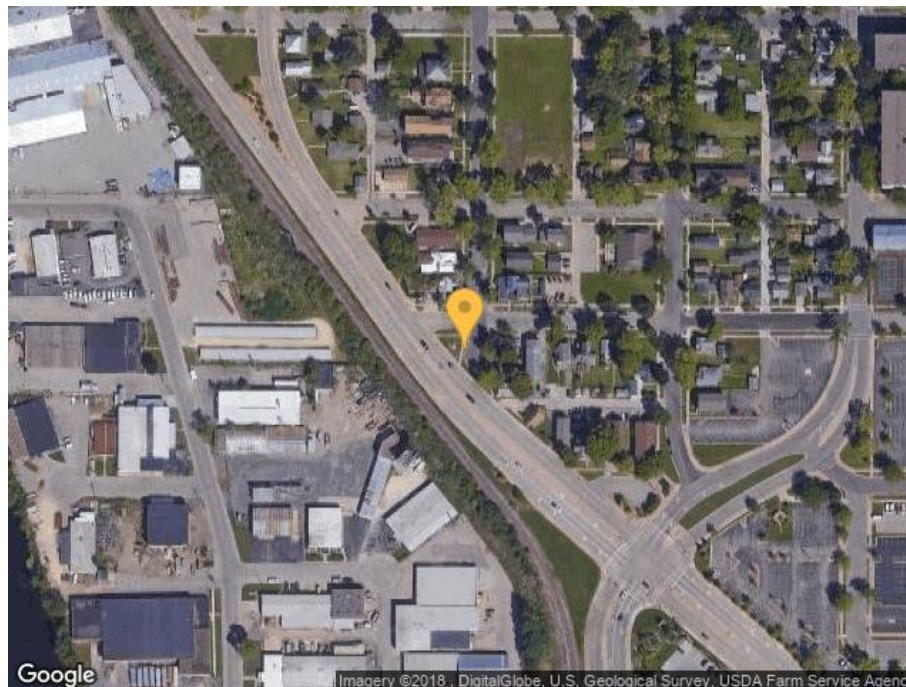
City of La Crosse Has 45 Parks



From the Smallest Park . . .



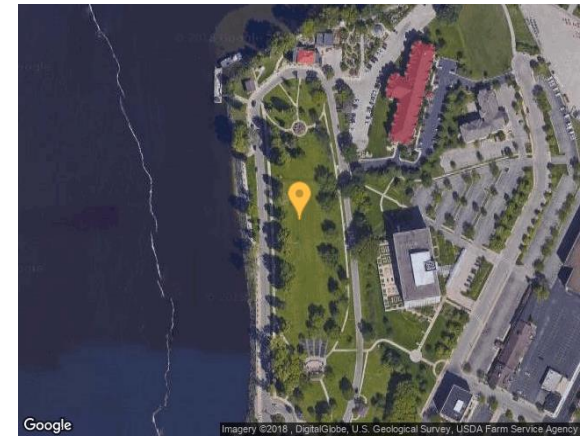
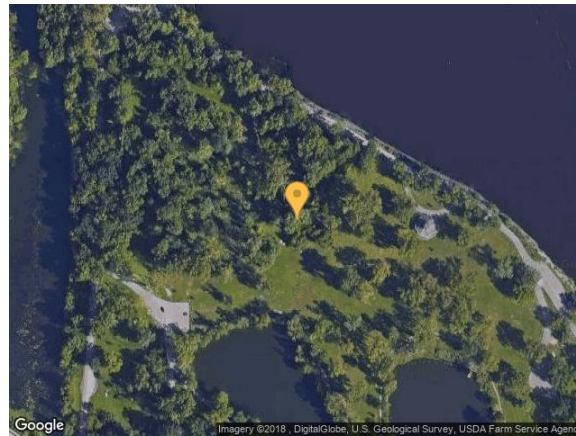
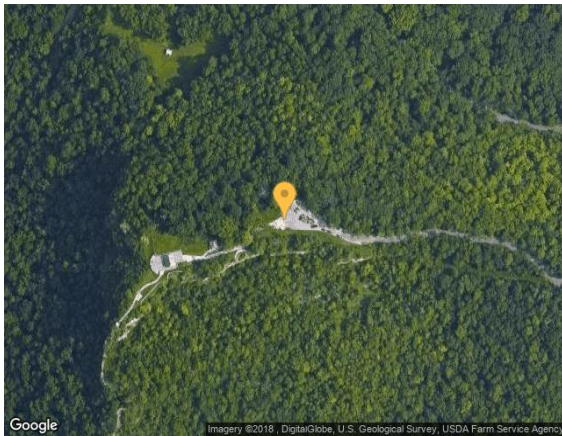
- Little Houska Park



. . .To More Famous Parks



- Granddad Bluff Park
- Pettibone Park
- Riverside Park



Presentation Consists of Four Parts



- Review of financial approval process for capital improvements and capital equipment for City of La Crosse
- Analysis of operations of the Parks, Recreation, and Forestry Department
- Review of specific capital improvements projects for seven parks
- Recommendations

Financial Approval Process



- City of La Crosse code: Last updated in 1980 for capital improvements
- State statutes
- City of La Crosse policy

City of La Crosse Code

- Capital project
 - \$1,000 and asset has life expectancy of one year
- Capital equipment
 - \$100 and asset has life expectancy of one year

Wisconsin Statutes



- Municipal contracts involving construction
 - Amounts over \$25,000 require competitive bids
- Contracts that do not involve public construction
 - No bid required
 - Real estate, refuse, general use equipment, dump trucks

City of La Crosse Policy—Operating Budget



Items
less than
\$1,000

- Three verbal quotes and accept lowest price as long as quality and delivery are acceptable

Items
greater
than
\$1,000

- Three quotes that are documented

City of La Crosse Policy—Purchase of Equipment



- Unit price less than \$5,000
 - Department purchase order
- Unit price greater than \$5,000
 - Finance Department purchase order
- If lowest bid not accepted
 - Board of Public Works must approve prior to purchase

City of La Crosse Policy—Construction Projects



- Projects over \$100,000
 - Request for Proposal (RFP) and Request for Quote (RFQ), public notice, sealed bids/quote
- Projects \$25,000 - \$100,000
 - Engineering Department facilitates, Common Council approves, public notice, sealed bids/quote
- Projects \$5,000 but less than \$25,000
 - Engineering Department approves, no prequalification required
- Projects less than \$5,000
 - No bid and no notice

City of La Crosse Policy—Professional Services Engagements



- No bid required
- Current practice is to retrieve bids
- What if professional services are part of construction?

City of La Crosse Cooperative Agreements



Can bypass RFP and “piggy back”

City of La Crosse—P Card Use



- Employees can make purchases of equipment or supplies
- No purchase order or bidding process is required

City of La Crosse—Purchasing Practice



- All employees are encouraged to use centralized purchasing
 - “Municipal Service Center”
- Supplies expense accounts are set up at various retail sites
- Sole source purchasing

City of La Crosse Parks Department



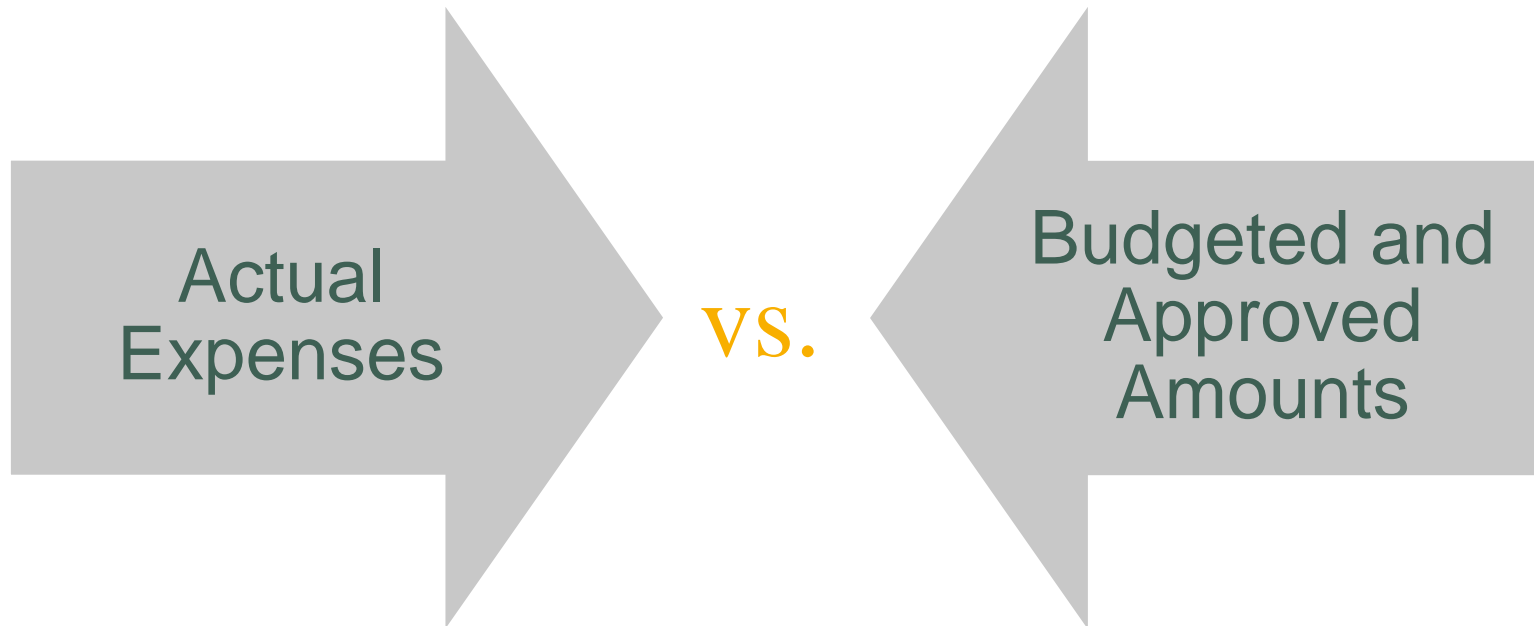
- Strategic Plan
- Capital Improvement Plan (CIP)*
- Actual Practice

*Approved by Common Council

City of La Crosse Parks Department



- CIP approved for specific park improvement expenditures “Park Projects”



City of La Crosse Parks Department



- Excess monies from park projects
 - Who can authorize what happens to these monies?
- Parks projects that are over budget
 - Who can authorize additional funding?
 - Can monies be “moved” and if so, who approves?

City of La Crosse Parks Department



- Cash Handling Procedures
 - Safety of Employees
 - Accuracy of Accounting
 - Check and Verify
 - Transparency

Review of Parks



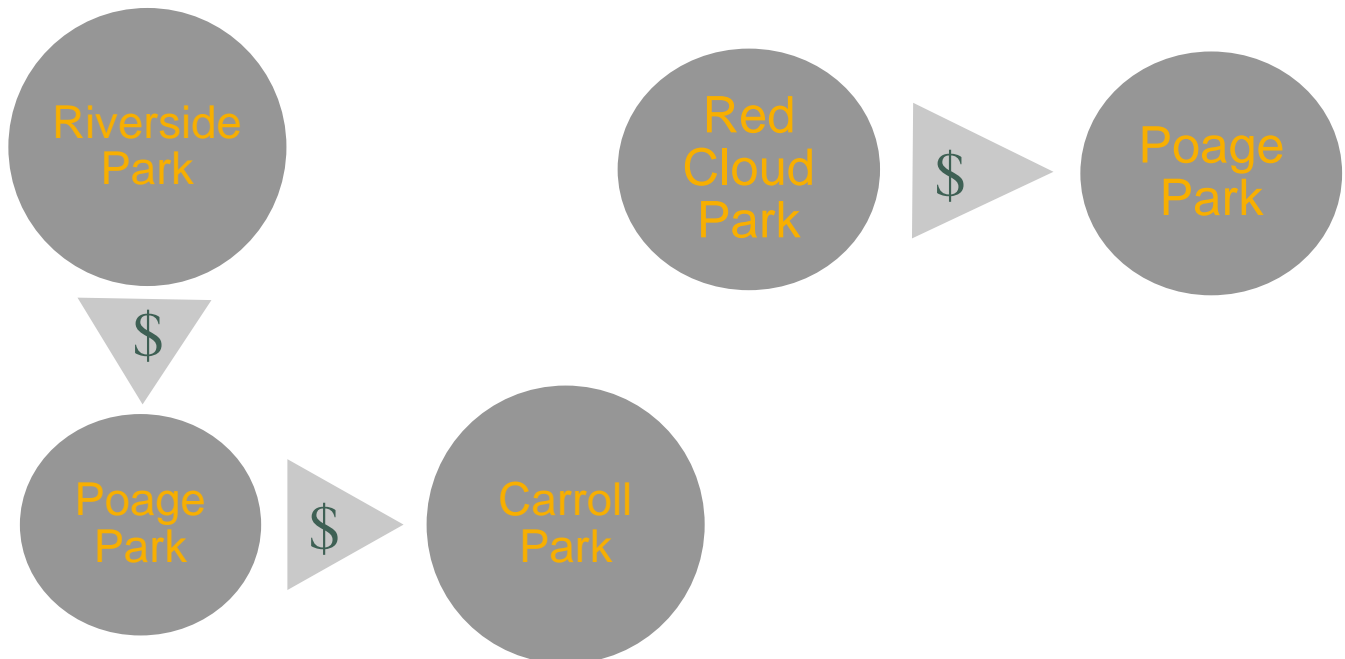
Review of Seven Parks

- Parks Strategic Plan
- Capital Improvement Plan (CIP)
- Actual Results

Poage Park



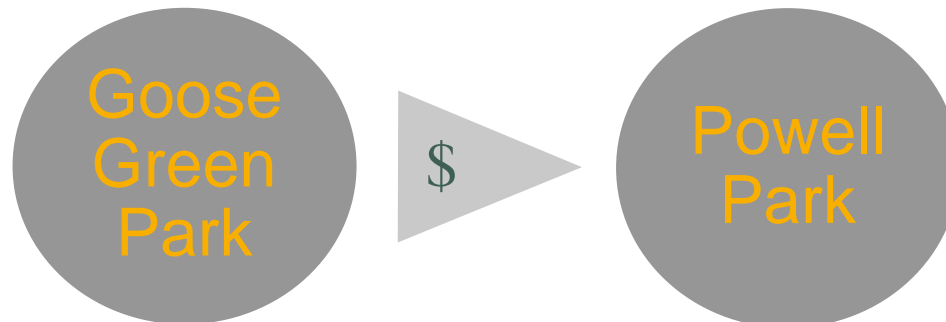
- Parks Strategic Plan—no mention of this park
- CIP in year 2014—\$300,000
- River Architects estimate for improvements in 2014—\$550,000
- Improvements cost over \$1 million
- Where did additional monies come from?



Powell Park



- Parks Strategic plan—\$400,000
- Common Council approval CIP—\$465,000
- Bid—\$410,736
- Shortage of funds?
- Timing of approvals
- Professional services—subject to bid as part of construction or separate expense



Copeland Park



- Parks Strategic Plan—\$1,100,000
- CIP—\$1,020,000
- Loggers improvements—Costs equal approved amounts
- Splash Park—Council approved but cost overrun of \$23,323
- Where did additional funds come from?

Trane All Abilities Park

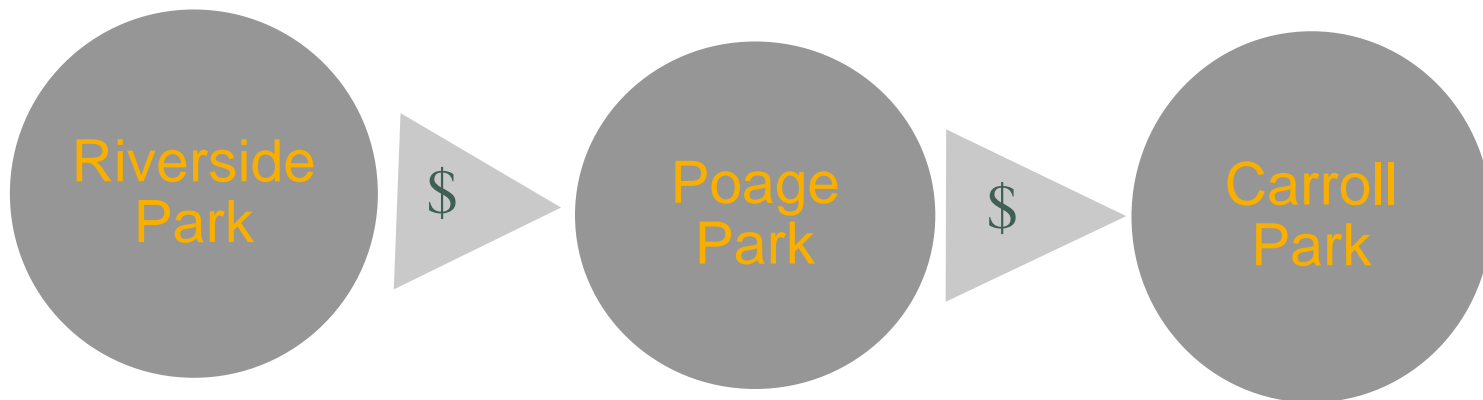


- Parks Strategic Plan—\$3,500,000
- CIP—\$2,870,000
- Projected cost listed on poster in City Hall—\$6,000,000
- How much needs to be raised in contributions and donations from the public?
- Fundraising received from La Crosse Autism Foundation raised \$177,000 so far
- Where is the money going to come from if private donations fall short?

Carroll Park—Phase 1, 2, and 3



- Parks Strategic Plan—\$470,000
- CIP—\$426,000
- Funding Source TIFF
- Where did money come from?



Pettibone Park



- Parks Strategic Plan—\$150,000
 - Canoe/kayak storage
- CIP—\$120,000
- Cost of operating canoe/kayak business
 - Who monitors?
- Funding source
 - Grants
 - Donations

Veterans Memorial Pool

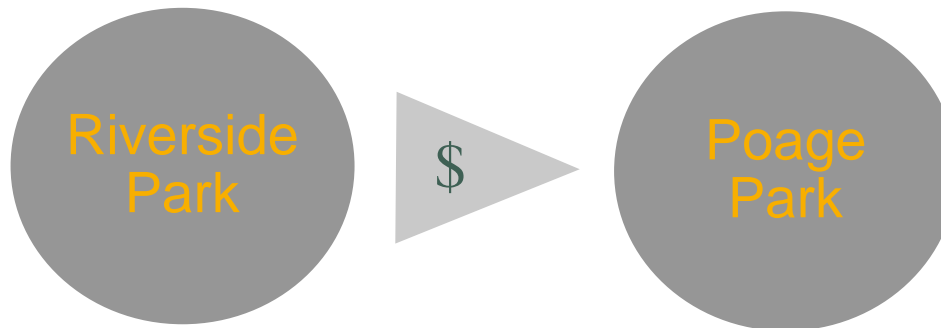


- Parks Strategic Plan—\$2,500,000 total replacement
- CIP—\$2,500,000
- Common Council Resolution—\$3,990,000
- Funding sources
 - New Bond Issue—\$2,500,000
 - Private donations?
- Who monitors the collections?

Riverside Park



- Parks Strategic Plan—\$2,605,000
- CIP—\$2,600,000
- Funding sources
 - DNR grant
 - TIFF
 - New Bond Issue



Recommendations



Recommendations



1. Capital equipment—Over \$1,000 needs Common Council approval
 - Increase
2. Operating expense—Over \$100
 - Increase
 - Employee (certain dollar)
 - Finance Department approval (certain dollar)
 - RFP and RFQ (certain dollar)
3. Purchasing policy consistency and monitoring
 - P card usage
 - Central purchasing
 - Sole source
 - Purchase orders

Recommendations



4. Consistent purchase order document used by all departments
 - When required?
 - Certain dollar amount
5. Cooperative agreements
 - Who reviews?
 - How often?
 - Remove piggyback at certain dollar levels?
6. Cash handling procedures
 - Increase internal controls
 - Transparency
 - Accountability
 - Safety of employees

Recommendations



7. Collaboration between departments

- Finance Department – money and human resources
- Parks, Recreation, and Forestry Department – maintenance of parks
- Engineering Department – Construction projects

8. Parks Department job descriptions

- Titles and duties of employees
 - Review and eliminate duplications
 - Review who reports to whom – streamline
- Review duties
 - Coordinate with Finance Department regarding financial expenditures
 - Solicit input from Parks employees on how to streamline

Recommendations



9. New Parks projects

- Criteria for approvals
- Scoring

10. Criteria for evaluating new Parks projects

- Quality of life
- Safety
- Mandated by federal or state governments
- Competing with other businesses?
- Cost of project per citizen of La Crosse
- Payment
 - Public or private financing
 - How much should be raised before project can begin?
 - “Yesterday’s Lunch”

Recommendations

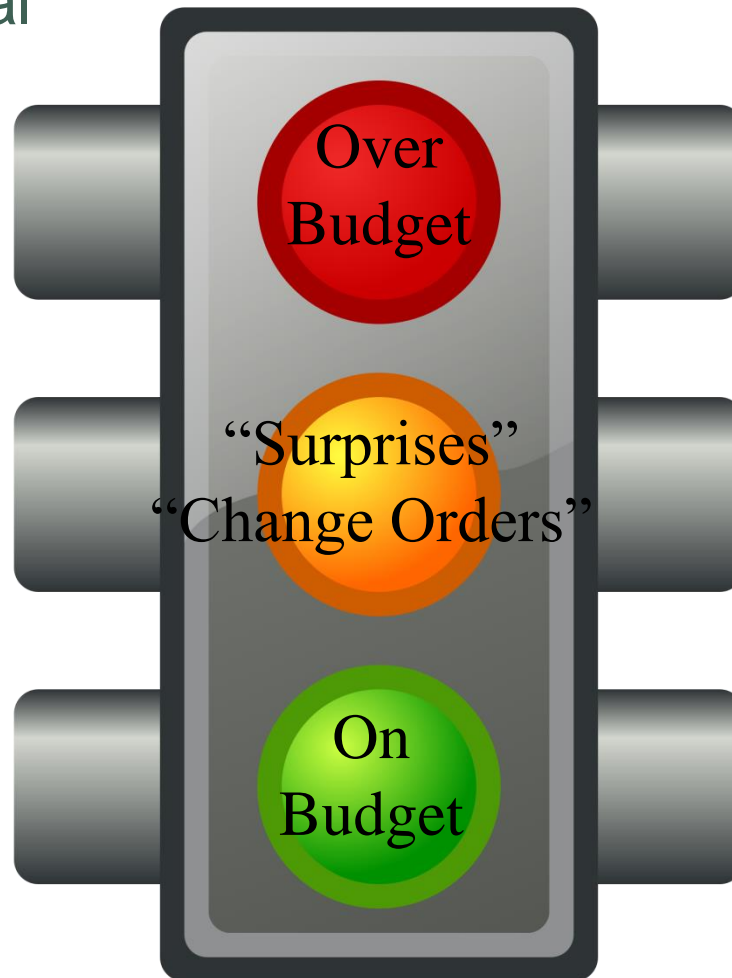


11. Strategic Plan – CIP – Actual

Use stoplight method

Inception-----End of project

Keep Common Council Informed



Recommendations



12. Who approves moving money?

13. Neighborhood funds

- Require accounting and budget stoplights

14. Surveys

- Gather input from citizens



Thank you!

WIPEFLIⁱ LLP

CPAs and Consultants

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